

Volume

3

STATE VOLUNTEER RESOURCE COUNCIL FOR TEXAS YOUTH

Council Operations Manual

AFFILIATED COMMUNITY RESOURCE COUNCIL NETWORK

Council Operations Manual

Texas Youth Commission • Community Relations Program
4900 N. Lamar, P.O. Box 4260 • Austin Texas 78765
www.tyc.state.tx.us
Phone 512.424.6090 • Fax 512.424.6283

Last updated October 2008

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Introduction

The State Volunteer Resource Council for Texas Youth (SVRC) has designed this Council Operations Manual as a resource to the community leaders that have joined the SVRC network of affiliated councils dedicated to partnering with the Texas Youth Commission (TYC) in rehabilitating youthful offenders. This manual will be periodically updated as new or revised chapters are distributed at SVRC meetings. We recognize that each affiliated Council will have a unique mission, strategic goals, and a distinct style of operation; however, this manual will attempt to provide information, guidance, and suggestions for issues nonprofit organizations share in common.

ICON KEY

 Valuable information

 Test your knowledge

 Self evaluation

 Policy review

Throughout this manual you will find four opportunities to expand your skill and knowledge base, signified by the icons in the key to the left. You are invited to test your knowledge at the end of each chapter. Don't worry – you won't be given a grade for your answers. The self-evaluation icon will challenge you to take a closer look at your role in the affiliated network, and specifically your function within your local community resource council. Policies reviewed will include those of the Texas Youth Commission, the State Volunteer Resource Council, and requirements of the Texas Nonprofit Corporation Act, Internal Revenue Service, Texas Secretary of State, and Texas Comptroller's Office. Feel free to add personal notes in the margins of your manual. There are sections provided where you are encouraged to add your local council's documentation, such as meeting minutes, agendas, and treasury reports. This publication is intended to be a personal resource to you during your tenure as a Council Member.

The production of this Operations Manual is a result of the SVRC strategic plan in 2002, in which the membership expressed a desire to develop a resource handbook to aid local councils in reaching their fullest potential. It is the SVRC's belief that council members need information, orientation, and training in order to be successful in their work. Contributions to this manual are encouraged and should be submitted in writing to the Texas Youth Commission, ATTN: Volunteer Services Program, P.O. Box 4260, Austin, TX 78765, or by electronic mail to tammy.vega@tyc.state.tx.us.

A great university president once said that he looked for three things in a nonprofit director: “*wealth, wisdom, and work – never settle for less than two.*”

Message from the President

Dear SVRC Council Members,

The SVRC Executive Board would like to personally welcome you as a member of the Affiliated Community Resource Council Network. It is with pleasure that we present to you this Operations Manual. The manual was brought about through recommendations by the Council membership, as they saw a need for a resource handbook to aid each local council member in conducting their business affairs.

The manual will illustrate to you the scope of our existence within the Texas Youth Commission. You will find a Table of Contents that will help identify and direct you to the information you may be seeking. We sincerely believe that too much information is not a bad thing, and we are confident that you will be pleased with all of the information that is provided. We especially encourage you to become familiar with the SVRC Mission & Vision Statements.

As always, please feel free to contact any member of the Executive Board with any questions and concerns, as their contact numbers are listed in Chapter 1. And if you have some good information to share in this manual, please send it to us!

On behalf of the Executive Board, we continue to look forward to serving you and the Councils' needs.

Sincerely,

Sandy Bergman, President



Chapter 1 Quick Reference & Rosters

This chapter will provide quick references to contact and organizational information of the SVRC, TYC, and your local Council.

Kee your Council Roster updated in your Operations Manual. Every member of your organization should have a current copy of this official document.



Each local council is responsible for maintaining an official and accurate roster of its members, officers, contact information, terms of membership/office, and the community resource represented by each member. The Community Relations Coordinator that serves as executive secretary to your council maintains the official roster.

Other references included in this section are the official list of affiliated councils and chapters of the State Volunteer Resource Council, listing of TYC facilities and their Community Relations Coordinators, Central Office organizational chart, and reference materials regarding the Texas Youth Commission and its Volunteer Services Program. The TYC Administrator of Community Relations updates each of these lists as



necessary and distributes the revisions semi-annually at the SVRC meetings.

NCA Art. 1396-2.11B. Voting Members' List for Meeting

“A corporation shall prepare an alphabetical list of the names of all its voting members who are entitled to notice of the meeting. The list must show the address and number of votes each voting member is entitled to cast at the meeting...The corporation shall make the list of voting members available at the meeting...”

My Community Resource Council Roster

Affiliated Councils & Chapters of the SVRC

CHAPTERS • EACH ALLOTTED 1 DELEGATE POSITION
<p>El Paso Community Resource Council 12451 Denim Rd. • El Paso Texas 79938 Coordinator: Daniel Marin • 915.856.9324</p>
<p>McAllen Community Volunteer Council 4513 W. Business 83 • McAllen TX 78501 Coordinator: Tracy Cunningham • 956-631-5111</p>
COUNCILS • EACH ALLOTTED 2 DELEGATE POSITIONS
<p>Community Advisory Council for the Youth of Al Price State Juv. Corr. Facility 3590 FM 3514 • Beaumont TX 77005 Coordinator: Vacant • 409.749.6100</p>
<p>Austin Area Community Advisory Council P.O. Box 600 • Giddings TX 78942 Coordinator: Andy Wier • 979.542.3686</p>
<p>Brownwood Community Advisory Council for the Benefit of TYC Youth P.O. Box 1267 • Brownwood TX 76804 Coordinator: Penny Riggs • 325.641.4240</p>
<p>Corpus Christi Community Resource Council for Texas Youth 422 S. Enterprize Pkwy • Corpus Christi TX 78405 Coordinator: Annalisa Crawford • 361.299.6307</p>
<p>Corsicana Community Resource Council P.O. Box 610 • Corsicana TX 75110 Coordinator: Vacant • 903.872.4821</p>
<p>Crockett Community Resource Council for Troubled Youth, Inc. Rt. 4, Box 66 • Crockett TX 75835 Coordinator: Rachelle Pelham • 936.852.5048</p>
<p>Dallas Youth Resource & Advisory Council, Inc. 1575 W. Mockingbird Lane, Suite 650 • Dallas, Texas 75235 Coordinator: Vickie White • 214.678.3600</p>
<p>Evins Volunteer Council 3801 E. Monte Cristo • Edinburg TX 78539 Coordinator: Fidel Garcia • 956.380.0365</p>
<p>Ft. Worth Resource Council for Youth 2462 E. Long Avenue • Fort Worth Texas 76106 Coordinator: Connie Redford • 817.378.2100</p>

<p>Student Support Council for Gainesville State School 1379 Farm Road 678 • Gainesville TX 76240 Coordinator: Dotty Luera • 940.665.0701</p>
<p>Giddings Community Resource Council P.O. Box 600 • Giddings TX 78942 Coordinator: Andy Wier • 979.542.3686</p>
<p>Volunteer Resource Council for Valley Youth 1438 N. 77th Sunshine Strip • Harlingen TX 78550 Coordinator: Luis Hernandez • 956.425.6567</p>
<p>Houston Area Resource Council for Texas Youth (DBA) 10165 Harwin, Ste. 180 • Houston TX 77036 Coordinator: Denise Kennedy • 713.942.4200</p>
<p>McLennan County Community Resource Council for Troubled Texas Youth 116 Burseson Road • Mart TX 76664 Coordinator: Katherine Davis & Tanya Rosas • 254.297.8200</p>
<p>McFadden Community Advisory Council 2462 E. Long Avenue • Fort Worth Texas 76106 Coordinator: Connie Redford • 817.378.2100</p>
<p>Volunteer Council for Texas Youth in San Antonio 321 N. Center, Suite W-200 • San Antonio TX 78202 Coordinator: Roberto Ruiz • 210.436.1633</p>
<p>Vernon Victory Field Community Advisory Council, Inc. P.O. Box 23 • Vernon TX 76385 Coordinator: Misti Dickerson • 940.552.9654</p>
<p>West Texas Community Resource Council for Troubled Youth P.O. Box 415 • Pyote TX 79777 Coordinator: Donna Garcia • 915.389.5555</p>

2008-10 SVRC Officers

Sandy Bergman, President (San Antonio)

210.436.5885 • 210.632-7358

Johnny Rodriguez, Vice-President (Edinburg)

956.533-3843 • 956.383.1526

Kanita Maxwell, Secretary (Gainesville)

940-665-1575 • 940-736-5705

Glen Hilton, Treasurer (Houston)

832-276-5376

Marissa Layton, Member-at-Large (West Texas)

432-943-6274 • 432-290-4243

TYC Facilities & Coordinators

TYC Central Office

4900 North Lamar, P.O. Box 4260, Austin TX 78765
512.424.6090 FAX 512.424.6283
Administrator of Volunteer Services: Tammy Vega

Institutions

Al Price State Juvenile Correctional Facility
3890 FM 3514 Beaumont Texas 77705
409.724.6388 FAX 409.722.1490
Coordinator: Vacant

Corsicana Residential Treatment Center
P.O. Box 610 Corsicana Texas 75110
903.872.4821 FAX 903.872.6667
Coordinator: Vacant

Crockett State School
Loop 304 Old Huntsville Hwy
Route 4, Box 66 Crockett Texas 75835
936.852.5000 FAX 936.544.2543
Coordinator: Rachelle Pelham

Evins Regional Juvenile Center
3801 E. Monte Cristo Rd Edinburg
TX 78541
956.380.0365 FAX 956.381.1425
Coordinator: Fidel Garcia

Gainesville State School
1379 Farm Road 678 Gainesville
Texas 76240
940.665.0701 FAX 940.665.0469
Coordinator: Dotty Luera

Giddings State School
P.O. Box 600 Giddings Texas 78942
979.542.3686 FAX 979.542.0177
Coordinator: Andy Wier
**McLennan County State Juvenile
Correctional Facility**

116 Burlison Road Mart Texas 76664
254.297.8200 FAX 254.297.8229
Coordinators: Katherine Davis & Tanya
Rosas

**Ron Jackson State Juvenile Correctional
Facility**
P.O. Box 1267 Brownwood Texas
76801
325.641.4217 FAX 325.646.7704
Coordinator: Penny Riggs

Victory Field Correctional Academy
P.O. Box 2010 Vernon Texas 76385
940.552.9347 FAX 940.552.9638
Coordinator: Misti Dickerson

West Texas State School
P.O. Box 415 Pyote Texas 79777
915.389.5555 FAX 915.389.5662
Coordinator: Donna Garcia

Halfway Houses

Ayres House

San Antonio
210.436.1633 FAX 210.435.7976

Beto House

McAllen
956.631.5111 FAX 956.631.5855

Cottrell House

Dallas
214.388.5497 FAX 214.275.4423

Edna Tamayo House

Harlingen
956.425.6567 FAX 956.412.0110

McFadden Ranch

Roanoke
817.491.9387 FAX 817.491.9568

Schaeffer House

El Paso
915.856.9324 FAX 915.856.9623

Turman House

Austin
512.452.6481 FAX 512.452.7054

Willoughby House

Fort Worth
817.244.4992 FAX 817.244.7250

York House

Corpus Christi
361.299.6307 FAX 361.299.6319

Parole & District Offices

Austin District Office

6400 FM 969 Austin Texas 78724
512.927.8181 FAX 512.927.8185
Coordinator: Andy Wier

Corpus Christi District Office

International Bank Tower
3649 Leopard Street, Suite 514
Corpus Christi Texas 78408
361.692.1282 FAX 361.883.0588
Coordinator: Roberto Ruiz

Dallas District Office

1575 W. Mockingbird Lane, Suite 650
Dallas Texas 75235
214.678.3600 FAX 214.678.3632
Coordinator: Vickie White

El Paso District Office

12451 Denim Road
El Paso Texas 79938
915.857.9435 FAX 915.857.0689

Fort Worth District Office

2462 E. Long Avenue
Fort Worth TX 76106
817.378.2100 FAX 817.626.2644
Coordinator: Connie Redford

Harlingen District Office

1810 W. Jefferson
Harlingen Texas 78550
956.423.6634 FAX 956.425.4944

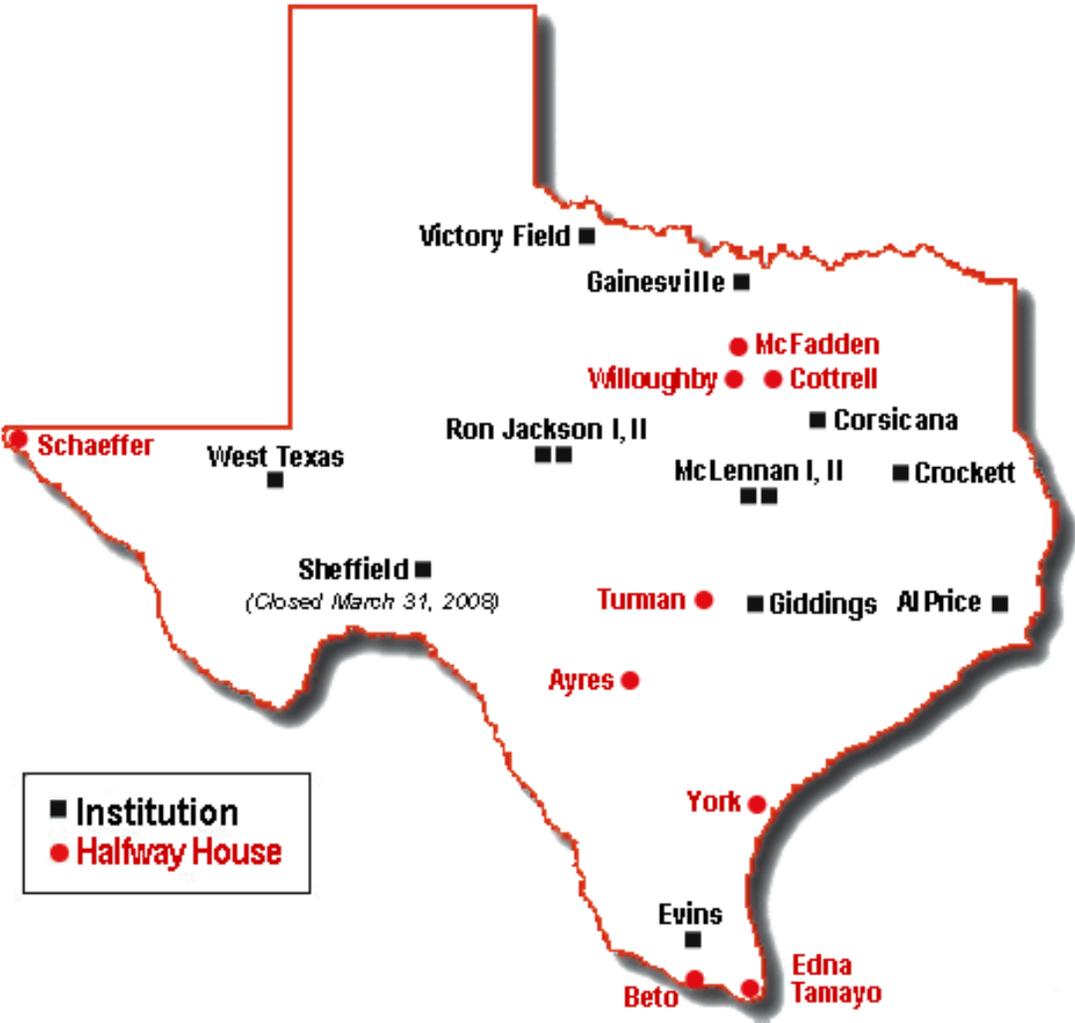
Houston District Office

10165 Harwin 180, Houston, TX 77036
713.942.4200 FAX 713.484.5523
Coordinator: Denise Kennedy

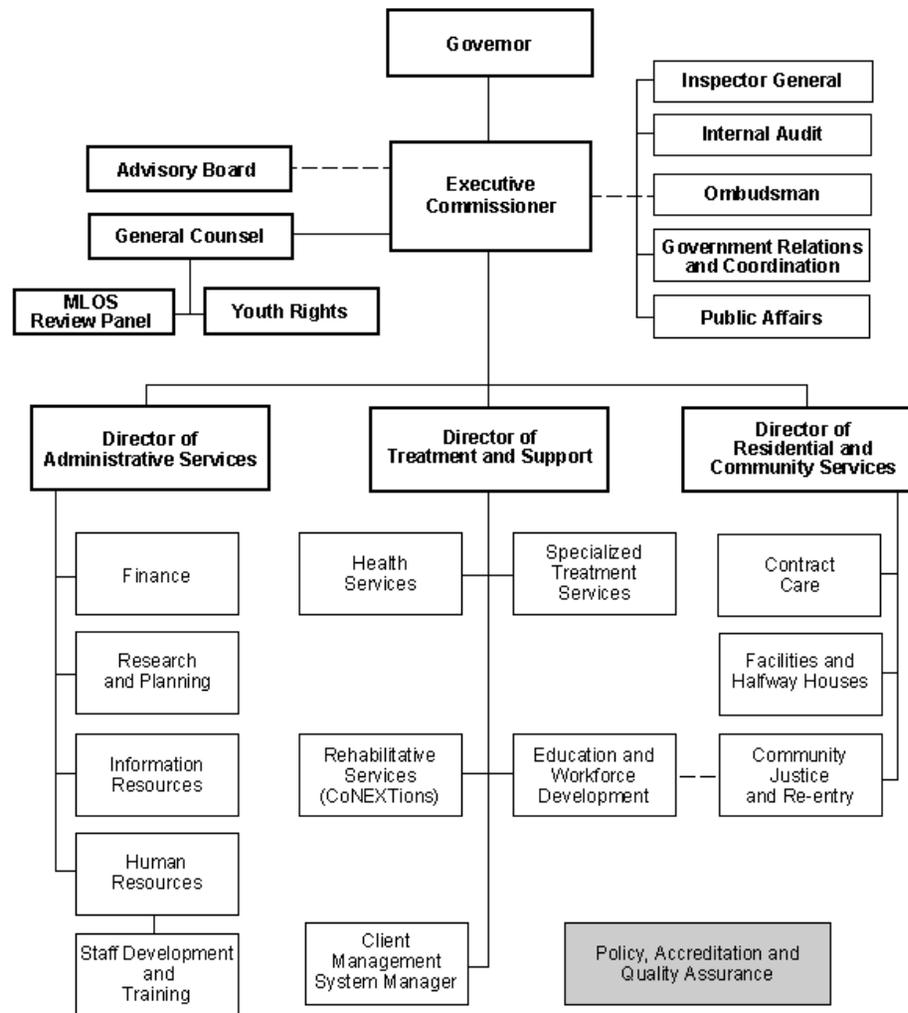
San Antonio District Office

321 North Center, Suite 4002
San Antonio Texas 78202
210.242.7800 Fax: 210.242.7845
Coordinator: Roberto Ruiz

TYC Facilities Map



TYC Organizational Chart



My Local TYC Facility Organizational & Contact Information

TYC Mission Statement & Guiding Principles

Mission Statement

The Texas Youth Commission, the state's juvenile corrections agency, promotes public safety by operating juvenile correctional facilities and by partnering with youth, families, and communities to provide a safe and secure environment where youth in the agency's care and custody receive individualized education, treatment, life skills and employment training and positive role models to facilitate successful community reintegration.

Agency Values

Texas Youth Commission staff value:

The creation of a transparent system of operations that embraces integrity and accountability to ensure safe and secure environments for youth entrusted to the agency's care;

The basic and fundamental rights for youth to have fair and equal treatment, education, and the ability to achieve their full potential;

That dignity, fairness, and respect must be afforded to all people including youth, their families, victims, staff, and volunteers; and,

The power of positive transformation, which requires individual and collective accountability, personal and public integrity, and leading through example.

Guiding Principles

Texas Youth Commission staff adhere to these principles:

TYC will create an organization of which all Texans can be proud.

TYC will value its employees as the agency's greatest asset.

TYC will create an organization where teamwork and collaboration is paramount.

TYC will create an organization that will care about the youth in its care and will strive to make a positive impact on their lives.

TYC will ensure the public is protected by always maintaining safety, security, and control at its facilities.

TYC will create an organization that will be accountable for its actions and that will admit its mistakes.

TYC will create a culture of communication and cooperation throughout the organization.

TYC will promote sound juvenile correctional techniques, best practices, and research.

TYC will protect the fundamental rights of youth.

TYC Volunteer Services

The Texas Youth Commission places a high value on community volunteers. The agency invests personnel resources to effectively manage volunteer services programs in each of our institutions, halfway houses, and parole areas. We believe that our youth are less likely to commit additional crimes when they have a trusting, supportive relationship with a mature adult. Our volunteers model compassionate, responsible living during their interactions with our youth. These services are simply indispensable. Our program focuses primarily on building relationships with youth – through mentoring, chaplaincy and spiritual guidance, tutoring, community resource council projects, coaches, etc.

Program Background

The importance of community volunteers was emphasized in an agreement approved by the federal courts when a class action suit, *Morales vs. Turman*, was settled in 1984. That agreement states that: "The Agency shall take steps to expand the use of volunteers in TYC institutions and facilities. Volunteers shall be utilized to expand students' opportunities for educational and recreational experiences, to provide students with increased social interactions and to assist students, as appropriate, in successfully completing the treatment program."

Philosophy and Mission

The Texas Youth Commission recognizes that all youth, including TYC youth, have a need for a wide range of experiences and positive relationships in order to accomplish the task of normal growth and development. The Texas Youth Commission believes that, through volunteers, the community has the ability to enhance lives of youth by providing meaningful activities and resources that promote pro-social, educational, emotional, and spiritual growth, and healthy family relationships; thus, expanding services provided by staff.

Each TYC program has a volunteer services component administered by a qualified Community Relations Coordinator. The coordinator functions under the direct supervision of the institutional superintendent or quality assurance administrator.

The Mission of the TYC Volunteer Services Department is to maximize community resources and utilize volunteers to provide opportunities that enable youth to become responsible and productive citizens.

Primary Volunteer Initiatives

The TYC volunteer services program seeks to involve the community through four primary initiatives:

Mentoring Program: Volunteer Mentors are carefully screened and selected from local communities, and matched with TYC youth who are recommended for the program by their caseworker or parole officer. Mentors must make a six-month commitment to their

assigned youth, and agree to meet a minimum of one hour each week in establishing and building a trusting relationship that focuses on the goals and needs of the student. Mentoring visits take place usually during the evening and on the weekend. The Community Relations Coordinator supervises mentors. Mentors receive additional guidance and training from Juvenile Correctional Officers and treatment staff.

Tutoring Program: Teachers and caseworkers may refer TYC youth for tutoring services through the volunteer services department. Tutors are carefully screened, selected and trained, then assigned to an individual youth for weekly visits in the classroom. The tutoring assignment focuses on an educational goal identified by the student's teacher. Tutors usually work with students for six to nine weeks at a time. The Community Relations Coordinator supervises tutors. They receive additional guidance and training from educational staff.

Chaplaincy Services: TYC facilities often rely upon the involvement of community volunteers to provide religious training and pastoral counseling services to youth. Hundreds of faithful volunteers visit our institutions and halfway houses each week to direct religious training classes and worship services, as requested by our students. The Community Relations Coordinator supervises religious volunteers. They receive additional guidance and training from the Chaplains at eight of the TYC facilities.

Community Resource Councils: Community councils support the volunteer services work at each institution/program. Councils include representatives of local civic, service and religious organizations who serve because of their individual concern for youth, the community, and the TYC program. Often called Community Resource Councils, these groups of volunteers obtain community assistance, refer projects to known resources, and help inform the community of the facilities' goals, accomplishments, needs and problems. These volunteer councils are private non-profit (501(c)(3) corporations dedicated to the benefit of the young people receiving services from the TYC.

Local councils solicit contributions from businesses, service organizations, corporations, foundations and from individuals. Funds are also raised through various types of fund-raising projects, including car washes, bake sales, food booths, golf tournaments, and annual solicitation campaigns through the mail. The councils use these funds for various projects and activities that benefit the youth committed to the Texas Youth Commission. Examples of such projects are graduation receptions and other education recognition events, financial assistance for family members visiting students, and holiday celebrations. There are 24 volunteer resource councils that benefit the youth we serve. The Community Relations Coordinators provide administrative support to the councils.

In addition to these primary initiatives, volunteers may be involved in unique programs developed by the local TYC institution or facility. These volunteer roles include Foster Grandparents, recreation assistants, music/art teachers, guest speakers, gardening instructors, clerical workers and college interns, to name a few.

Screening Process for Volunteers

A qualified Community Relations Coordinator at TYC facilities screens prospective volunteers and carefully matches selected individuals to a suitable assignment. A volunteer assignment is contingent upon satisfactory completion of:

- Volunteer application
- Criminal and driving record check
- Personal references
- Personal interview
- Agreement of confidentiality, release of liability
- Orientation and job-specific training

Prior Volunteer Involvement

Fiscal year 2008 (figures subject to change)

- 1,569 community citizens enrolled in the volunteer program
- 396 youth were matched to an adult mentor, 12,600 hours of mentoring services were provided to TYC youth
- 95,358 total volunteer hours contributed to the agency
- \$2,017,141 total cash and in-kind contributions, including the value of volunteer service hours
- 96,346 hours of community service performed by TYC youth

Fiscal year 2007

- 1,900 (estimated) community citizens enrolled in the volunteer program
- 12,588 hours of mentoring services were provided to TYC youth
- 115,357 total volunteer hours contributed to the agency
- \$2,425,859 total cash and in-kind contributions, including the value of volunteer service hours
- 159,781 hours of community service performed by TYC youth

Fiscal year 2006

- 2,482 community citizens enrolled in the volunteer program
- 13,647 hours of mentoring services were provided to TYC youth
- 119,801 total volunteer hours contributed to the agency
- \$2,485,539 total cash and in-kind contributions, including the value of volunteer service hours
- 186,211 hours of community service performed by TYC youth

Fiscal year 2005

- 2,368 community citizens enrolled in the volunteer program
- 347 youth or 5% of the TYC population were matched to an adult mentor, 15,733 hours of mentoring services were provided to TYC youth
- 125,827 total volunteer hours contributed to the agency
- \$2,591,162 total cash and in-kind contributions, including the value of volunteer service hours
- 168,384 hours of community service performed by TYC youth



- *What is my Council's legal name?* _____
- *When does my membership term end?* _____
- *How many members are listed on my Council Roster?* _____
- *How many SVRC delegate positions are allotted to my Council?* _____
- *What is the name & phone number of my Community Relations Coordinator?*

NOTES:

Chapter 2 Community Resource Councils

This chapter provides a brief overview and history of local community resource councils and other valuable organizational information.

Community resource councils promote citizen involvement at each TYC facility and program, and are *private charitable, tax-exempt corporations established and dedicated for the sole benefit of the youth* receiving services from the state agency. The Texas Youth Commission supports and assists the councils in recruiting members from diverse sectors of the local communities who are concerned citizens or represent primary community resources, such as social services, law enforcement/judicial, education, business, churches/clergy, and media. Prior to their acceptance as a council member, prospective members are required to complete all TYC screening, processing, and training requirements for registered volunteers. The organizational By-Laws outline the process by which members and officers are elected.

Primary Purpose of Councils: *These groups of volunteers act upon requests from the state agency for community assistance; supplement the rehabilitation services for adjudicated youth by securing donations and facilitating activities and projects, refer needs to known resources; and help inform the community of the TYC facilities' and programs' goals, accomplishments, needs and problems.* Councils generally meet once a month and are expected to conduct at least ten meetings annually. There are no dues or fees attached to membership. The typical size of these councils ranges from ten to fifty members. The Community Relations Coordinator employed by the local TYC facility or program is the primary liaison between the community resource council and the state agency. The Coordinator, a non-voting ex-officio member of the council, provides administrative support to the nonprofit organization and serves as its executive secretary.

Local councils solicit contributions for special projects or for general use from businesses, service organizations, corporations, foundations, and individuals. Funds are also raised through various types of fund-raising projects, including but not limited to car washes, garage sales, bake sales, dinners, food booths, golf tournaments, chili cook offs, and annual

solicitation campaigns through the mail. Council members decide how these funds are raised and spent by developing an annual budget and fundraising plan.

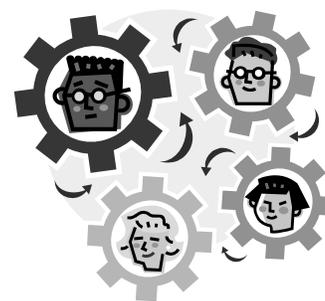
What the Council is NOT

The Council is not a governing board of the Texas Youth Commission or any of its facilities or programs. Although it is important to relay community concerns and suggestions to the administration, it is not the role of the Council to attempt to manage or control the TYC facility, administrators, staff, programs, or its youth. The Community Resource Councils and the Texas Youth Commission must maintain a cooperative working relationship for both to be successful. The primary duties of the Texas Youth Commission pertain to protection, productivity, rehabilitation, and prevention. These responsibilities must always supersede community involvement activities. Councils and other volunteers associated with the Texas Youth Commission are not intended to replace staff, but rather to enhance and complement their professional services with resources not supplied by the state. It's this partnership between the state agency and the local community that leads to a thriving rehabilitation program for youthful offenders.

Expectations for Members

Councils generally expect their members to attend meetings consistently and maintain active involvement throughout their tenure. Organizational bylaws usually assert attendance expectations and provide a provision to release members who are absent to three consecutive meetings, but make exceptions for those suffering from illness, or experiencing extreme family circumstances or other extenuating situations.

Prospective Council members are expected to complete the screening and processing procedures required by the Texas Youth Commission's Volunteer Services Program prior to membership. These procedures, intended to safeguard the young people served by the state agency, include a criminal record check, personal references, application and interview process, job description, and initial and ongoing training. Following official volunteer registration, Council members are expected to abide by all TYC policies, procedures, and guidelines. Furthermore, they are expected to exercise reason and judgment, be courteous and professional in dealing with youth, and be cooperative and compatible in their dealings with TYC employees. While volunteering, individuals are expected to conduct themselves in a manner that neither disrupts nor causes others to disrupt the usual routine of business at a TYC facility or program.



Members are expected to uphold the purpose and mission of the Community Resource Council in their personal and professional associations, and at all times represent the best interests of both the Texas Youth Commission and the adjudicated youth committed to the agency. Council members should remain mindful of community resources that might enhance the rehabilitation of youthful offenders and be willing to lend expertise to the organization to accomplish its strategic goals.

Finally, Council members are expected to take personal responsibility in developing and maintaining an understanding of the organization's purpose, strategic plan, and role; familiarity with the organization's bylaws and articles of incorporation, and awareness of policies and procedures of the Texas Youth Commission.

QUICK FACT

In 1999, the National Center for Nonprofit Boards and Stanford University Graduate School of Business asked 217 board members what factors were most important in their decision to join a nonprofit board. They reported that the two most important factors were the fit of the organization's mission with their personal interests (91%) and the time commitment required by the board (52%). Interestingly, the same survey found that 25% of the directors surveyed sit on three or more nonprofit boards. {Source: *The Nonprofit Governance Index (c) 2002 BoardSource*}

The following sections are based upon information and excerpts from Robert's Rules of Order, Revised. Parliamentary procedure aids an assembly in accomplishing, in the best possible manner, the work for which it was designed.

A Chairman's Role Defined

The presiding officer is ordinarily called the Chairman, or the President – being the most common. In referring to him/herself, one generally says, "the chair," which means the presiding officer of the assembly, regardless of whether the position is permanent or temporary. If the position is only temporary he/she is called the chairman.

The President's duties are generally as follows:

- To open the session at the time at which the assembly is to meet, by taking the chair and calling the members to order;
- To announce the business before the assembly in the order in which it is to be acted upon;
- To recognize members entitled to the floor;
- To state and to put to vote all questions which are regularly moved, or necessarily arise in the course of the proceedings, and to announce the result of the vote;
- To protect the assembly from annoyance from evidently frivolous or time-consuming motions by refusing to recognize them;
- To assist in the expediting of business in every way compatible with the rights of the members, as by allowing brief remarks when undebatable motions are pending, if he/she thinks it advisable;
- To restrain the members when engaged in debate, within the rules of order;
- To enforce on all occasions the observance of order and etiquette among the members, deciding all questions of order (subject to an appeal to the assembly by any two members) unless when in doubt he/she prefers to submit the question for the decision of the assembly; and

- To inform the assembly, when necessary, on a point of order pertinent to pending business.

The chairman should stand up to put a question to vote, except in very small assemblies; one should also stand up when giving the reasons for his/her decision upon a point of order, or when speaking upon an appeal. During debate the chairman should be seated and pay attention to the speaker, who is required to address his/her remarks to the presiding officer. One should always refer to him/herself as "the chair," thus, "The chair decides," etc., not "I decide," etc. When a member has the floor, the chairman cannot interrupt the speaker unless the member breaks any of the rules of the assembly.

The chairman is entitled to vote when the vote is by ballot (but not after the tellers have commenced to count the ballots), and in all other cases where the vote would change the result. Thus, in a case where a two-thirds vote is necessary, and his/her vote thrown with the minority would prevent the adoption of the question, the chairman can cast a vote; so, also, he/she can vote with the minority when it will produce a tie vote and thus cause the motion to fail; but cannot vote twice, first to make a tie, and then to give the casting vote.

Whenever a motion is made referring to the chairman only, or which compliments or condemns the chair with others, it should be put to vote by the Vice President if in the room, or by the Secretary, or on their failure to do so, by the maker of the motion. The chair should not hesitate to put the question on a motion to appoint delegates or a committee on account of his/her being included.

The chairman cannot close debate unless by order of the assembly, which requires a two-thirds vote; nor can he/she prevent the making of legitimate motions by hurrying through the proceedings. If members are reasonably prompt in exercising their right to speak or make motions, the chair cannot prevent their doing so. If the chair has hurriedly taken and announced a vote while a member is rising to address the chair, the vote is null and void, and the member must be recognized.

On the other hand the chairman should not permit the motion of a meeting to be defeated by a few persons attempting to hinder business. In such a case the chairman should refuse to entertain a time-consuming motion, (if an appeal is taken then he/she should entertain it) if agreed by a large majority. The chairman may also refuse to entertain even a motion made by those same few persons when evidently made only to hinder business. But the chair should never adopt such a course merely to expedite business, when the opposition is not being



uncooperative. It is only justifiable when it is perfectly clear that the opposition is trying to obstruct business.

If it is necessary for the chairman to vacate the chair, the Vice President should assume the chair. If there is no vice president, then the chairman may appoint a chairman pro tem, but the first adjournment puts an end to the appointment, which the assembly can terminate before, if it pleases, by electing another chairman. But the regular chairman, knowing that he/she will be absent from a future meeting, cannot authorize another member to act in his/her place at such meeting; the secretary if present, or some other member should in such case call the meeting to order, and a chairman pro tem be elected who would hold office during that session, unless such office is terminated by the entrance of the president or a vice president, or by the election of another chairman pro tem., which may be done by a majority vote.

If the chairman has even the appearance of being a partisan, he/she loses much of the ability to control those who are on the opposite side of the question. There is nothing to justify the unfortunate habit some chairmen have of constantly speaking on questions before the assembly, even interrupting the member who has the floor. One who expects to take an active part in debate should never accept the chair, or at least should not resume the chair, after having made his/her speech, until after the pending question (vote) is disposed of. The presiding officer of a large assembly should never be chosen for any reason *except for his/her ability to preside.*

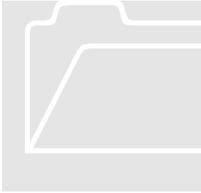
The chairman should not only be familiar with parliamentary usage, and set the example of strict conformity thereto, but he/she should be an individual of executive ability, capable of leading others. One should set an example of courtesy, and should never forget that to lead others it is necessary to control one's self. A nervous, excited chairman can scarcely fail to cause trouble in a meeting. No rules will take the place of tact and common sense on the part of the chairman.

Usually the chairman doesn't need to wait for routine motions, or for a motion to be seconded when he/she knows others favor it, yet if this is objected to, it becomes safer to require parliamentary rules to be observed. By general consent many things can be done that will save much time, but where the assembly is very large, or is divided and contains members who are habitually raising points of order, the most expeditious and safe course is to enforce strictly all the rules and forms of parliamentary law. Whenever an improper motion is made, instead of simply ruling it out of order, it is well for the chairman to suggest how the desired object can be accomplished.

A chairman will often find him/herself perplexed with the difficulties attending this position, and in such cases will do well to remember that *parliamentary law was made for deliberative assemblies, and not the assemblies for parliamentary law.* This is well expressed by

a distinguished English writer on parliamentary law, thus: "The great purpose of all rules and forms is to subserve the will of the assembly rather than to restrain it; to facilitate, and not to obstruct, the expression of their deliberative sense."

Hints to Inexperienced Chairmen



Know all about parliamentary law, but do not try to show off your knowledge. Never be technical, or stricter than is absolutely necessary for the good of the meeting. Use your judgment; the assembly may be of such a nature through its peaceable disposition and ignorance of parliamentary usages, that a strict enforcement of the rules would greatly hinder business; but in large assemblies, where there is much work to be done, and especially where there is liability to trouble, the only safe course is to require a strict observance of the rules.

Never interrupt members while speaking, simply because you know more about the matter than they do; never get excited; never be unjust to the most troublesome member, or take advantage of his ignorance of parliamentary law, even though a temporary good is accomplished thereby.

While in the chair, *have beside you this Operations Manual* containing your Articles of Incorporation, By-laws, and Rules of Order, which should be studied until you are comfortably familiar with them. You cannot predict the moment you may need this knowledge. If a member asks what motion to make in order to attain a certain object, you should be able to tell him at once. You should memorize the list of ordinary motions arranged in their order of precedence, and should be able to refer to the Table of Rules so quickly that there will be no delay in deciding all points contained in it. Become familiar with the first ten sections of Robert's Rules of Order; they are simple, and will enable you more quickly to master parliamentary law. (*The full publication of Robert's Rule of Order can be found at: <http://www.constitution.org/rror/rror-00.htm>*)

You should know all the business to come regularly before the meeting, and call for it in its regular order. Have with you a list of members of all committees, to guide you in



nominating new committees. When a motion is made, do not recognize any member or allow any one to speak until the motion is seconded and you have stated the question. If you have made a mistake and assigned the floor to the wrong person, or recognized a motion that was not in order, correct the error as soon as your attention is called to it. So, when a vote is taken, announce the result and also what question, if any, is then pending, before recognizing any member that addresses the chair. Never wait for mere routine motions to be seconded, when you know no one objects to them.

If a member makes an improper motion, do not rule it out of order, but courteously suggest the proper one. For example, if it is moved "to lay the question on the table until 3 P.M.," as the motion is improper, ask if the intention is "to postpone the question to 3 P.M.;" if the answer is yes, then state that the question is on the postponement to that time. If it is moved simply "to postpone the question," without stating the time, do not rule it out of order, but ask the mover if he/she wishes "to postpone the question indefinitely" (which kills it), or "to lay it on the table" (which enables it to be taken up at any other time); then state the question in accordance with the motion he/she intended to make.

What is an Executive Secretary?



The Executive Secretary is usually a salaried officer (or, in our case - an employee of the Texas Youth Commission) paid to give up a portion of his/her time to work as general manager of an organization under an executive committee. The physical office building of the executive secretary is usually the only such office of the organization, and there the Executive Committee meets and transacts its business. The Executive Secretary is usually ex-officio secretary of the *executive committee*. The members of the executive committee giving their time gratuitously, it is the duty of the executive secretary to prepare for the committee all business that has not been assigned to others, and to see that all its instructions are carried out. He/she is expected to recommend plans of work and conduct the business generally, under the executive committee, and prepare the annual report, which, after being adopted by the executive committee, should be adopted by the full membership, whose report it is.

Important Note: The Executive Secretary for each local community resource council is the Community Relations Coordinator. Acting coordinators in TYC halfway houses and/or parole offices may not have the time necessary to fulfill the full expectations of the position of Executive Secretary, as described above, making it essential that the council members are actively involved in the organization. The Executive Secretary for the State Volunteer Resource Council is the TYC Administrator of Community Relations.

Responsibilities of other officers

Secretary. The secretary is the recording officer of the assembly and the custodian of its records except such as are specifically assigned to others, as the treasurer's books. These records are open, however, to inspection by any member at reasonable times, and where a committee needs any records for the performance of its duties, they should be turned over to its chairman.

In addition to keeping the records and the minutes of the meetings, it is the duty of the secretary to keep a roster of the members and to call the roll when required; to notify officers, committees, and members of their appointment, and to furnish committees with all papers referred to them. The secretary should also *keep this operations manual with them at all times*, in which the articles of incorporation, by-laws, rules of order, and standing rules should all be filed, leaving every other page blank; and whenever an amendment is made to any of them, in addition to being recorded in the minutes it should be immediately entered on the page opposite to the article amended, with a reference, in red ink, to the date and page of the minutes where it is recorded. The secretary should also have, at each meeting, a list of all standing and special committees and prior meeting minutes. The secretary should sit near the chairman, and in the absence of the chairman (if there is no vice president present), it is his/her duty to call the meeting to order, and to preside until the election of a chairman pro tem, which should take place immediately.

In addition to the above duties, the secretary should work cooperatively with the executive secretary to determine an agenda and send out notices of meetings, and to conduct the correspondence of the organization, except as otherwise provided by the executive secretary. Where there is an executive secretary these duties are entrusted to him/her when feasible (see important note above). When the word "secretary" is used it always refers to this recording officer.

The secretary should keep a record of the proceedings, stating what was done during the meetings and not what was said, unless it is to be published, and never making criticisms, favorable or otherwise, on anything said or done. This record, usually called the minutes, is kept as explained in the next section. When a committee is appointed, the secretary should hand the names of the committee, and all papers referred to it, to the chairman of the committee. He/she should endorse on the reports of committees the date of their reception, and what further action was taken upon them, and preserve them among the records, for which he/she is responsible. **Important Note:** The original records of the Council should always be maintained at the registered site of the organization – which is the Executive Secretary's office.

The Minutes. The record of the proceedings of a deliberative assembly is usually called the Minutes, or the Record. The essentials of the record are as follows: (a) the kind of meeting, "regular" (or stated) or "special," or "adjourned regular" or "adjourned special"; (b) legal name of the assembly; (c) date of meeting and place, when it is not always the same; (d) the fact of the presence of the regular chairman and secretary, or in their absence the names of their substitutes, (e) whether the minutes of the previous meeting were approved, or their reading dispensed with; (f) all the main motions (except such as were withdrawn) and points of order



and appeals, whether sustained or lost; (g) and usually the hours of meeting and adjournment, when the meeting is solely for business. Generally the name is recorded of the member who introduced a main motion, but not of the seconder. In some organizations the minutes are signed by the president in addition to the secretary, and when published they should always be signed by both officers.

In the meetings of ordinary organizations, there is no purpose in reporting the debates; only what is "done" by the assembly, and not what is said by the members. The secretary should enter the essentials of a record, and where a vote is by ballot, he/she should enter the number of votes on each side. The proceedings of a committee should not be entered in the minutes, but the report of the committee should be entered. If a report containing resolutions has been agreed to, the resolutions should be entered in full as finally adopted by the assembly, thus: "The committee on... submitted a report with a series of resolutions which, after discussion and amendment, were adopted as follows:" then should be entered the resolutions as adopted. If the report is of great importance the assembly should order it "to be entered on the minutes," in which case the secretary copies it in full upon the record.

Where the regular meetings are monthly, the minutes are read at the opening of each day's meeting, and, after correction should be approved. If the next meeting of the organization will not be held for a long period, as six months or a year, the minutes should be read and approved before final adjournment. However, if this is impracticable, then the executive committee should be authorized to correct and approve them. In this case the record should be signed as usual, and after the signatures the word "Approved," with the date and the signature of the chairman of the committee. At the next meeting, six months later, they need not be read, unless it is desired for information, as it is too late to correct them intelligently.

Treasurer. The duties of this officer vary in different organizations. In probably the majority of cases the treasurer acts as a banker, merely holding the funds deposited and paying them out on the order of the council. The treasurer is always required to make a monthly report and an annual report. If the society has auditors the report should be handed to them, with the vouchers, in time to be audited before the meeting. The auditors having certified to its correctness, submit their report, and the chair puts the question on adopting it, which has the effect of approving the treasurer's report, and relieving him/her from responsibility in case of loss of vouchers, except in case of fraud. If there are no auditors the report when made should be referred to an auditing committee, who should report on it later. Our Councils generally appoint an internal auditing committee to audit the financial documents once annually. A full report of their findings and



recommendations is made at the “annual meeting” – or the first or second meeting of the new fiscal year.

It should always be remembered that the financial report is made for the information of members. The verbal treasury report should only provide a brief summary of the financial activity. However, the written monthly and annual treasury reports should always contain the a) beginning balance of all accounts; b) the source and designation of all funds, with the amounts; c) the recipient and budgeted purpose of all expenditures, with the amounts; d) the ending balance of all accounts; e) all other assets and holdings; and f) the total amount of all organizational assets.

Important Notes: All original financial documentation should be maintained on file at the registered site – which is the executive secretary’s office. Also, the executive secretary usually is responsible for making and reporting deposits on behalf of the organization, but may never be a signatory authority on checks or possess the checkbook.

The role of Administrator of Volunteer Services

The administrator of volunteer services, employed by the Texas Youth Commission, is primarily responsible for administering the Commission’s total volunteer component. The administrator develops policy, program guidelines, procedures, and monitors compliance with policies and procedures for a cohesive system-wide network of volunteer services. He/she serves as liaison between commission administrators and officers of the community volunteer councils, and serves as the executive secretary and facilitates the meetings and business of the State Volunteer Resource Council. Additionally, this individual provides consultation services to the affiliated council network, arranging for continuing education, making recommendations to improve operational procedures, and offering guidance to officers and members as needed. He/she is responsible for facilitating the establishment of a nonprofit corporation in each city where TYC operates programs, and then assisting in maintaining those corporations in good standing with the Secretary of State, Internal Revenue Service, and the Texas Comptroller’s Office. The administrator is further responsible for planning and implementing the annual statewide volunteer conference, cosponsored by the SVRC.

By-Laws, Articles of Incorporation, and other guidelines

By-Laws govern an organization

Condensed excerpts from *Robert’s Rules of Order, Revised*

By-laws should include all the rules that are of such importance that they cannot be changed in any way without previous notice, except those placed in the articles of incorporation (charter) and the rules of order. Few organizations adopt any special rules of order of their own under that name, contenting themselves with putting a few such rules in their by-laws and then adopting some standard work on parliamentary law as their authority, such as Robert's Rule of Order.

Whenever a provision of the articles of incorporation is inconsistent with a by-law, the provision of the articles of incorporation shall be controlling. The by-laws should always provide for their amendment and also for a quorum. If it is desired to permit the suspension of any by-law it should be specifically provided for. By-laws, except those relating to business procedure, cannot be suspended, unless they expressly provide for their suspension. By-laws in the nature of rules of order may be suspended by a two-thirds vote.

If a society wishes to provide for honorary officers or members, it is well to do so in the by-laws. Unless the by-laws state the contrary, these positions are simply complimentary, carrying with them the right to attend the meetings and to speak, but not to make motions or to vote. Honorary presidents and vice presidents should sit on the platform, but they do not, by virtue of their honorary office, preside. Like a college honorary degree, it is perpetual, unless rescinded. So it is proper, where desired, to include in the published list of honorary officers/members the names of all upon whom the honor has been conferred, even though deceased.

Rules of Order should contain only the rules relating to the orderly transaction of business in the meetings and to the duties of the officers. There is no reason why most of these rules should not be the same for all ordinary organizations, and there is a great advantage in uniformity of procedure, so far as possible, in all organizations all over the country. Organizations should, therefore, adopt some generally accepted rules of order, or parliamentary manual, as their authority, and then adopt only such special rules of order as are needed to supplement their parliamentary authority. Every organization, in its by-laws or rules of order, should adopt a rule like this: "The rules contained in [specifying the work on parliamentary practice, such as Robert's Rules of Order] shall govern the society in all cases to which they are applicable, and in which they are not inconsistent with the by-laws or the special rules of order of this society." Without such a rule, any one so disposed can cause great trouble in a meeting.

Constitutions, by-laws, and rules of order, that have been adopted and contain no rule for their amendment, may be amended at any regular business meeting by a vote of the majority of the entire membership; or, if the amendment was submitted in writing at the previous regular business meeting, then they may be amended by a two-thirds vote of those voting, a quorum being present. But each society should adopt rules for the amendment of

its constitution, by-laws, and rules of order, adapted to its own case, but always requiring previous notice and a two-thirds vote.

In organizations having very frequent meetings, and also monthly or quarterly meetings more especially devoted to business, it is well to allow amendments to the by-laws, etc., to be adopted only at the quarterly or annual meetings. In prescribing the vote necessary for the adoption of an amendment, the expression “a vote of two-thirds of the members should never be used in ordinary organizations, especially in large organizations with quorums smaller than a majority of the membership, as in such organizations it is seldom that two-thirds of the members—that is, two-thirds of the entire membership—is ever present at a meeting. If it is desired to require a larger vote than two-thirds (that is, two-thirds of the votes cast, a quorum being present), the expression “a vote of two-thirds of the members present,” should be used. Instead of submitting the amendment in writing, sometimes only notice, or written notice, of an amendment is required. Unless the notice is required to be in writing it may be given orally. In any case, only the intention of the amendment is necessary, unless the rule requires that the amendment itself shall be submitted.

If a committee is appointed to revise the by-laws and report at a certain meeting, this would be all the notice required, and the amendments could be immediately acted upon, if the by-laws required only previous notice of an amendment. But if they required the amendment, or “notice of such amendment,” to be submitted at the previous regular meeting, the revision could not be taken up until the next regular meeting after the committee had submitted its report. The committee may submit a substitute for the by-laws unless it is limited as to its report, as a substitute is an amendment. Great care should be exercised in amending constitutions, etc., to comply with every rule in regard to their amendment.

An amendment to the constitution, or anything else that has already been adopted, goes into effect immediately upon its adoption, unless the motion to adopt specifies a time for its going into effect, or the assembly has previously adopted a motion to that effect.

Amending a proposed amendment to the constitution, etc., may be accomplished by a majority vote, without notice, subject to certain restrictions. The assembly is not limited to adopting or rejecting the amendment just as it is proposed, but no amendment is in order that increases the modification of the rule to be amended, as otherwise advantage could be taken of this by submitting a very slight change that would not attract attention and then moving the serious modification as an amendment to the amendment.

Example: If the by-laws placed the annual dues of members at \$2.00, and an amendment is pending to strike out 2 and insert 5, an amendment would be in order to change the 5 to any number between 2 and 5; but an amendment would not be in order that changed the 5 to any number greater than 5 or less than 2. Had notice been given that it was

proposed to increase the dues to more than 5 dollars, or to reduce them below 2 dollars, members might have been present to oppose the change, who did not attend because they were not opposed to an increase as high as 5 dollars.

Councils are encouraged to become familiar with parliamentary procedure by reading Robert's Rules of Order. You can find the complete publication on the Internet at the following website: www.constitution.org/rror/rror-00.htm



NCA Art. 1396-2.09. By-Laws

The initial by-laws of a corporation shall be adopted by its board of directors or, if the management of the corporation is vested in its members, by the members. The by-laws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation. A corporation's board of directors may amend or repeal the corporation's by-laws, or adopt new by-laws, unless: the articles of incorporation or this Act reserves the power exclusively to the members in whole or in part; the management of the corporation is vested in its members; or the members in amending, repealing, or adopting a particular by-law expressly provide that the board of directors may not amend or repeal that by-law.

Art. 1396-3.02. Articles of Incorporation

The articles of incorporation shall set forth:

- *The name of the corporation.*
- *A statement that the corporation is a non-profit corporation.*
- *The period of duration, which may be perpetual.*
- *The purpose or purposes for which the corporation is organized.*
- *If the corporation is to have no members, a statement to that effect.*
- *If management of the affairs of the corporation is to be vested in its members, a statement to that effect.*
- *Any provision, not inconsistent with law, including any provision which under this Act is required or permitted to be set forth in the by-laws, which the incorporators elect to set forth in the articles of incorporation for the regulation of the internal affairs of the corporation.*
- *The street address of its initial registered office and the name of its initial registered agent at such street address.*
- *The number of directors constituting the initial board of directors, and the names and addresses of the persons who are to serve as the initial directors unless the management of the corporation is vested in its members, in which event a statement to that effect shall be set forth.*
- *The name and street or post office address of each incorporator.*
- *If the corporation is to be authorized on its dissolution to distribute its assets in a manner other than as provided by Article 6.02(3) of this Act, a statement describing the manner of distribution of the corporation's assets.*

Art. 1396-4.01. Right to Amend Articles of Incorporation

A corporation may amend its articles of incorporation from time to time, in any and as many respects as may be desired, so long as its articles of incorporation as amended contain only such provisions as are lawful under this Act.

Art. 1396-4.02. Procedure to Amend Articles of Incorporation

Amendments to the articles of incorporation may be made in the following manner: Where the management of the affairs of the corporation is vested in the members pursuant to Article 2.14C of this Act, the proposed amendment shall be submitted to a vote at a meeting of members. Except as otherwise provided in the articles of incorporation or the by-laws, notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to the members within the time and in the manner provided in this Act for the giving of notice of meetings of members. The proposed amendment shall be adopted upon receiving at least two-thirds of the votes of members present at such meeting.

The value of strategic planning

Many times when Councils go about “business as usual” and focus on maintaining the status quo, the organization often fails to attract new members with innovative ideas and enthusiasm, and even loses the interest of tenured members. The purpose of the

organization becomes vague and members find themselves doing the same old things and attending boring, nonproductive meetings. To make matters worse, the organization's customer becomes neglected, resources become scarce, and the majority of the work falls upon the shoulders of one or two individuals. Sound familiar?

Strategic planning is a process by which organizations develop future and goal oriented objectives by determining a renewed mission and sharing a common vision. These objectives are given life through the establishment of realistic timelines and step-by-step tasks shared equally among the organization's members. Strategic planning fosters accountability of the members themselves, and of the objectives over a predetermined period of time. The result is a living, active organization that takes full advantage of available resources and talented individuals, while constantly adjusting itself to the needs of its customer – *the troubled youth of Texas!* If this sounds like something you want to experience, then read on...

Ideally, Councils engage in strategic planning once every two to three years. Many groups make this a special activity and devote 2 days or more to the process. Some have retreat-style get-a-ways and invite skilled facilitators to lead them through the planning. It's vital that each of the organization's members is given the opportunity to participate. It's also imperative that Councils associated with the Texas Youth Commission involve the facility administrators in the process and first gain an accurate understanding of the needs of the youth they serve. The following are excerpts reprinted from *Strategic Creativity*, Vol. 1, # 2 www.strategic-creativity.org

Selecting a Mission



A mission defines the area of business chosen to help make the vision a reality. It puts boundaries around the organization to channel and focus its efforts. A well-selected mission makes the organization more effective in its operations. It defines the area of the opportunity that will be addressed. As a result, it selects the competition the organization will face. Since it narrows the organization's focus, it can lead to the development of sustainable competitive advantage.

Establishing Goals

Goals are measurable objectives that the organization must reach within an identified time frame. Often it is advisable to establish several different time frames for goals, for example, periods of five and ten years. Goals are steps on the organization's way to actualizing the vision within the chosen area of business. Goals must be attainable but outside the current reach of the organization. The organization needs to be innovative to reach the goals. If the goals are too easily attained, they will not serve to motivate the organization. If the goals are impossible to reach, frustration will develop, and morale will drop.

It is imperative to monitor progress on the path to realization of the goals. This means that the degree of attainment of the goals must be measurable; therefore, a measurement system must be established every time a goal is determined. Goals are indicators of what's worth achieving in and by the organization. They become the "glue" for the organizational structure. Goals can be segmented, and each piece related to the whole. This creates a hierarchy of purpose, and it gives people in the organization a way to identify with the vision. A vision can sometimes be too lofty; people can buy into the vision but not see how they can contribute. Hierarchical goals provide individuals with a way to help the organization and themselves realize the vision.

Developing Strategies

Strategies must inform the organization about how to accomplish the goals within the mission in order to reach the vision. A strategic plan is a statement of how the organization will produce an attractive growth rate and a high rate of return on investment.

To develop strategies, both the positive and negative outcomes must be ranked. Strategies must encompass all the high ranked positive outcomes and avoid or minimize the negative outcomes of the opportunity, vision, mission, and goals. There should be a strategic statement for every high-ranked outcome. The process of establishing a strategy does not lend itself well to hard-and-fast, step-by-step protocol.

Strategies

-  **Decisions that must be made today but which affect the future.**
-  **Major questions of resource allocation that determine the organization's long-term results.**
-  **The calculated means by which the organization will deploy its resources to accomplish its purpose under the most advantageous circumstances.**
-  **The methods to establish a competitive edge, allowing the organization to serve its customers better.**

The strategy is best developed in a group setting with a representative sample of the organization participating. When the strategy is complete, review it against the opportunity: It is imperative that the strategies take advantage of the opportunity. Modify the strategy if required. Sometimes it is advantageous to develop multiple strategies that are then tested with a broader representation of the organization and its stakeholders. This can be done by cycling back and changing one or all of the organization's vision, mission, and goals.

Characteristics of a Good Vision

- ✍ Be short and succinct, clear and unambiguous
- ✍ Is understood by everyone in the organization
- ✍ Lead to distinctiveness
- ✍ Be innovation-rich
- ✍ Provide reason for extraordinary effort
- ✍ Be sustainable through mission, product, technology, and organizational changes
- ✍ Be identifiable with the greater good
- ✍ Help people feel significant
- ✍ Establish the value of learning and competence
- ✍ Unite people and give them a collective identity
- ✍ Make work exciting, not by pushing, but through identification with common goals
- ✍ Establish integrity, dedication, openness, creativity, and courage in the organization
- ✍ Encourage people to think longer term and allow them to understand the whole
- ✍ Encourage people to exert influence beyond their bounds
- ✍ Unite multiple, sometimes conflicting, constituencies
- ✍ Foster thinking in terms of renewal

One Example of Strategic Planning

While many councils have produced excellent strategic plans, we thought it might be helpful to share an example of just one. The San Saba Council developed the following strategic plan in the Spring of 2003 following several retreat-style meetings and with the assistance of professional facilitators. Each member is to be commended for his/her participation in developing the following plan.

SAN SABA TYC VOLUNTEER COUNCIL GOALS, OBJECTIVES, CRITICAL SUCCESS FACTORS AND BARRIERS

San Saba TYC Volunteer Council Goal 1:

Each Volunteer Council member will be trained on board membership

Objective 1.1: Prepare and publish manual, define and establish working committees.

Critical Success Factors/Measures

- A. Establish Committees
 - 1. Long Range Planning
 - 2. Fund Raising
 - 3. By-Laws
 - 4. Nominating
 - 5. Special Events
 - 6. Audit
 - 7. Budget
- B. Receive draft and adapting
 - 1. Review state manual
 - 2. Purchase notebook & paper

Strategies & Actions

- 1. Review forth coming state manual and adapt to our Council
- 2. Establish committees
- 3. Purchase notebook & paper

Barriers

Waiting for manual

Objective 1.2 Upon election, Volunteer Council members will attend formalized board training.

Critical Success Factors/Measures

Inform prospective members prior to installation

Objective 1.3 Volunteer Council members will receive ongoing training

Critical Success Factors/Measures

- 1. Members are aware of goals
- 2. Participation of members

Barriers

Time

Strategies & Actions

- 1. Quarterly volunteer training
- 2. State Council meetings
- 3. Monthly Council meetings
- 4. Facility training
- 5. Outside training. i.e.: Fort Hood, Austin Community College

San Saba TYC Volunteer Council Goal 2:

Increase interaction and relationships with San Saba State School

Objective 2.1: Increase interaction and relationships with School staff

Critical Success Factors/Measures

1. Support of Superintendent
2. Participation
3. Carry out plan

Barriers

1. Lack of information
2. Lack of participation

Strategies & Actions

1. Volunteer Council members and San Saba State School staff plan and hold quarterly mixers
 - a. December
 - b. Caseworkers & Mentors
 - c. Volunteers
 - d. Education
2. Prepare Volunteer Council/Facility monthly and yearly calendar of events
3. Volunteer Council representation on Facility committees like the Family Seminar Committee.

Objective 2.2: Increase interaction and relationships with the youth

Critical Success Factors/Measures

Plan event and carry out

Barriers

1. Space
2. Time
3. Staff

Strategies & Actions

1. Volunteer Council attendance at special events
2. Volunteer Council participation in special events
3. Volunteer Council in various treatment programs
4. Volunteer Council organize and participate in "pen pal" program

San Saba TYC Volunteer Council Goal 3:

Increase community involvement and awareness

Objective 3.1 Provide liaison and public information and increase participation

Critical Success Factors/Measures

Increase in registered volunteers

Barriers

Cost

Strategies & Actions

1. Prepare brochure(s) and press releases
2. Prepare public service announcements
3. Inform public by using speaking engagements
4. Prepare a promotional video
5. Hold a "Volunteer Fair"
6. Institute a "buddy" system

Objective 3.2 Increase recruitment from the community to support needs of the School

Critical Success Factors/Measures

1. Education community
2. Identify groups
3. Organize volunteers to recruit

Barriers

Competition

Strategies & Actions

1. Mentors Recognition
2. Tutors Recognition
3. Board Recognition

San Saba TYC Volunteer Council Goal 4:
Develop Fund Raising Strategies

Objective 4.1: Sponsor events and activities to raise funds

Critical Success Factors/Measures

1. Decide on event
2. Delegate responsibility
3. Advertise

Barriers

1. Weather
2. Conflicts
3. Advertising

Strategies & Actions

1. Volunteer Council host an annual fund raising event
2. Volunteer Council hosts and holds "ongoing" fund raisers. ie: canteen & pictures

Objective 4.2: Prepare request for various grants

Critical Success Factors/Measures

1. Budget and audit
2. Grants
3. Research

Barriers

1. No fund providers
2. Lack of time for research
3. Skilled grant writer

Strategies & Actions

1. Volunteer Council identifies the funding needs
2. Volunteer Council identifies fund sources

Objective 4.3: Solicit donations for major funding requirements

Critical Success Factors/Measures

1. Identify
2. Monitor response

Barriers

1. Limited space
2. No response

Strategies & Actions

1. Volunteer Council identify and contact both corporate and private individuals
2. Prepare letter
3. Follow up

San Saba TYC Volunteer Council Goal 5:

Support as needed and encourage family participation

Objective 5.1: Provide funds to recommended families, after consideration for visitation and family seminars

Critical Success Factors/Measures

Define funding guidelines

Barriers

Lack of funds

Strategies & Actions

1. Bus tickets
2. Lodging
3. Transportation to and from bus stop

How Passionate Is Your Board?

This article is reprinted from Nonprofit Boards & Governance Review(tm), a free weekly electronic newsletter published by CharityChannel.com. Gayle L. Gifford is a consultant, facilitator and trainer with over 20 years of nonprofit experience. President of Cause & Effect Inc., Gayle helps nonprofits from the grassroots to international create strategic change for a more just and peaceful world.

Imagine sitting with the founders of your organization at their very first meetings. What were they talking about? And as they spoke, it was clear that everyone in the room shared a vision of a better future. They were committed to taking action because they felt the urgency of their cause. Though they knew that they were committing themselves to countless hours of difficult and sometimes frustrating work, they knew also that they would be energized by the strength of this new community that could help bring their common dream to reality.

In short, this was one passionate group of individuals. Does this sound like your Board? If your Board is bored, it's very likely that it has lost its passion. Or the people you have recruited to serve on the Board never had that passion to begin with. Reviving the passion is one of the secrets to Board success. But how do you do this?

Recruit passionate people

In our rush to recruit warm bodies and fill the holes in board skill matrices, we often forget that the very first criterion for Board membership should be passion for the mission. If your board members really don't care very much about what it is that you do, how can you expect them to be effective governors? My rule of thumb for board recruitment is that your organization should rank number one or number two on the personal passion list of each of your board members. Board members who are passionate about the mission are not content to let organizations stagnate. They don't make important decisions without serious consideration. They hold organizations accountable to produce positive change in the world. And they share their passion for their cause with individuals in the greater community. Passionate board members don't need much convincing to make leadership gifts to the organizations they believe in. And they inspire others to contribute as well.

Refocus on the Ends

A board that focuses solely on operations is sure to become a bored board. Over the course of a year, your Board should spend from 50 to 80% of its time focused on the mission of your organization. For example, if your Board is a conservation organization, it should set objectives on how many acres of land it would like to save and where. For a school, what should children know and be able to do when they graduate from your institution? For an arts organization, what new talent have you discovered and nurtured, what impact has your work had on the fabric of your community?

To set these objectives, your Board will need to understand and discuss the needs of the community it serves. It will need to clarify its own values. It will seek out other organizations to define the difference your organization can make. It will need to struggle with what outcomes are achievable, desirable, and necessary, in what timeframe and with what organizational resource commitment.

Then the Board will need to measure whether your programs are achieving the results it wants to create. It will need to be looking ahead, continuously monitoring the changes in the greater community to assess what new needs or challenges your organization needs to be prepared to face in the future. This is tough and important work. It requires individuals who are inspired and passionate about the potential for change to undertake the education, outreach and deliberation that these decisions will require. Ultimately, the Board needs to follow John Carver's instruction to "cradle the vision" of those original founders, adapting to new challenges and conditions, but staying true to the passion for a better world that was at the heart of your organization's birth.

Achieving Team Wisdom: Five Steps To Getting Started

Written by Christopher M. Avery

In today's workplace, all work is teamwork. But what does it take to make a team work? It is a focus on individual skills - not group process - that make teams effective. As long as you believe that teamwork is a group skill - and consider others responsible for your team experience - you'll continue to suffer, particularly in the new workplace of "flat structures" that requires you to know how to work effectively in and through groups. Team Wisdom is a set of individual skills and behaviors that leads to highly responsible and productive relationships at work: focus on taking personal responsibility, create strong partnerships, establish shared purpose, trust "just right", and develop a collaborative mindset.

Step 1: Assume personal responsibility for your team's productivity.

Tell your teammates that you'll only do work that leads to the entire team's success and that you won't meet your goals unless the team meets its goals. Let them know that you'll do everything in your power to help the team gel and operate at superior levels of performance.

Step 2: Get in the same boat together.

Ask your teammates to put aside individual roles and to focus on what you'll accomplish collectively. Ask them to think of the team as a single unit—indivisible into smaller units—and to answer the question, "What must this unit do?" Make that task your "super-objective" and give it more importance than any other goals or objectives.

Step 3: Determine what's in it for you, then what's in it for them.

Once you know your super-objective, ask yourself, “What’s in it for me to pursue this task?” Prioritize your answers until you truly understand your motivation, and then ask your teammates the same question.

Step 4: Make and keep agreements.

Create a list of how the team “should” behave in individual and group interactions, including communication issues like timeliness, participation, openness, honesty, respect, and confidentiality. Then prioritize the list in terms of which expectations, if turned into operating agreements, would be the most productive for the team.

Step 5: Call it!

Ask your teammates to agree to “call” each other on behavior that’s inconsistent with the agreements, as well as with the team’s task and team members’ interests. Make each call immediately and in a manner that allows the behavior to be examined and corrected.



- *(Fill-in-the-blank) Councils are established and dedicated for the sole benefit of the _____ receiving services from the state agency.*
- *Name at least 3 of the primary community resources that should be represented on your council roster: _____*
- *Find where the Primary Purpose of Councils is stated and then circle it.*
- *How many times each year should Councils meet? _____*
- *Who is the primary liaison between the local council and the TYC facility? _____*

NOTES:

Membership Agreement

As _____ a _____ member _____ of _____ the _____, I am fully committed and dedicated to the mission and have pledged to carry out this mission. I understand that my duties and responsibilities include the following:

- I am fiscally responsible, with other council members, for this organization. I will know what our budget is and take an active part in reviewing, approving, and monitoring the budget and fund-raising to meet it.
- I know my legal responsibilities for this organization and those of my fellow council members. I am responsible to know and oversee the implementation of policies and programs that are consistent with this Council's stated purpose and mission.
- I accept the by-laws and operating principles and understand that I am morally responsible for the health and well being of this organization.
- I will actively engage in fund-raising for this organization in whatever ways are best suited for me. These may include individual solicitation, undertaking special events, writing mail appeals, and the like. I am making a good faith agreement to do my best and to raise as much money as I can.
- I will actively promote this Council and encourage and support its leadership. I will at all times represent the best interests of the Council, the Texas Youth Commission, its facilities and staff, and the young people receiving services from the state agency.
- I will always be mindful of and promote the Council's goals above my own personal agenda. Through my speech and behavior, I will demonstrate commitment to this team and respect for each of its members. I will express my ideas and opinions respectfully and at the appropriate time, while giving credence to the ideas and opinions of others.
- I will attend Council meetings consistently, be available for phone consultation, and serve on at least one committee. I will continually be aware of potential council members within my realm of influence and do my part in recruiting individuals who represent the primary resources of my local community. If I am not able to meet my obligations as a Council member, I will offer my resignation.
- In signing this document, I understand that no quotas are being set, that no rigid standards of measurement and achievement are being formed. Every Council member is

making a statement of faith about every other Council member. We are trusting each other to carry out the above agreements to the best of our ability.

If you subscribe to this agreement, please sign and date this page and return it to the Council's Executive Secretary.

Signature of Council Member

Date



Member self-assessment tool

The following tool should be used by Council members in assessing the practices and performance of the organization, as well as their own comprehension of and commitment to the purpose and mission. This tool can be especially helpful as the group becomes involved in strategic planning and goal setting.

Rating Schedule	Excels	Good	Fair	Poor
Personal Assessment of Organizational Value 1. Do I understand and support the mission of this organization?				
2. Am I knowledgeable about the organization's programs and services?				
3. Do I stay aware of trends and important developments related to this Council?				
4. Do I assist with fund-raising and/or give a significant annual gift to this organization?				
5. Do I read and understand the organization's financial statements?				
6. Do I have a good working relationship with the Council's President and Executive Secretary?				
7. Do I recommend individuals for service to this Council?				
8. Do I prepare for and participate in Council meetings and committee meetings?				
9. Do I act as a good-will ambassador to this organization?				
10. Do I find serving on the Council to be a satisfying and rewarding experience?				
Comments:				
Legal Framework & Structure of the Council 11. Statements in the governing documents outlining the role and responsibilities of individual members of the Council are:				
12. The size of the Council in relation to the needs of the TYC facility is:				
13. The diversity of the Council as regards age, ethnicity & cultural background, gender, interest, points of view, major community resources (Education, Churches/Clergy, Law Enforcement/Judicial, Media, and Business), skills & experience are:				

14. The usual method of selection of new Council members is:				
15. Attrition provisions for Council members is:				
16. The committee structure of the Council is:				
17. The process by which State Council delegates are chosen to represent the Council is:				
Comments:				
Rating Schedule	Excels	Good	Fair	Poor
Comprehension of the Council				
18. Understanding by Council members of the purposes and objectives of the TYC facility and agency is:				
19. Comprehension by Council members of the Council's role is:				
20. Comprehension by Council members of their responsibilities is:				
21. Understanding by Council members of the legal requirements and stipulations under which they act as a Council is:				
22. The Council's recognition that mere compliance with the law does not assure good management is:				
23. The supply of information regarding external developments – legal, economic, sociological, statutory, etc. – that may affect Council decisions which is furnished to Council members is:				
24. Council members' degree of interest in and knowledge of:				
Strategic Planning and Goal Setting:				
Accounting & Finance are:				
Marketing and Recruitment are:				
Administration is:				
25. Ability of the Council to sense the role of the organization five years in the future in view of current social, economic, and political developments is:				
26. Familiarity of Council members with the By-Laws and Articles of Incorporation of the Council is:				
27. Comprehension by Council members of the Council's role as it regards the State Volunteer Resource Council for Texas Youth is:				
Comments:				

Practices of the Council				
28. The frequency of Council meetings in relation to organizational needs is:				
29. Attendance of Council members at meetings is:				
30. Attendance of delegates to State Council meetings, their report provided back to the Council are:				
31. The pre-meeting package of informational material forwarded to the Council in preparation for meetings is:				
32. Financial and other reports presented to the Council, appraised in terms of:				
Accuracy, are:				
Completeness, are:				
Conformity to the needs of the Council, are:				
33. Record-keeping of Council meetings is:				
34. The Council's practices as regards:				
Amendments of by-laws are:				
Election of officers is:				
Establishment of committees and their mandates is:				
35. Methods by which the Council periodically establishes short or long-term goals for the organization are:				
36. Procedures used by the Council and TYC in educating and indoctrinating new members are:				
Rating Schedule	Excels	Good	Fair	Poor
37. The use of TYC employees in providing in-service training to the Council is:				
38. Statements in the bylaws and resolutions of the Council governing the conduct of individual members in respect to attendance at meetings, conflicts of interest, term of service and retirement, use of confidential information and general obligations of members are:				
Comments:				
Performance of the Council				
39. Results of the Council in formulating short- and long-term goals for the organization is:				
40. The Council's ability to monitor its own accomplishments and progress is:				
41. The performance of the Council in achieving objectives/goals:				
Set one year ago is:				
Set three years ago is:				
42. Cooperation among Council members and ability of the Council to act as a team is:				
43. The Council's working relations with TYC's administrative				

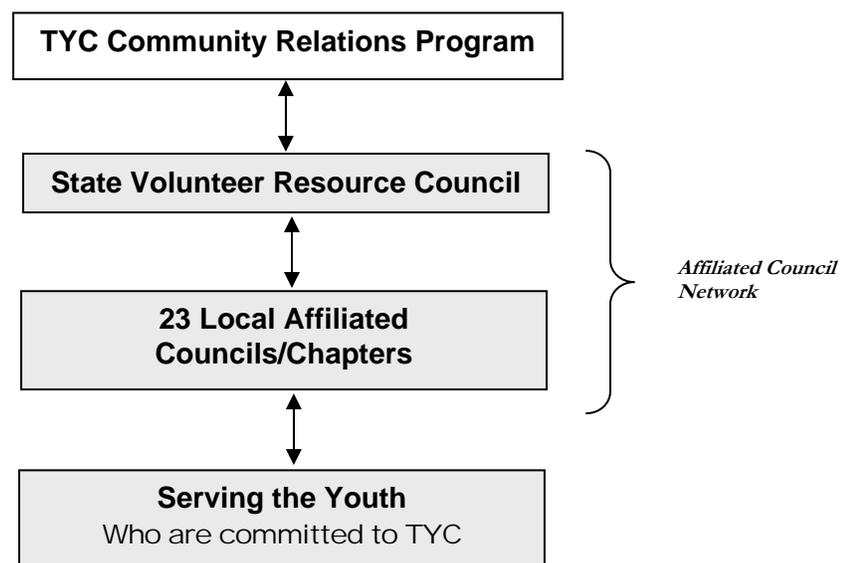
staff, and the Executive Secretary are:				
Comments:				
Committees:				
44. By-law provisions or resolutions of the Council stating functions, duties, and limits of authority of the Executive Committee are:				
45. Form of committee report is:				
46. Method of receiving, approving or amending, and recording reports is:				
Comments:				
Council Meetings				
47. Format of the agenda for Council meetings is:				
48. Extent to which Council members do their "homework" and are prepared for meetings is:				
49. Quality of discussion at meetings is:				
50. The division of time at meetings between routine matters and the organization and long-range planning is:				
Comments:				

*Reproduced, in part, from **The Council Member's Book**, by Brian O'Connell, 1985.*

Chapter 3 State Volunteer Resource Council for Texas Youth

In this chapter you will find organizational information about the SVRC. Whether you are the SVRC delegate for your council or not, it would benefit you to become familiar with how your council fits into the larger network of the State Council.

The State Volunteer Resource Council, established as a charitable, tax-exempt corporation in October 1985, acts as a liaison between the Affiliated Councils and Chapters, and the executive/administrative staff of the Texas Youth Commission in promoting mutual understanding, cooperation, and involvement as determined to be in the best interest of the youth under the care and custody of the Texas Youth Commission.



SVRC's "customer" is the Local Councils in the Affiliated Network

The Local Council's "customer" is the youth receiving services from TYC

SVRC Mission & Vision

The Mission of the **State Volunteer Resource Council** is to maintain and support a system of local councils who will maximize community resources and utilize volunteers to enable the youth of TYC to become productive and responsible citizens. Our Vision is a system of engaged council members and volunteers who are fully equipped to respond to the needs of TYC youth.

Local Councils are affiliated with this Network and participate by sending either 2 voting delegates (when the Council has its own corporation status) or 1 voting delegate (when the Council is covered under the SVRC tax umbrella) to semi-annual meetings. Hence, the membership of the State Council consists of **4 Officers, 1 Member-at-Large, and Local Delegates**, whereas, the membership of Local Councils consists of 3 or 4 officers and local community members.

Organizational Structure

The State Council has three classifications of members. The designation of such classifications and the qualifications and rights of members are as follows:

- **Affiliated Councils:** any free standing associations pursuing the purposes of the State Council, recognized by the Internal Revenue Service as a 501(c)(3) exempt organization, and accepted by majority vote of the State Council.
- **Affiliated Chapters:** any association pursuing the purposes of the State Council, desiring the tax-exemption umbrella of the State Council, and accepted by majority vote of the State Council.
- **Associate Members:** any member of a local council or chapter. Associate members shall be entitled to attend the regular meetings and serve on appointed committees of the State Council.

The State Council is comprised of two delegates designated from each Affiliated Council and one delegate designated from each Affiliated Chapter. Each delegate shall be entitled to one vote and shall serve a term of one year concurrent with the fiscal year of the SVRC organization (January 1-December 31).

Special Requirements of Affiliated Chapters

Prior to being accepted as a chapter, such associations shall furnish proof that its bylaws provide that, upon dissolution, all assets of such entity shall inure to the benefit of the State Council; and following acceptance, each Affiliated Chapter shall provide the Treasurer an annual report on or before February 28 of each year which shall include a summary statement of the entire preceding calendar year's gross revenues, certified by an appropriate officer. Prior to each meeting of the State Council, the Treasurer shall designate the chapters in good standing and entitled to vote at such meeting.

SVRC Executive Committee

This committee shall consist of the officers, one member-at-large, and the executive secretary, and shall be empowered to act with the full authority of the State Council, between meetings, with their actions being subject to the approval of the State Council. It shall prepare an annual budget to be approved by the State Council during the regular Fall meeting of the preceding fiscal year. It may authorize expenditure of non-budgeted council funds, not to exceed \$500 for emergency purposes, and must present a report to the full council at the next regular meeting regarding the expenditure. All expenditures will be in keeping with the purpose and mission of the State Volunteer Resource Council. Matters of significant change in policy shall be submitted to the State Council as a whole.

Nominating Committee

A Nominating Committee of three members shall be appointed by the Chairperson at least ninety days prior to the regular spring meeting of the State Council for the purpose of nominating officers and one member-at-large to serve on the Executive Committee for the next fiscal year. This Nominating Committee shall solicit candidates from each of the Affiliated Councils and Chapters at least sixty days prior to the regular spring meeting. Nominations from the floor will be permitted provided a brief description of qualifications of the nominee is available for all attendees and the nominee has agreed to the nomination prior to being nominated. There shall be no electioneering or nomination speeches on the floor. The term of office is two-years and officers can be re-elected for one additional consecutive term.

Meetings

Two regular meetings of the State Council shall be held annually - usually in October (Austin) and in the Spring (held the first evening of the statewide volunteer conference.) The President or the Vice-President may call special meetings of the State Council at any time. Thirty days advance notice is required to all members of the State Council. An agenda for the meeting shall be provided with the notification.

Quorum

A quorum to conduct business at any meeting shall be a majority of voting Affiliated Councils and Affiliated Chapters represented. If a quorum is not present at any meeting, a majority of those present may adjourn the meeting from time to time without further notice.

SVRC Officer Responsibilities & Qualifications

SVRC President

The SVRC President is responsible for conducting all business meetings and executive council meetings. He/she appoints committee chairs and often participates in committee meetings and is expected to attend at least five local council meetings and/or recognition events each year, as a representative of the State Council. The president is actively involved in conference planning activities, including site visits at prospective hotels. The president should be able to assertively facilitate and mediate large group meetings, demonstrate problem solving and crisis management skills, and have experience as an organizational leader. Experience as a local council president is preferred.

Vice-President

The SVRC Vice-President is responsible for filling in for the President in the event of his absence, illness, or resignation. The vice-president will often be appointed as chair of a variety of committees. The vice-president is responsible for implementing an annual survey of local council members. He/she is expected to attend at least five local council meetings and/or recognition events each year, as a representative of the State Council. The vice-president should be able to assertively facilitate and mediate large group meetings, demonstrate problem solving and crisis management skills, and have experience as an organizational leader. Experience as a local council president or vice-president is preferred.

Secretary

The SVRC Secretary is responsible for recording and processing all meeting minutes and attendance. Following meetings, the secretary will type and transmit the minutes and attendance records to the Austin office. The secretary is responsible for a semi-annual newsletter and will compile local reports and articles written by the officers. He/she is expected to attend at least five local council meetings and/or recognition events each year, as a representative of the State Council. Experience as an organizational secretary would be helpful. Experience as a local council officer is preferred.

Treasurer

The SVRC Treasurer is responsible for maintaining and preparing all financial records. Specifically, he/she shall prepare periodic fiscal reports prior to regularly scheduled meetings and an annual fiscal report reflecting all activity for the State Council and its affiliated

chapters; the annual 990 tax report (as required), the annual proposed budget, issue all checks and make expenditures, inspect monthly bank statements for accuracy, and assist with SVRC fundraising activities. Original financial records are maintained at the Austin office, but the treasurer shall maintain working copies of financial data as needed. He/she is expected to attend at least five local council meetings and/or recognition events each year, as a representative of the State Council. Experience as an organizational treasurer would be helpful. Experience as a local council officer is preferred.

Member-at-Large

The SVRC Member-at-Large is responsible for representing the general membership during all SVRC meetings, including the executive council meetings. The member-at-large is responsible for assisting with the development and management of a council resource handbook. He/she is expected to attend at least five local council meetings and/or recognition events each year, as a representative of the State Council. Experience as a local council officer is preferred.



- What does SVRC stand for?* _____
- How often does the State Council meet?* _____
- Who may attend the annual statewide volunteer conference?* _____
- Who is the identified “customer” of the State Council?* _____
- Who is the current SVRC President?* _____
- Who is the current TYC Administrator of Community Relations?* _____

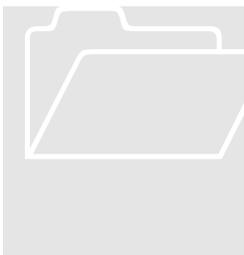
Extra Credit: *How does the State Council’s mission differ from your local council’s mission?*

State Council newsletter, meetings, and other documentation

Chapter 4 Operational Procedures

This chapter will impart valuable information on effective operations of nonprofit corporations. While it is understood that each nonprofit organization has its own personality and unique manner of conducting business, there are basic standards that promote sound operations.

Guidelines for conducting an effective meeting



How productive is the time you spend in meetings? Most managers spend too much time in too many meetings—for too few results. On average, managers spend more than 11 hours a week in meetings, according to the Inventory of Management Skills (IMS™), a survey by Priority Management Systems Inc. of 1,662 people in eight countries. Managers attend an average of 5.3 meetings per week, each lasting an average of about two hours. As much as 25 percent of that time, or almost three hours, is wasted, the survey finds.

Why meetings can be a waste of time

- **The Warm Body Syndrome**

This is where people are rounded up just to fill chairs. Maximize productivity by determining exactly who should attend a particular meeting and why. Then invite only those who have a very specific purpose for being there. The rule of thumb is to include participants, not observers.

- **The Cobweb Caucus**

Who hasn't attended a seemingly endless meeting with no focus, covering a broad range of issues in no apparent order? This can be avoided with some preparation. Prepare a written agenda and distribute it to participants in advance. This allows everyone to arrive prepared,

and the meeting will stay on track. Don't plan to spend more than two hours in a meeting without a break. People become tired and bored when they sit too long, acting as a drain on a meeting's effectiveness.

- **The Headless Horseman**

When meetings meander on irrelevant tangents and get mired in chitchat, the problem is usually lack of leadership. Make sure one person is designated to chair the meeting, providing direction and structure to the session. Take the needs of participants into account. By giving them a ten-minute break to call their office or check voice-mail, you can reduce the number of people who drift in and out of the meeting. And food and drinks are a sure way to keep people fresh and involved.

- **The Hot Air Habit**

The meeting has been lively, focused and productive—but you walk away with no action plan. What you have is all talk, no action and no results. If you determine a specific objective for the meeting and assign tasks and responsibilities on the spot, your meeting will have a productive outcome.

Take time after your meeting to evaluate the session. Ask participants how they felt it went. Use this information to increase the productivity of future meetings. Time wasted in meetings is an anchor that drags down a company's productivity. By being aware of the potential pitfalls and taking a few simple actions, you can improve the effectiveness of meetings significantly.

Effective Meetings Tips

The following are some tips from www.meetingwizard.org to help you make your next meeting successful, effective and maybe even fun.

BEFORE THE MEETING

- ✎ Define the purpose of the meeting.
- ✎ Develop an agenda in cooperation with key participants. See a sample agenda.
- ✎ Distribute the agenda and circulate background material, lengthy documents or articles prior to the meeting so members will be prepared and feel involved and up-to-date.
- ✎ Choose an appropriate meeting time. Set a time limit and stick to it, if possible. Remember, members have other commitments. They will be more likely to attend meetings if you make them productive, predictable and as short as possible.
- ✎ If possible, arrange the room so that members face each other, i.e., a circle or semi-circle. For large groups, try U-shaped rows.
- ✎ Choose a location suitable to your group's size. Small rooms with too many people get stuffy and create tension. A larger room is more comfortable and encourages individual expression.

- ✎ Use visual aids for interest (e.g., posters, diagrams, etc.). Post a large agenda up front to which members can refer.
- ✎ Vary meeting places if possible to accommodate different members. Be sure everyone knows where and when the next meeting will be held.

DURING THE MEETING

- ✎ Greet members and make them feel welcome, even late members when appropriate.
- ✎ If possible, serve light refreshments; they are good icebreakers and make your members feel special and comfortable.
- ✎ Start on time. End on time.
- ✎ Review the agenda and set priorities for the meeting.
- ✎ Stick to the agenda.
- ✎ Encourage group discussion to get all points of view and ideas. You will have better quality decisions as well as highly motivated members; they will feel that attending meetings is worth their while.
- ✎ Encourage feedback. Ideas, activities and commitment to the organization improve when members see their impact on the decision making process.
- ✎ Keep conversation focused on the topic. Feel free to ask for only constructive and non-repetitive comments. Tactfully end discussions when they are getting nowhere or becoming destructive or unproductive.
- ✎ Keep minutes of the meeting for future reference in case a question or problem arises.
- ✎ As a leader, be a role model by listening, showing interest, appreciation and confidence in members. Admit mistakes.
- ✎ Summarize agreements reached and end the meeting on a unifying or positive note. For example, have members volunteer thoughts of things they feel have been good or successful or reiterate the organization's mission.
- ✎ Set a date, time and place for the next meeting.

AFTER THE MEETING

- ✎ Write up minutes within 3 or 4 days. Quick action reinforces importance of meeting and reduces errors of memory.
- ✎ Discuss any problems during the meeting with other officers; come up with ways improvements can be made.
- ✎ Follow-up on delegation decisions. See that all members understand and carryout their responsibilities.
- ✎ Give recognition and appreciation to excellent and timely progress.
- ✎ Put unfinished business on the agenda for the next meeting.
- ✎ Conduct a periodic evaluation of the meetings. Note any areas that can be analyzed and improved for more productive meetings. See a sample meeting evaluation.

 And remember, effective meetings will keep them coming back!

7 P's of effective meetings

Preparation - Ensure that your presentation and materials are finalized and ready for distribution. Have those all-important refreshments been ordered? Are special arrangements taken care of and equipment ordered?

Purpose - A written agenda is advisable; however, if one has not been prepared beforehand, then build one with the participants at the beginning of the meeting.

People - Are they the right ones needed to achieve your outcomes?

Place - Have you considered whether the space in which you will hold the meeting fits your aim? Are you more likely to achieve the participation of the people attending with a formal atmosphere or in a more relaxed environment?

Planning - The day before the meeting, consider whether all preparations have been finalized and attend to any last-minute details.

Participation - Encourage the participants to share their ideas constructively. Deal with those over talkers by giving them a specific time to speak and hold them to it. Ensure that each agenda item is brought to a conclusion, and that every action task is assigned.

Post-Meeting Follow Through - Before leaving the meeting, recap agreements and action items, and schedule more sessions if required. After the meeting, prepare and distribute minutes, follow up on actions outstanding and measure results.

What is a Quorum?

In order to conduct business and make decisions during official meetings, a quorum must be present and recorded. Usually your Council bylaws indicate the number of attendees required for a quorum. For many councils, the quorum is determined to be one-half of the members entitled to vote. Therefore, unless one-half of the members entitled to vote are represented at the meeting, either in person or by proxy, the Council may not officially conduct any business or make any binding decisions. The meeting minutes must reflect which voting members were present at the each meeting, and state that a quorum was in fact present.



NCA Art. 1396-2.12. Quorum of Members

Unless otherwise provided in the articles of incorporation or in the by-laws, members holding one-tenth of the votes entitled to be cast, represented in person or by proxy, shall constitute a quorum. The vote of the majority...at which a quorum is present, shall be the act of the members meeting, unless the vote of a greater number is required by law, the articles of incorporation, or the by-laws.

Recruiting Members

Community Resource Councils associated with the Texas Youth Commission are expected to recruit members who reflect the diversity of their local community, with respect to culture, ethnicity, socioeconomic groups, educational background, professional resources, age and gender, etc. Council bylaws generally have a section stating this expectation, often worded in the following manner:

“Membership should at all times represent a cross-section of the community, its resources, and should include either as active or honorary members representatives from judiciary/ law enforcement, education, business, clergy/ churches, media and any other professional and lay citizens who are willing to contribute to the well being of adjudicated youth.”

As the composition of your organization changes with the course of time, members are asked to remain mindful of its diversity and need for additional resources and perspectives. You should constantly be aware of potential members within your realm of influence, and be willing to invite individuals to join you at council meetings and other activities of interest. Without a doubt, the **single most effective method of enlisting quality members is word-of-mouth recruitment within your natural circles of relationships**. The organization will experience consistent growth when each of its members takes a personal responsibility in the recruitment process. But keep in mind this process is ongoing. Refer to the following outline of potential council members already within your natural circles of relationships:

1. Family Members
 - Spouse
 - In-Laws
 - Adult siblings
 - Adult members of extended family
2. Place of Employment
 - Supervisor
 - Department managers and peers
 - Family members of colleagues
3. Professional Associations
 - Colleagues at other businesses
 - Members of professional networking groups
 - Customers, clients, vendors, contractors
4. Church Relationships
 - Members of your Sunday School class and other church-based groups
 - Church leaders and ministers
 - Individuals sitting on the same pew or near you in the congregation

5. Neighborhood Acquaintances
 - Next-door neighbors
 - Extended family members of neighbors
6. Personal Friends
 - Close friends
 - Family members of friends
7. Community & Civic Involvement Acquaintances
 - Fellow soccer moms, parents of your children's best friends, football dads
 - Lion's, Kiwanis's, or other civic service clubs in which you are a member
 - Exercise partners

This list could go on indefinitely. The point is that you already know excellent potential council members; you just haven't asked them yet. Talk enthusiastically about the council and its strategic goals. Share your passion of changing lives of youthful offenders. Before long, others will begin asking you how they can become involved too! Don't forget – as a council member, you are expected to promote all of the volunteer opportunities within the Texas Youth Commission. For those people who are not interested in joining a nonprofit organization, you might suggest mentoring, tutoring, clerical assistance, recreational activities, or any of the countless ways in which they can become involved.

Each One – Reach One, and other recruitment campaigns

Many councils have implemented effective recruitment campaigns simply by giving their concerted action a name. Examples of recruitment campaigns include, “30 Members in 30 Days” and “Each One – Reach One”. The key to an effective campaign is to choose a slogan that people will remember and a plan that involves everyone. In the spirit of friendly competition, your council might issue a fun challenge to another council within the SVRC affiliated network. The campaign coordinator should keep the members updated on the progress and hold individuals accountable for fulfilling their commitment. Most importantly, celebrate the success of the campaign at its conclusion by publicizing the outcome and showing appreciation to all those who participated. You will make a difference by getting and staying involved in building your organization! Here's an interesting article that might spark more ideas.

Your Circle of Resources

By Susan J. Ellis, From The Volunteer Recruitment Book, 3rd ed

One of my favorite suggestions for volunteer recruitment is also one of the simplest: start with the resources in closest proximity to your agency. What untapped treasures might be across the street or on the next block?

Picture your facility as the center of a bull's eye, with concentric circles around it. Now do the following. If you are in an urban area, walk out your front door with a clipboard

and pen (take along a volunteer for company). If you are more rural, do this by driving. The point is to walk completely around the block (or drive in a tight circle) and write down everything you see: stores, businesses, parking lots, churches, apartment houses, schools, etc. A "Proximity Chart" worksheet for your use is on the next page.

It is vital to actually do this action physically, even if you feel reasonably sure that you know what is in your neighborhood. Why? Because you will soon discover that: 1) you tend to be aware only of the things that are present in the one direction that you take to work every day; 2) after a while you no longer see what you are looking at; and 3) some of the things you see may not be identifiable. An example of this last point is passing a company with the name "Mighty Corporation" emblazoned on a large sign. Do you know from that name what work this company does? Probably not.

After you have inventoried everything on your street, the two side streets, and the street in back of you, move on to a two-block radius and do the same. As time permits, keep going in widening concentric circles. If you are driving, keep taking right (or left!) turns and inventory a quarter-mile radius, then a half-mile radius, etc. Note that if your offices are in a high-rise building, your first task is to take the elevator to each floor and see who your neighbors are above and below you. You may be skeptical about this recommendation, but I assure you that you will find a number of "neighbors" that you did not know you had. And this means potential resources.

Now that you have your list, analyze it. If there are mysteries such as "Mighty Corporation," find out what happens there. Your goal is to identify any number of ways your neighbors might help you to accomplish your goals:

- Might there be business people who could volunteer at your site on their way to or from work, or even at lunchtime? Might there be students or seniors with daytime hours available? Might any of your neighbors have an interest in community service projects of any sort?
- What professional skills might be tapped at neighboring businesses or schools? (Be sure to watch for sole practitioners such as artists, consultants, accountants, and others with valuable talents—and who control their own work schedules.)
- Might there be access to other types of resources beyond volunteers: donated goods or materials, storage space, parking space, use of various loaned equipment, etc.?
- Do any of these neighbors share your service goals, an interest in your client population, or have anything else in common with you that might lead to collaboration of some sort?

Making contact with your neighbors is much easier than approaching resources across town. After all, it is always legitimate to make the acquaintance of folks nearby. Develop a

special flyer or letter introducing your agency and address it to: "Our neighbors." Explain the services you offer (include a brochure if you have one) and, if appropriate, welcome visitors. Depending on your comfort level and on the culture of your neighborhood, mail the materials in small batches and follow up within a week by phone, or go in person to deliver the material.

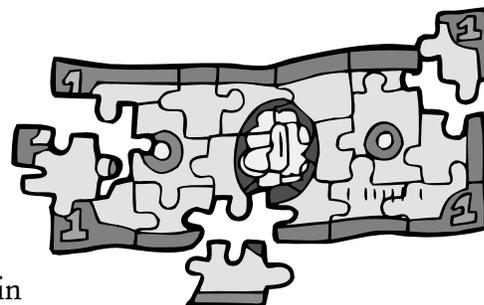
Do not feel that these are "cold calls." As a representative of your organization, you want to spread the word about the good work that you do. It will be of benefit to your neighbors to be better informed about an agency in such close proximity. And, for both sides, there is great potential to share resources. Your opening line is: "Hi. Do you realize that we can see your top floor from our backyard?" Or some variation on that theme.

Budget, treasurer's reports, and other fiscal matters

Council members share a financial responsibility for the nonprofit organization. Each member should be aware of the annual budget and fundraising plan, and invest in the financial health of the corporation. The use of assets of a nonprofit corporation is subject to certain limitations. For example, they must be used for the purpose for which they are given, and they cannot inure to the benefit of a private individual. There are laws that govern the financial accounting procedures of nonprofits. The annual budget should be used to govern the money raised by the Council. Personal integrity and ethics are critical in establishing a positive public perception. These issues are discussed in the following sections.

How to develop a budget

Before your Council determines an annual Budget, it should first invest some time in prioritizing the needs of its customer - *the youth* receiving services from the Texas Youth Commission. The best way to go about doing this is to work with your Executive Secretary (aka Community Relations Coordinator) in surveying the facility staff. A staff survey, required once every two years, ascertains the current needs for volunteer services and community resources. Such a survey might, for example, determine that the youth need financial assistance for their family members to travel to the facility for a visit or family therapy. Or the staff may express a dire need for behavioral incentives that motivate youth to succeed. The facility administration can assist your Council by verifying these priorities and giving authorization to implement certain projects or activities. Hence, a staff survey is the first step in developing a budget.



A committee led by the organization's treasurer should draft your Council's budget. The executive secretary should also participate in this committee. The draft budget should be presented to the full membership during a regular monthly business meeting one or two months before the beginning of your next fiscal year. The full membership must vote to adopt the annual budget or send it back to committee for more work. The annual budget should contain the following information:

1. The legal name of the corporation and the fiscal year date;
2. A plan that outlines all sources of income, including funds to be carried over from the prior fiscal year and anticipated fundraising events/activities, and the amount of money expected from each source;
3. An outline of all planned and anticipated expenditures for which the membership wishes to approve for the upcoming fiscal year, and the amount of money needed for each budgeted line item (don't forget to include fundraising expenses); and
4. The bottom line of foreseen assets or debts by the end of the fiscal year.

Any expenditure that is not already included in the approved budget must be pre-approved by the majority vote at a regular business meeting and documented in the meeting minutes.



Art. 1396-2.23. Books and Records

Each corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority of the board of directors and shall keep at its registered office or principal office in this State a record of the names and addresses of its members entitled to vote. A member of a corporation, on written demand stating the purpose of the demand, has the right to examine and copy, in person or by agent, accountant, or attorney, at any reasonable time, for any proper purpose, the books and records of the corporation relevant to that purpose, at the expense of the member.

Art. 1396-2.23A. Financial Records and Annual Reports

A corporation shall maintain current true and accurate financial records with full and correct entries made with respect to all financial transactions of the corporation, including all income and expenditures, in accordance with generally accepted accounting practices. Based on these records, the board of directors shall annually prepare or approve a report of the financial activity of the corporation for the preceding year. The report must conform to accounting standards as promulgated by the American Institute of Certified Public Accountants and must include a statement of support, revenue, and expenses and changes in fund balances, a statement of functional expenses, and balance sheets for all funds.

All records, books, and annual reports of the financial activity of the corporation shall be kept at the registered office or principal office of the corporation in this state for at least three years after the closing of each fiscal year and shall be available to the public for inspection and copying there during normal business hours. The corporation may charge for the reasonable expense of preparing a copy of a record or report. A corporation that fails to maintain financial records, prepare an annual report, or make a financial record or annual report available to the public in the manner prescribed by this article is guilty of a Class B misdemeanor. This article does not apply to a corporation that does not intend to solicit and receive and does not actually raise or receive contributions in excess of \$10,000 during a fiscal year.

Monthly & Annual Treasury Reports

See the section in Chapter 2 describing the responsibilities of the organizational Treasurer. Monthly bank statements should be mailed to both the executive secretary and the Council treasurer. Both individuals should routinely expect the bank statement for accuracy. In most organizations the executive secretary makes all deposits and promptly reports these to

the treasurer prior to the upcoming meeting. In turn, the treasurer makes all expenditures and holds the checkbook. The treasurer is responsible for preparing a monthly treasury report that outlines the beginning and ending balances of all accounts and assets, and a listing of all sources of income and expenditures for the month. If the treasurer is unable to attend a regular business meeting, this report is prepared in advance and given to the Council President or another officer for presentation at the meeting. The original treasury report should be signed and dated by the treasurer and filed at the registered site, following approval by the full membership. The annual treasury report is due in the month immediately following the end of the fiscal year. It is this report that indicates whether a tax form is required to be filed with the IRS.

To File or Not to File

If your Council receives a letter from the IRS - don't ignore it. The IRS must get a response from the organization, signed by a council officer within 30 days. However, you may not get a letter reminding you to file Form 990EZ - and you'll need to remember to do this before it's too late. Tax forms are required by the 15th day of the fifth month after your fiscal year ends. Most council fiscal years end on August 31 - meaning the deadline for filing is January 15. Other fiscal years generally end on December 31 - meaning the deadline is May 15.

Your Council is required to file Form 990EZ for any year when its GROSS receipts are considered to be normally more than \$25,000. Gross receipts means everything - every dollar that your Council brings in during the fiscal year, added together - BEFORE you subtract any costs or expenses. Your Council's gross receipts are considered to be "Normally NOT more than \$25,000" if:

- The Council has been in existence for only one year or less, and it has received \$37,500 or less during the first fiscal year; or
- The Council has been in existence for more than 1 but less than 3 years, and the average gross receipts received by the organization in the first 2 tax years (add gross receipts for first 2 year, divide by 2) is \$30,000 or less; or
- The Council has been in existence for 3 years or more, and the average gross receipts received in the immediately preceding 3 years, including the current year for which the return would be required to be filed (example: add gross receipts for 2002, 2001, and 2000, then divide by 3), is \$25,000 or less.

The organization is responsible for completing a full and accurate Fiscal Year Report at the end of every Council fiscal year. As the Council registered agent, it is the executive secretary's responsibility to ensure that IRS letters are responded to in a timely manner, that financial records are filed properly at the registered site, that tax forms are filed in a timely manner.

Fund-raising – a Matter of Life or Death for the Organization

The business of fund-raising can be daunting and challenging, to say the least. However, without it – few organizations would survive. As a Community Resource Council member, you are expected to take an active role in developing revenue and resources for the organization. The following articles and anecdotes offer words of guidance and encouragement as you begin participating in fund-raising.

Four Basic Principles of Fund Raising

Some years ago when I first found myself responsible, by default, for the fund raising activities of a non-profit organization it was indeed a fearful development. In the process of making any number of calls seeking any help, a member of the Houston Chapter of the National Society of Fund Raising Executives sat me down and imparted some basic wisdom regarding fund raising which has always stood me in good stead and which remains just as valid today as it did then. My notes from that conversation indicate that most all fund raising can be reduced to four (4) basic principles and that if these essentials are remembered and reviewed regularly that most fund raising can be successful.



- **FUND RAISING IS A CONTINUOUS PROCESS**

It is not enough to just "get a donation". Every fund raising activity must be based on the objective of developing continuous support. There must be a balance of fund raising activities between those that are designed to bring in new donors (i.e. special events, direct mail, etc.) and those activities that seek to promote ongoing support for the organization (i.e. membership programs, pledge programs and personal solicitations).

- **PEOPLE GIVE TO PEOPLE**

In general, the most effective way to ask for money is by arranging for some form of personal contact with the potential donor. This usually means having volunteers personally ask for gifts from someone they know. All of this means fund raising for the professional is not so much asking for gifts as it is arranging for volunteers to ask for the gifts.

- **PEOPLE GIVE BECAUSE THEY WANT SOMETHING**

While this sounds very selfish on the surface it is not really. A donor may want a safer community, cleaner water, more opportunity for minorities, or some other form of social change but the fact remains that they want something for their money. A donor may also give because they want to be respected by the person who asks for the gift, because there is a special form of public recognition, or because there is some premium (real or

perceived) to be gained by giving. It is the task of the effective fund raiser to figure out what donors want that your group can provide and then to make sure the prospective donor is convinced that your organization is best able to give them what they want.

FUNDING SOURCES MUST BE DIVERSIFIED

If more than 50% of your organizations support is coming from one general source, your organization is vulnerable and it is time to determine ways to develop other sources of funding. There are many organizations that are no longer in operation because they were predominantly funded by one source (government, United Way, special events, etc.) and something happened to their major funding source. It is very wise to remain vigilant and keep a good balance of funding sources if you are to maintain the economic viability of your organization.

Ten Fund Raising Methods

Most fund raising professionals will tell you there are ten basic fund raising methods and all development projects on behalf of nonprofit organizations fall within these ten categories. Some would differ with these categories, but you will see the mixture of fund raising approaches, which are available.

- **ANNUAL GIVING PROGRAM**

An annual giving program seeks unrestricted, repeatable gifts. The best examples of annual campaigns are the United Way, alumnae annual funds, church stewardship Sundays, and any programs which go back to the same donors on an annual basis.

- **CAPITAL CAMPAIGN**

Capital campaigns solicit larger gifts that are used to improve the asset position of the organization. They may be for buildings and facilities or they may be used to establish or increase an endowment. As a "campaign" they usually are limited to a specific period of time and have a very specific and well-published goal.

- **DEFERRED GIVING PROGRAMS**

Deferred giving programs are aimed at obtaining gifts following the death of the donor. These gifts may be trusts, gifts named in the will, or any of a number of carefully constructed gift instruments.

- **GRANT SOLICITATION**

Grants are normally for specific projects. They underwrite some or all of the costs of an activity that might not happen if the grant had not been made. Government entities, foundations or corporations may make grants.

- **COLLECTIONS**

Collections are often used when very small sums are sought from many persons who are not particularly aware of the organization.

- **DIRECT MAIL**

Direct mail is used to solicit large groups of people who might not otherwise be reached. It is most often used when an organization has a case they feel will be popular but does not have the volunteer base to reach the large number of people.

- **MERCHANDISE SALES**

Merchandise sales are usually used by small organizations with limited appeal that do not have a significant volunteer base.

- **ADVERTISING**

Advertising is used to reach a great number of donors very quickly. It is most effective when it involves an urgent and emotional appeal.

- **SPECIAL EVENTS**

Special events are generally used to attract the attention of individuals and corporations who would not otherwise give to your organization. They can involve a considerable amount of volunteer time for the direct income received but the indirect income and publicity are usually well worth the effort.

- **CAUSE RELATED MARKETING**

Cause related marketing is a recent development on the fund raising scene. It usually involves a donation to a nonprofit organization, which is linked to the commercial sale of a product or service.

A good diversity of fund raising methods is essential to the long-term health of any community organization. Not every approach will be suitable for every organization but a little thought will develop the right mix of fund raising strategies for you.

The Ten Most Common Fundraising Mistakes

If we want to learn about mistakes so we can avoid them, the best thing we can do is ask those who have made the mistakes. I recently asked a group of senior fund raising executives about their experiences and their mistakes. With apologies to David Letterman for copying the format, here are the “Ten most common fund raising mistakes” mentioned by that group.

Number 10 – Not pointing out tax advantages to donors. Many larger donors are very interested in the tax consequences of their gift. If you are not ready with the information



then you are not prepared. While none of us are tax attorneys, we all need to have a good working knowledge of the tax laws as they affect our donors.

Number 9 – Not being totally open with donors. If a donor is to invest in your organization, they need to know all about you. If you try to hide something unfavorable about your organization and it becomes known later, you have lost a donor. Informed donors want to know all about your organization, including the problems.

Number 8 – Failing to recognize the continuous nature of development. That small annual donor today may be the giant bequest donor who secures the future of your organization in the future. For that to happen, each and every donor must be introduced to new donor opportunities as well as developed into a volunteer, a major donor, and a leader. That is why they call it “Development.”

Number 7 – Overlooking past donors. In that never-ending search for new dollars, the new donor, or the new volunteer it is all too easy to take for granted the faithful volunteer or donor who has stood behind your organization for years. These good and faithful servants of your organization must be remembered, recognized and cherished as one of your organization’s most valuable assets.



Number 6 – Not researching donors or keeping good records. Prospect research is knowing your donors or prospective donors. No one would reasonably go to ask for a significant gift without knowing everything they possibly could about the donor and his or her abilities, preferences and possible interests. Likewise, accurate record keeping is necessary to know your current donors. Imagine the sinking feeling you would have if a donor asks you for some piece of information about a prior gift and you cannot get the information.

Number 5 – Forgetting that individuals make almost 90% of all donations. When we read about the huge philanthropic gifts by foundations or corporations it is easy to lose direction and think this is where one must spend time to get the big donations. We all know that very close to 90% of all giving comes from individuals and that foundations and corporations make up only about 10% of giving. Concentrating on individuals is the most promising strategy for most community organizations.

Number 4 – Forgetting that fund raising is for everyone. The board of directors, the administration, the staff, the volunteers, and everyone else connected with your organization has a vital role in development. The fundraiser who believes they can accomplish the development task by themselves will never reach their potential as a successful fundraiser.

Number 3 – Plunging in without a clear case for support that has been developed in cooperation with your board. Just as we mentioned above that fund raising is for everyone, the

preliminaries to fund raising are for everyone. Before beginning any organized effort for funds. It is necessary to involve the entire board of directors. This involvement usually takes the form of developing and adopting a case for support that offers donors a clear statement of purpose for your organization. Without this “buy-in” on the part of the board one might well find themselves alone on the fund raising trail and in possession of only ones own version of what the funds are to be used for.

Number 2 – Forgetting to ask. We’ve all seen it. The campaign has done everything right but the donations are not coming in. No one has taken the final step and asked for the donation. Make it a point to decide ahead of time exactly who will ask for how much and when they will do it. Donations are seldom offered without asking.

And the number one most common fund raising mistake is:

Number 1 – Forgetting that yours is a noble cause and not just a job. The concept of “self fulfilling prophecy” applies to fundraising just as it does to education and so many other fields. Your attitude as you seek a donation will be conveyed to the prospective donor just as clearly as if you had a sign around your neck. If you do not believe in your cause and see this as just a job, your donor will sense this instinctively. Likewise, if you truly believe in your organization and its work the donor will sense this belief and understand much better why you are asking for support.

“The past is prologue” and if we are to avoid the mistakes of so many others, we need to understand the basics of fund raising illustrated by the mistakes above.

What do Donors Want?

Before you ask for donations to your organization you should be aware of what a donor may want from you. The National Information Bureau, Inc. (NIB) in New York, supplies information to major donors and to the public on charitable groups. NIB has an established set of guidelines for giving and many donors will judge your organization by these eight standards. These standards of the National Information Bureau should always be taken into consideration as you prepare to ask for donations, large or small. If you fall short in an area perhaps it is time to review your organization's procedures and policies.

1. Board of Directors - Your organization should have an active and responsible board of directors. It is easy to tell when only staff is representing an organization and the board is just a list of names on the letterhead. Additionally, paid staff and any others who receive direct or indirect compensation should not be voting members of the board.

2. Purpose - Your organization should have a clearly defined statement of purpose that focuses on a legitimate need in your community and does not waste philanthropic resources by duplicating the efforts of others.

3. Program - Your organization should be able to demonstrate that it has the ability to carry out its stated purpose with management efficiency and adequate material and personnel resources. Any major donor will be wary of an organization that devotes an excessive percentage of resources to administrative and fund raising activities.

4. Cooperation - Your organization should be able to demonstrate that you cooperate and consult with other local and national organizations, which operate in the same or related fields. Such cooperation should concentrate on making certain services to be offered are needed and complementary to other related services.

5. Ethical Promotion - Only ethical methods of promotion, publicity and solicitation of funds should be used by your organization. It should not exaggerate, mislead, or make false claims about its accomplishments. Financial claims made in your literature should agree with the results reported in your audited financial statements.

6. Fund-raising practice - Your organization should not pay commissions for fund raising, mail unordered tickets or merchandise with a request for payment, do general telephone solicitation of the public, or use persons identified as government employees in solicitation of the public. If professional fundraisers are used they should be paid on a flat fee and not a commission basis.

7. Audit - Every organization should be able and willing to share an audit prepared by an independent certified public accountant. Such an audit should be conducted employing Uniform Accounting Standards showing all support/revenue and expenses in reasonable detail.

8. Budget - Every organization should have a detailed annual budget, which is consistent with the Uniform Accounting Standards employed in the audit. This budget should translate the program plans of your organization into financial terms. It should always be reviewed and approved by the board of directors as the financial plan for the organization.

Evaluating a Fund Raising Activity

Ideas for fund raising activities come to you all the time. Sometimes they come from board members or volunteers. Other times they come from something overheard or read. Occasionally, fund raising ideas just come from the blue. Wherever these ideas come from, you must carefully evaluate them to see if they are right for your organization. Here are some criteria by which new and old fund raising ideas can be studied and evaluated.

First, any new idea must be studied and evaluated as it relates to your organization's fund raising plan. After all, your fund raising plan was adopted to bring thoughtful organization and order out of what could be a cacophony of activities, events, ideas, and opportunities that always seem to be present. Any new activity should be designed to reach at least one of your fund raising plan goals. Without this, why undertake a new activity? Any new idea must be studied to determine if it can be combined with any other organization

activity or fund raising event. Perhaps this great new idea needs to be a part of an already established and successful event. Finally, you must assure that this potential new activity will not unbalance your existing fund raising plan. Such fund raising plan balance includes consideration of the balance of volunteer resources, funds, the calendar, and board effort. Overburdening any part of your plan could negatively impact existing activities.

Secondly, the appropriateness of any new fund raising activity must be considered. Is this activity appropriate to the audience? Is the timing appropriate? Is the proposed activity appropriate to your community? This is where the collective wisdom of your board comes into play. What may seem very acceptable to just one member of your board (usually the one who came up with the idea), the rest of your board may consider unacceptable for your organization or community.

Next, one needs to determine if the resources for this new activity are available. Do we have the staff to plan, facilitate, evaluate and implement the activity? Do we have the volunteers to plan, organize and staff the activity? Do we have the contacts for resources such as a location, band, caterer, etc. to implement the activity? One of the often-overlooked resources is time. If this potential new activity must be at a certain date, is there time to plan, organize, publicize and implement the activity in a suitable manner? Likewise, if there are sizeable up front costs to the activity, are these available and budgeted?

Finally, is the proposed activity worth the effort? Value can be judged in a number of ways. What is the ratio of potential dollars earned to the number of people involved? What about the ratio of potential dollars to the time that will have to be invested? Additionally, is the potential net income worth the realistic estimate of expenses? Does the proposed activity do anything to add value to your organization in public relations and publicity or in recruiting of new members or volunteers or in expanding your donor base or in educating the community about your organization? A careful look at these factors may show that the proposed activity is just not worth all the time and effort.

So you see that “great new fund raising idea” that lands on your desk from one of many sources should be studied and evaluated very carefully before adoption. What on a first glance seems to be a wonderful project may have some hidden pitfalls that careful examination will reveal.

Thanking Corporations

While saying “Thank you” to individuals is a very important activity and one that can always use some originality and creativity, it is usually rather straightforward and well understood. On the other hand, saying “Thank you” to corporation can be more complex and difficult because it is not one person being acknowledged and the needs of corporations

can be very different than individuals. Here are some ideas for thanking corporations that you might find useful.

Learn about the person in each corporation who is responsible for donations of all types. If there is a corporation donations manager or company foundation director, your acknowledgements and communications should always be personalized and directed to this person. They in turn will be responsible for carrying your thanks (and your next solicitation) to the President or CEO.

Present a plaque or other appropriate token. When doing so it is far more important to be creative than to spend a lot of donated money. If you ever look at a company's "trophy case" of awards, you will see many of the usual plaques but the unusual awards are the ones that really stand out. Your token of appreciation should be in this group.

Do everything you can to see that the corporate gift is acknowledged in the media. At the very least you should make sure it is mentioned in your own publications. It's always important to clear any media announcements through the corporate public relations office. This prevents any embarrassing blunders but also lets the corporation know that you are planning special recognition. When the donation is in conjunction with a special event, you should give the corporation special acknowledgement in the invitation and the program. A sponsorship or underwriter statement on the material everyone reads is very impressive to a corporate donor.

Inviting corporate friends to events they are not sponsoring goes a long way toward letting their representatives know they are appreciated for their support. One should not be disappointed if corporate representatives do not attend other events. It is the invitation that is important. Featuring major corporate sponsors in your annual report puts a company in the position of being recognized as a corporate leader and "good citizen". It also links that corporation to your organization for years to come.

Say "Thank you" for any donation of time, expertise, or merchandise immediately. When you and staff are geared up for acknowledging only monetary donations, it is easy to overlook the in-kind donation. All donations should be recognized with the same sincerity and timeliness. Have board members, volunteers or clients say "Thank you". These acknowledgements from "outside the office" become very noteworthy for a corporate donor and will be remembered in the future.

Purchase the products or services of the company and let them know you use their products. While you may never be the company's biggest client, your willingness to show, in the most constructive manner possible, that you support the company just as they support you will be appreciated. If the corporate donation is in connection with a special event, be sure to send photos of the event to the corporate public relations office. Every corporation is looking for ways to show their community involvement in their in-house

publications. In this way, they will have the opportunity to let every employee of the company know of their support for your organization.

Hopefully, these ideas will help you acknowledge and thank your corporate donors just as sincerely and promptly as you do your individual donors.

Ethics and Donor Restrictions

The general topic of ethics and fund raising could fill a book but the purpose of this article is to take a brief look at one aspect of ethical behavior in the fund raising profession. Each of us as professionals is duty bound to respect the wishes of the donor when we accept a gift. If we, and the organizations we represent, cannot honor the wishes of a donor, then we should not participate in accepting the gift.

The other day I heard of an organization that accepted several large gifts for the purposes of endowment. The gifts were solicited specifically for the purpose of endowing the continuing services of the organization. The commitment was made to the donors that only the interest from the gifts would ever be used for operations and the body of the gifts would be kept intact, providing a secure source of income for the ongoing operations of the organization. Then they fell on some tight times with cutbacks in other funding sources. All of the accrued income on the endowment fund was used and then, a little at a time, the principal of the fund was eroded away for current operating expenses. Some time later, it was noticed that the income from the remainder of the endowment fund was less than could be expected and questions were asked and the truth came to light. The reputation and veracity of this organization and its development personnel with donors has been damaged for years to come. It is doubtful if they will ever be able to rebuild the endowment fund.

It is incumbent upon each of us to promise only what our organizations can deliver when we solicit a gift, accept gifts with conditions we and our organizations are committed to honor, and do our very best to assure the conditions of any gift are respected in every detail. As professionals, anything less brings our own professionalism into question.

Ethics and Reality

The Code of Ethical Principles and Standards of Professional Practice subscribed to by members of the National Society of Fund Raising Executives is a document that has been developed and refined over the years to be an attestation of principles by which ethical fundraisers are guided. As such, it puts forth the ideals of our profession in sentiments to which we can all agree. However, when it comes to everyday practice, it is sometimes more difficult to determine just what is an ethical fund raising practice.

For the purpose of this "Remember the Basics" article, we have asked a number of senior fund raising professionals from Houston to give some examples of questionable fund raising practices they have observed in Houston. They are provided here for you to judge for

yourself on the appropriateness of each activity. Remember that these are just the opinions of some members of our profession and not a final judgment.

1. An organization announces to the media the financial results of their annual gala. The figure announced as being raised for the charity is actually the gross income including in-kind donations. The actual net monies that are eventually available to the organization are far less.
2. A community group conducts fund raising to benefit a particular non-profit organization. Instead of presenting the net proceeds as a direct contribution, the community group then uses the funds to buy tables for their members to other special events benefiting the same non-profit organization.
3. A capital campaign is announced for \$X millions. As the results of the campaign are tabulated they include not only new capital donations but also all other income that normally comes from annual fund raising activities. The results of the capital campaign are inflated but the income to the organization from annual giving suffers.
4. Gift income to an organization is announced far and wide when a will is drafted even though the will could be changed at a later date. There is no written assurance that the gift will indeed be received in the future.
5. An organization announces that 100% of all donations goes to client services because the management operations of the organization are supported from another source. In actual fact, all income is deposited to a general fund and all expenses, including management and fund raising salaries, are paid from this fund.
6. In selling tables for a special event, a donor makes a donation, but does not plan to attend. The event chairperson or committee member decides to use this table and host their friends or co-workers with out making a monetary contribution. The donor assumes the total of their gift went to the organization.

Personal Integrity as a Basic Fund Raising Tool

As each of us engages in the day to day tasks involved in professional fund raising and development we are called upon to utilize any number of personal skills and tools of the trade to achieve success. These personal skills and tools include such things as accounting knowledge, negotiating skills, written and verbal communication skills, and knowledge of the law. Our success depends to a great extent on these very identifiable skills.

However, there is another basic fund raising tool which we may not think about each day but which has an overwhelming impact on our success as a professional fundraiser. This basic fund raising tool is "Personal integrity." Without an automatic sense of honesty and personal integrity, we may experience some short-term success but we will never become a really successful fundraising professional in the long term.

Honesty and personal integrity is that inner sense of what is basically right or wrong in a given situation. Some may call it conscience. Personal integrity would preclude any undertakings that are not in the best interest of the organization we represent. It would cause us to discourage a donation that may put the organization at risk, legally or morally. It would also prevent our taking credit for donations in which we played no significant role. On the other hand, personal integrity automatically gives us a sense of satisfaction and accomplishment when we are operating in an ethical manner to better the organizations we serve.

No one can teach honesty or personal integrity but as a guide and reminder of the ethics of the profession of which we are a part, I would suggest you take a few moments to look at the carefully crafted "Code of Ethics" of the National Society of Fund Raising Executives. Your personal sense of integrity and honesty are as much a basic tool of successful fund raising as are your abilities in other routine development tasks.

The Donor Bill of Rights

The Donor Bill of Rights was created by the American Association of Fund Raising Counsel, Association for Healthcare Philanthropy, the Association of Fundraising Professionals, and the Council for Advancement and Support of Education. It has been endorsed by numerous organizations. Philanthropy is based on voluntary action for the common good. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

I.

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II.

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.

III.

To have access to the organization's most recent financial statements.

IV.

To be assured their gifts will be used for the purposes for which they were given.

V.

To receive appropriate acknowledgement and recognition.

VI.

To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.

VII.

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII.

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX.

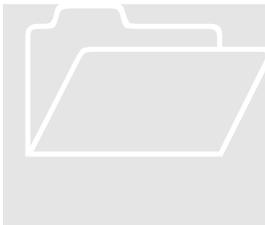
To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

X.

To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

Parliamentary procedures

Why is this important? Parliamentary Procedure is a set of rules for conducting business at meetings. It allows everyone to be heard and to make decisions without confusion. It consists of democratic rule, flexibility, protection of rights, and a fair hearing for everyone. Knowing parliamentary procedure is important for all of us. Today, Robert's Rules of order is the basic handbook of operation for many organizations. This entire handbook can be found online at the following website: www.constitution.org/rror/rror-00.htm



All you wanted to know about Parliamentary Procedures.... but were afraid to ask

Help the presiding officer expedite business. To shorten the business meeting, remember to do these things:

- Prepare yourself for the meeting by reading your minutes and familiarizing yourself with the agenda.
- Be on time so that the chairperson can begin on time.
- Pay attention. Don't be talking with other members.
- Address all remarks to the Chair – do not talk to someone across the room.
- Avoid repeating points already made. It wastes time.
- Put your ideas in the form of a motion. Start with “I move.”
- Discuss the motion. Complaining after the meeting won't help.
- Second motions if you concur with the idea and maker starts out with “I move”; then you say “I second.”
- Speak loudly so you'll be heard by all and the chair will not have to repeat.
- Discuss only the question immediately pending. Do not introduce other topics.

- Vote on motions. Be either for or against (an abstention is not a vote).
- Know what you are voting on. Ask questions if anything is not clear.
- Sit near the front if you have a report to make. Let the Chair know in advance of the meeting if your report is not ready.
- Progress reports are a valuable asset to the assembly. Let them know you are at work.
- Move the adoption of the recommendations contained in your report.
- Withdraw motions that you wish you hadn't made, or that you realize will be defeated. Consent of the second is not necessary, but the general consent of the assembly is needed.
- Accept amendments if you agree with them.
- Move to limit debate if there is too much discussion. If the discussion becomes repetitious, or time is short, move to stop debate. Use the motion "I move the previous question."
- If discussion is accomplishing nothing, move to:
 - "Refer to committee" if you need more information;
 - "Postpone indefinitely" if you want to kill it;
 - "Postpone to another time" if you want everyone to think about it, or want others to be there to vote;
- "Lay it on the table" if you want to end discussion and take up something more important.
- Inform the Chair ahead of time if you intend to bring new business before the assembly so time can be allowed for it.
- If you think something is being done incorrectly say "I rise to a point of order;" and do not require recognition or a second. A point of order must be raised at the time the violation occurs.

Top Ten Reasons to Volunteer

10. When you stay home you get too many telemarketing calls.
9. Your family could use a break from you.
8. You might need help yourself some day.
7. It's hard to win a game of solitaire.
6. Soap operas all sound alike.
5. If you don't go out each day, you get old.
4. Why let your boss have all the fun in life?
3. The car needs a workout.
2. Your mom would be proud of you.
1. Who cares about money?

Source: Joy Pople, Baldwinsville Volunteer Center, Baldwinsville NY



*What are the 7 P's of conducting an effective meeting? _____,
_____, _____, _____,
_____, _____.*

What is the single most effective method of recruiting new council members?

How often is the Council Treasurer required to develop a financial report?

What are 3 of the 10 types of fund-raising methods defined in this chapter?

What is the number 1 most common fund-raising mistake made? _____

What are the set of rules called for conducting business at meetings? _____

Parliamentary procedure gives four examples of appropriate motions to make when discussion is accomplishing nothing. What is one of those motions? _____

NOTES:

LEGAL GUIDELINES FOR OPERATING AND MANAGING NONPROFITS IN TEXAS

By Jan Soifer

Free PDF Version available at www.austincc.edu/npo/publications.html

Selected Provisions of the Texas Nonprofit Corporation Act

The Texas Non-Profit Corporation Act (Tex. Rev. Civ. Stat. art. 1396 - 1.01, et seq., the “NPCA”) applies to nonprofit corporations incorporated in Texas and to corporations organized under the law of other states which have received a certificate of authority to conduct affairs in Texas from the Texas Secretary of State, pursuant to sections 8.01 - 8.17 of the NPCA. The NPCA sets forth the general requirements for organizing, incorporating, operating, merging and dissolving a nonprofit corporation. H.B. 1156, passed by the Texas legislature in 2003 and signed by the Governor, adopts a new Business Organizations Code, effective January 1, 2006, which codifies the provisions of the NPCA, primarily in Chapter 22, which will be known as the Texas Nonprofit Corporation Law. Until January 1, 2006, the NPCA applies.

1. Registered Office and Agent

The NPCA requires that all Texas nonprofit corporations and foreign nonprofit corporations authorized to conduct business in Texas maintain a registered office and registered agent for service of process. (NPCA section 2.05 - 2.06a). If a nonprofit corporation fails to appoint or maintain a registered agent, or the registered agent cannot with reasonable diligence be found at the registered office, then any process, notice or demand may be served on the Secretary of State. (NPCA section 2.07). Under this provision, if the Secretary of State receives process, even if actual notice is not received by the nonprofit corporation, a default judgment may be taken.

2. Bylaws

Generally, the bylaws may contain any provisions for operation of the nonprofit organization which are not inconsistent with the law or the articles of incorporation. (NPCA section 2.09). Bylaws may be freely amended by the board of directors unless the corporation is a membership organization and the articles of incorporation, bylaws or the NPCA otherwise restrict the board’s rights of amendment. (Id.)

3. Board of Directors

Absent an express provision to the contrary, management of a nonprofit corporation will be deemed vested in its board of directors. The board of directors may be designated by

any name. (NPCA section 2.14). If the articles of incorporation or bylaws provide for ex officio members, such persons are entitled to notice of and attendance at meetings of the board of directors, are not entitled to vote unless otherwise provided in the articles of incorporation or bylaws, and do not have the duties or liabilities of a director. (Id.)

There shall be no fewer than three directors. The number shall be increased or decreased as provided in the articles of incorporation, but cannot be decreased to fewer than three. (NPCA section 2.15). Vacancies shall be filled by affirmative vote of a majority of remaining directors, even if less than a quorum of the board of directors, unless otherwise provided in the articles of incorporation or bylaws. (NPCA section 2.16).

Directors may vote by proxy only if the articles of incorporation or bylaws specifically provide for voting by proxy. (NPCA section 2.17).

The officers of a nonprofit corporation shall include a president and secretary (which offices may not be held by the same person) and may include other officers deemed necessary, who shall be elected at such time, in such manner and for such terms not exceeding three years, as specified in the articles of incorporation and bylaws. (NPCA section 2.20). Churches are exempt from these requirements. (Id.)

Section 2.20 of the NPCA also provides:

In the discharge of a duty imposed or power conferred on an officer of a corporation, the officer may in good faith and with ordinary care rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the corporation or another person, that were prepared or presented by:

- (1) one or more other officers or employees of the corporation, including members of the board of directors;
- (2) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or
- (3) in the case of religious corporations, religious authorities and ministers, priests, rabbis, or other persons whose position or duties in the religious organization the officer believes justify reliance and confidence and whom the officer believes to be reliable and competent in the matters presented.

An officer is not relying in good faith as required by Section D of this article if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted by Section D of this article unwarranted.

4. Indemnification

A nonprofit corporation may indemnify a director if an action is threatened or brought against such director because of his or her being a director, under certain circumstances, as specified in section 2.22A of the NPCA and as permitted by the articles of incorporation. A nonprofit corporation shall indemnify a director against reasonable expenses he or she incurred in a proceeding in which he or she is a named defendant because he or she is or was a director if the director or former director was “wholly successful, on the merits or otherwise, in the defense of the proceeding.” *Id.* In appropriate circumstances, a court may order indemnification.

The same provisions for indemnification which apply to directors are specifically applicable to each officer, employee, agent and person “who is or was serving at the request of the nonprofit corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic nonprofit corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise”. (NPCA section 2.22A [P].)

A nonprofit corporation may indemnify and advance expenses to directors, officers, employees, agents (and others listed in section 2.22A [P]) prior to the final disposition of the proceeding, if actions are taken in accordance with section 2.22A of the NPCA, the articles of incorporation and bylaws.

In addition, nonprofit corporations may purchase and maintain liability insurance (or enter into certain other liability indemnification arrangements) on behalf of any person who is or was a director, officer, employee or agent of the corporation (and others listed in section 2.22A [P]), whether or not the nonprofit corporation would have the power to indemnify him or her against liability under section 2.22A.

5. Books and Records

Nonprofit corporations are required to keep correct and complete books and records of account and minutes of the proceedings of their members, board of directors and any committees having the authority of the board of directors, as well as a record of the names and addresses of their members, if any, entitled to vote. (NPCA section 2.23).

Members have the right to examine and copy, on written demand stating the purpose of the demand, those books and records relevant to that purpose, for any proper purpose. Copies may be made at the member’s expense. (*Id.*)

Additional requirements related to financial records and annual reports are provided in section 2.23A of the NPCA. This section does not apply to all nonprofit corporations, and most churches, schools and certain other public institutions are exempt. In H.B. 1165, the 2003 legislature eliminated one of the exempt categories: organizations “whose charitable activities relate to public concern in the conservation and protection of wildlife, fisheries, and allied natural resources.”

For those nonprofit corporations to which section 2.23A applies, financial records must include full and correct entries of all financial transactions, in accordance with generally accepted accounting practices. (NPCA section 2.23A) The board of directors must prepare or approve an annual report of financial activity, which must conform to the American Institute of Certified Public Accountants’ accounting standards. The annual report must include a statement of support, revenue, expenses and changes in fund balances, a statement of functional expenses, and balance sheets for all funds. All records, books and annual reports of the financial activity of these corporations shall be kept at the registered office or principal office of the corporation in this state for at least three years and shall be available to the public for inspection and copying during normal business hours. Failure to comply with these requirements is a Class B misdemeanor.

The Texas Supreme Court issued an opinion in 1998 in which the Court ruled that section 2.23A does not require the disclosure to the public of the names of a nonprofit corporation’s contributors or members. In *re Bay Area Citizens Against Lawsuit Abuse*, 982 S.W.2d 371 (Tex. 1998). In this proceeding, the district court had ordered the entity to produce, in discovery, a list of donors and their donation amounts. The Supreme Court indicated that while records of contributions should be maintained under the statute, “the statute does not expressly require that contributors’ identities be made available to the public.” *Id.* at 189. The Supreme Court found that section 2.23 was intended to remedy a lack of accountability regarding a nonprofit’s use of funds solicited from the public, not to force nonprofit corporations to identify the exact sources of their income. (*Id.* at 190) Because a finding that the statute requires public disclosure of contributors’ names would violate the First Amendment in some circumstances, the Supreme Court held that section 2.23A “does not require the blanket disclosure of contributors’ names for public inspection.” (*Id.*)

6. Dividends and Loans Prohibited

No part of the income of a nonprofit corporation shall be distributed to its members, directors or officers and no dividends shall be paid, although reasonable compensation may be paid to members, directors or officers for services rendered. (NPCA section 2.24)

No loans shall be made by a nonprofit corporation to its directors. Those directors who vote for or assent to the making of a loan to a director and any officer participating in the making of such a loan shall be jointly and severally liable to the nonprofit corporation for the amount of the loan until it is repaid. (NPCA section 2.25)

7. Liability of Directors for Distribution of Assets in Certain Cases

Directors who vote for or assent to any distribution of assets other than in payment of its debts, when a nonprofit corporation is insolvent or when such distribution would render it insolvent, or during the liquidation of the nonprofit corporation, without paying or making adequate provisions for all known debts, shall be jointly and severally liable to the corporation for the value of the distributed assets, to the extent such debts and liabilities are not paid and discharged. (NPCA section 2.26). There are exceptions to this section, such as when a director acts in good faith and in reliance on the written opinion of an attorney of the corporation.

8. General Standards for Directors

Section 2.28 was added to the NPCA in 1993 to explicitly limit the fiduciary duties of directors of nonprofit corporations. This section, which expressly applies only to directors, but not to the corporate entity or its officers or employees, states that directors are not deemed to have the duties of a trustee with respect to the nonprofit corporation or any property held or administered by the corporation. (Id.) This statement was intended to reject and preempt statements in *Blocker v. State*, 718 S.W.2d 409, 416 (Tex. App. – Houston [1st Dist.] 1986, writ ref'd n.r.e.), that the directors of a nonprofit corporation are held to the standards of trustees.

Section 2.28 of the NPCA specifies certain fiduciary duties (although not all of the common law duties of a fiduciary) as the duties of a director of a nonprofit corporation. A director is required to discharge his duties “in good faith, with ordinary care, and in a manner the director reasonably believes to be in the best interest of the corporation”. (Id.)

In discharging their duties pursuant to section 2.28 of the NPCA, directors may in good faith rely on information and opinions of officers and employees of the nonprofit corporation; legal counsel, public accountants and other persons as to matters the director reasonably believes are within that person’s professional or expert competence; a committee of the board of directors of which the director is not a member; and, in the case of a religious corporation, religious authorities. (Id.) A director is not relying in good faith if the director has knowledge which makes reliance unwarranted, or if he does not believe the individuals in question are competent and reliable. (Id.)

Under the common law, a trustee is held to a higher standard than those articulated in section 2.28, and is a fiduciary, required to place the interests of the trust before his or her own interests. Since section 2.28 does not suggest that the nonprofit corporation itself does not have the duties of a trustee, the common law requirements applying to trustees and other fiduciaries likely apply to the entity itself.

In 2001, the NPCA was amended to add section 2.22. This new section provides that officers of nonprofit corporations have the same limited duties that directors have: the duties to act in good faith, with ordinary care and in a manner the officer reasonably believes to be in the best interest of the corporation. This section does not affect the liability of the corporation for an act or omission of the officer.

Good Faith

The commentary to section 2.28 of the NPCA states that while good faith “is a subjective requirement, a court will look to objective facts and circumstances to determine whether the good faith requirement is met. A court will generally look to the director’s state of mind to see if it evidenced honesty and faithfulness to the director’s duties and obligations, or whether there was an intent to take advantage of the corporation.” Good faith generally requires not only honesty and faithfulness, but also full disclosure. A director cannot act in good faith if he or she had knowledge concerning issues in question which should cause her to obtain more information before making a decision.

Ordinary Care

The concept of ordinary care refers to the care of an ordinarily prudent person in a like position under similar circumstances. An ordinarily prudent person is not expected to be an expert or to make perfect decisions, but is expected to use good judgment and common sense. The commentary to section 2.28 states that this “allows directors of nonprofit corporations to exercise their judgment with due regard to the nature, operations, finances and objectives of their organizations. . . . The duty of care recognizes that directors are not guarantors of the success of investments, activities, programs or grants.”

The commentary also explains that the duty of care requires that directors devote a reasonable amount of time and attention to their responsibilities, attend board meetings and review and understand material submitted to them and make reasonable inquiry, as necessary, to obtain sufficient information to be able to fulfill their duties as directors. Directors may delegate authority to officers, employees or agents of the nonprofit corporation, as long as they do so reasonably.

The commentary also suggests that the concept of ordinary care incorporates different levels of responsibility for different directors, based upon the background, qualifications, experience and role played by the director in the organization. This implies a higher level of care for employee-directors; according to the commentary, “[t]hey should be expected to have a more complete grasp of the corporation’s activities and should be expected to play an active role in monitoring, problem solving, and decision-making.”

Best Interest of the Corporation

A director must have a reasonable belief that his or her actions are in the best interest of the nonprofit corporation. The commentary refers to this as both an objective standard and a subjective standard, requiring that the belief be reasonable and that the director, in fact, believe it. While a director may be proven wrong in his or her belief that an action is in the best interest of the corporation, the action, when taken, must be taken with appropriate motive and based on information believed sufficient to determine that it is in the best interest of the organization.

9. Delegation of Investment Authority

If the board of directors acts in good faith and with ordinary care in selecting investment counsel, trust companies, banks, investment advisors, or investment managers, it may delegate investment authority to such persons, without liability for their actions or omissions. (NPCA section 2.29) The directors may remove or replace such persons at any time, with or without cause. (Id.) This section of the NPCA also imposes a lower standard on directors than the common law and the statutory law imposes on trustees.

10. Interested Directors

Section 2.30 of the NPCA, another provision added in 1993, reduces the standard to which the directors of nonprofit corporations are held from the standard to which trustees are held with respect to transactions with the corporation. Contracts and transactions between a nonprofit corporation and one or more of its directors, officers or members (or entities in which they are involved) are not void or voidable solely because the officer, director or member is involved in the transaction or is present at or participates in the meeting at which the transaction is authorized, as long as one of the following is true: (1) the material facts of the relationship or interest related to the transaction are disclosed to or known by the board of directors, and the board, committee or members in good faith and with ordinary care authorizes the contract or transaction by majority vote of the disinterested directors or members, even if the disinterested persons constitute less than a quorum; (2) the material facts are disclosed or are known to the members entitled to vote on the contract or transaction, and the contract or transaction is specifically approved in good faith and with ordinary care by vote of the disinterested members; or (3) the

contract or transaction is fair to the corporation when it is authorized, approved or ratified by the board of directors, a committee of the board, or the members.

The commentary to section 2.30 states that if the requirements of the section are met, a director can make a profit from such a transaction, and that the section attempts to accommodate the needs of nonprofit corporations and the potential abuses by directors or officers.

11. Power to Serve as Trustee

Section 2.31 of the NPCA provides that a nonprofit corporation described by Section 501(c)(3) or 170(c), Internal Revenue Code of 1986, or a corporation listed by the I.R.S. in the Cumulative List of Organizations Described in Section 170(c), may serve as the trustee of a trust of which the corporation is a beneficiary or benefiting another organization described by those sections or listed in the referenced I.R.S. publication.

This section, added in 1995, together with other statutory changes, was intended to reverse the ruling of a federal district judge that a charity which served as a trustee of a charitable trust “engaged in an unauthorized ‘trust business’ in violation of TEX. BANKING CODE Art. 342-902, and TEX. PROP. CODE § 112.008.” *Ozee v. American Council on Gift Annuities*, 888 F. Supp. 1318, 1325 (N.D. Tex. 1995). Judge Joe Kendall held, contrary to long-standing practice and acceptance in Texas, a 501(c)(3) nonprofit corporation could not legally serve as a trustee of a charitable trust unless chartered as a trust company.

The enactment of section 2.31 of the NPCA in 1995 did not convince Judge Kendall to reconsider and change his opinion. Instead, he ruled that “‘clarifications’ of pre-existing law (as the new state amendments refer to themselves) cannot serve as a basis for reconsideration of the Court’s Order since they did not expressly state that they wanted to retroactively change pre-existing law.” *Richie v. American Council on Gift Annuities*, 943 F. Supp. 685, 693 (N.D. Tex. 1996).

In 1997, the legislature responded to Judge Kendall, passing section 3.022(16) of the Texas Trust Company Act (Tex. Rev. Civ. Stat. art 342a-3.022[16]) which states that “[a] company does not engage in the trust business in a manner requiring a state charter by: . . . serving as trustee of a charitable trust as provided by Article 2.31, Texas Non-Profit Corporation Act” In the legislation (H.B. 1870), the legislature also amended section 2.31 of the NPCA, and made a statement, included in the Historical and Statutory Notes to Section 3.022 of the Texas Trust Company Act, that these two provisions “take effect immediately, and apply to all corporations serving as trustee of a charitable trust before, on or after the effective date of this Act, including all corporations whose status as trustee of a charitable

trust is the subject of litigation or proceedings pending before, on, or after the effective date of this Act.”

12. Greater Voting Requirements

If the articles of incorporation require the vote or concurrence of a greater number of directors or members than the NPCA does, the provisions of the articles of incorporation shall control. (NPCA section 9.08.)

13. Action Without a Meeting

Section 9.10 of the NPCA allows any action which may be taken at a meeting by the members or directors or of any committee, to be taken without necessity of a meeting if there is unanimous written consent, signed by all persons entitled to vote, setting forth the action to be taken.

Based upon an amendment to section 9.10 added in 1993, such actions may be taken by written consent, without a meeting, even if not unanimous, if the articles of incorporation so provide, and if the written consent specifies the action and is signed and dated by a sufficient number of persons entitled to vote as would be necessary to take the action at a meeting. There are requirements that the written consent be properly delivered to the corporation within a specified period of time and promptly given to those who did not consent in writing.

14. Telephone Meetings

Telephone conference call meetings are permitted, so long as proper notice is given, unless otherwise restricted by the articles of incorporation or bylaws. (NPCA section 9.11).

Drucker Foundation Self-Assessment Tool for Nonprofit Organizations

What is our vision, our mission and our values?

- 1.1 What are we trying to achieve?
- 1.2 What specific results are we seeking?
- 1.3 What values do we hold sacred?
- 1.4 What are our major strengths? Our weaknesses? Opportunities for change? Challenges we face?
- 1.5 Does our mission need to be revisited?

Who is our client/customer?

- 2.1 Who are our primary clients/customers?
- 2.2 Who are our supporting client/customers?
- 2.3 Have our clients/customers changed? How?
- 2.4 Should we add or delete some clients/customers?

What does our client/customer consider value?

- 3.1 What do our primary clients/customers consider value?
- 3.2 What do our supporting clients/customers consider value?
- 3.3 How well are we providing what our clients/customers consider value?
- 3.4 How can we use what our primary clients/customers consider value to be more effective?
- 3.5 What additional information do we need?

What have been our results?

- 4.1 How do we define our results for our organization?
- 4.2 To what extent have we achieved these results?
- 4.3 How well are we using our resources?

What is our plan?

- 5.1 What have we learned and what do we recommend?
- 5.2 Where should we focus our efforts?
- 5.3 What, if anything, should we be doing differently?
- 5.4 What is my plan to achieve results for my group / responsibility area?
- 5.5 What is our plan to achieve results for our organization?
- 5.6 How will we implement this plan?

Adapted from:

Peter F. Drucker Foundation. The Five Most Important Questions You Will Ever Ask About Your Nonprofit Organization: The Drucker Self Assessment Tool. San Francisco. Jossey-Bass. 1998.

Strategy: Way of Perceiving, Thinking and Acting for When the Far Becomes Near

By Paul A. Schumann, Jr., Glocal Vantage, Inc.

Once upon a time a camel and a donkey were walking together. The camel moved smoothly with long strides while the donkey moved impatiently, stumbling frequently. The donkey asked his companion, “How is it that I am perpetually in trouble! I am always falling and hurting myself in spite of the fact that I look carefully downward as I walk. You never seem to be aware of what surrounds you. Your eyes are fixed on the horizon, and you keep going fast without stumbling.”

The camel smiled serenely and answered, “By looking down you do not see anything until it is too late to change your steps. You think that haste is speed and that by looking you can see. And, you think that seeing near is the same as seeing far. You have assumed that I am looking at the horizon. However, I am merely gazing ahead so as to work out what to do when the far becomes near. And, I remember what has gone before, and do not need to look back and stumble once again.”

Chapter 5 My Council Meetings

This chapter simply provides a space to maintain your Council's monthly meeting documentation: meeting notice, agenda, minutes, and treasury report. It is suggested that you file these documents from the most recent meetings on top.

If your meeting room, your boardroom, or your office (take your pick) isn't a nursery for ideas, a rumpus room where seals frolic, forget it. Burn the table, lock the room, fire the clerks. You will rarely come up with any ideas worth entertaining. The full room with the heavy people trudging in with long faces to solve problems by beating them to death is very death itself. Serious confrontations rarely arrive at serious ends. Unless the people you meet with are fun loving kids out for a romp, tossing ideas like confetti, and letting the bits fall where they may, no spirit will ever rouse, no notion will ever birth, no love will be mentioned, no climax reached. You must swim at your meetings, you must jump for baskets, you must take hefty swings for great or missed drives, you must run and dive, you must fall and roll, and when the fun stops, get the hell out.

- Credited to Ray Bradbury in a book called *The Leader's Edge*

Chapter 6 My Council Projects, Activities, Committees

This chapter provides a brief overview and history of the local community resource councils and other valuable organizational information.