



Building a Board that Works for Your Farmers Market

Laura Skelton

Senior Consultant, Valtas Group

Skelton Consulting, LLC

Why join a Board?

Why does your organization exist?

Hint: This is your mission.



What & who is a nonprofit Board of Directors?

- Volunteers
- Establish mission for the organization (what is our purpose?)
- Oversee finances, including annual 990 (tax return) submission
- Set strategic vision (what will we focus on?)
- Maintain compliance with local, state, federal laws
- Hire and evaluate Executive Director or Market Manager, if applicable

WA State requirements for nonprofit Board

- At least 3 members
- 3 required officers: President, Secretary, Treasurer
- Unless otherwise stated in bylaws, quorum has decision-making authority

Standards for Board members

- **Duty of Care:** you must act with the "care that an ordinarily prudent person would exercise in a like position and under similar circumstances." (i.e., be a good steward of the organization)
- **Duty of Loyalty:** “a board member must give undivided allegiance when making decisions affecting the organization” (i.e., you are acting in the best interests of the organization, not for your own gain)
- **Duty of Obedience:** “The duty of obedience requires the board of directors to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage donated funds and other resources to fulfill the organization's mission.”

Best practices: Compliance

Register with Secretary of State:

Corporations (everyone) and Charities (receive donations of at least \$50K/year)

Ensure adherence to bylaws



Best practices: Board operations

D&O insurance

Conflict of interest declarations

Retain documents according to
minimum statutes and your
document retention policies

Establish committees, if desired



Best practices: Financial oversight

Review financial statements at each meeting

Approve annual operating budget

Create financial policies
(e.g., cash reserve, donation acceptance policy)



Best practices: Resource development

Lead and/or assist with raising money

Connect organization to resources:
volunteers, donations, etc.



Best practices: Meetings

Come to meetings prepared

Consider doing routine updates
via email or consent agenda

Spend time together on decision
making



Running an efficient meeting

Item	Duration	Lead
Welcome	5 minutes	President
Approve minutes (vote)	2 minutes	President
Mission Minute / Program Update	10 minutes	Market Manager
Review financials	10 minutes	Treasurer
Committee Reports - Events Committee - Finance Committee - Development Comm.	10 minutes each	Committee chairs
Action Item Review	5 minutes	Secretary
Adjourn Regular Meeting		President
Executive Session	10 minutes	Board only

What does a Board need to vote on?

Approving minutes (monthly)
Approval of new Board members
Depending on finance policy, expenditures beyond budget
Hiring or firing of Executive Director
Adoption of strategic plan
Change in mission and/or vision statements
Change in bylaws
Dissolution or merger

Annual Voting

Annual budget
Election of officers
Approval of 990 submission
Annual compensation of Executive Director

A couple of notes

A note on taking minutes

A note on parliamentary procedures



Best practices: In the Community

Strong advocates

Speak with one voice externally



For organizations with paid staff

- Staff handles “today” issues; Board handles “tomorrow” issues
- Staff manages the organization’s day-to-day activities
- Board governs (fiduciary responsibility, strategic leadership)

- Maintain strong working relationship with Executive Director/Market Manager
- Board approves policies that impact staff compensation and evaluation

- Balance being “in the know” with being “in the weeds”

Board v. Staff

Board

Policies affecting hiring and compensation

Annual budget

Insurance

Risk management

Staff

Daily ops: IT, vendor support, facilities

Marketing

Event management

Reporting

Supervising other staff and volunteers

Community outreach

RACI example: Opening a new location

	Responsible (who does the work)	Accountable (who is ultimately accountable)	Consulted (important input)	Informed (in the loop)
Determining location	Manager	Board	Neighborhood partners	Current vendors and shoppers
Securing lease	Board & Manager	Board	Manager	
Securing insurance	Manager	Board		
Hiring additional staff or volunteers	Manager	Manager	Board	
Marketing & outreach	Manager	Manager		Board
Vendor outreach	Manager	Manager		

How will your Board operate?

Communications

- How will the Board communicate between meetings?
- What if an emergency arises outside the board meeting?

Meetings

- Will you meet in person, online, or by phone?
- Will meetings be open/public?
- Will you invite staff to attend?
- Executive Session

Making Decisions

- What things need a Board vote?
- Consensus vs. majority/quorum
- Where will you keep your org documents?
- How will you handle conflict?

Working v. Governance Boards

Working Board



Governance Board

When things don't go well...

A / B / C / D Boards

A: absent

B: broken

C: complacent

D: doing

Burnout

Board development

Mission creep

Exhaustion from
crisis

Conflict

Among Board
members

Board v. staff

Think like Goldilocks

Board size

Amount of conflict

Balance between knowing
how market operates vs.
getting into the weeds



Questions?

Closing Activity

Thank you!

Laura @ValtasGroup.com

