

THE NEEDMOR FUND

OPERATING GUIDELINES

I. MISSION, VISION AND VALUES

Section A. Mission.

The mission and purpose of this trust is to work with others to bring about social justice. The Needmor Fund supports people who work together to change the social, economic, or political conditions which bar their access to participation in a democratic society.

Section B. Vision and Values.

The Board and Members have adopted the following statement of vision and values:

1. "We envision a nation committed to democracy. We believe that citizens should be free and equal to determine the actions of government and the terms of public policy and thus assure their right to: justice, political liberty, the basic necessities of life: food, shelter, access to health care, and safety, an education which enables them to be contributing members of society and the opportunity to secure productive work with just wages and benefits and decent working conditions."
2. "We believe that all citizens should be free to exercise these rights regardless of race, ethnic origin, gender, sexual orientation or religious persuasion."
3. "Our grantmaking philosophy fosters a spirit of individual and collective responsibility. We strive to remove systemic barriers to the practice of democracy by encouraging the efforts of people who have come together to work for justice and the common good. We seek always to engage those whose participation in the affairs of the community has been systematically denied, because we believe our nation will operate most equitably when all of its citizens can be actively involved in crafting the vision, values, and specific policies that guide its operation."
4. "We believe that the involvement of the Donor Family, their time, energy, knowledge, values, historical connection to Needmor and their ongoing financial contributions, is an important resource for Needmor and should be cultivated. As a family foundation we also believe that the family should serve Needmor rather than Needmor serving the needs of the family."

II. BOARD OF DIRECTORS

Section A. General Powers.

The powers of the trust shall be exercised, its affairs conducted, and its property controlled, by the Board of Directors except as otherwise provided in the Trust Agreement, any amendments thereto, or Ohio law.

Section B. Number of Directors.

Until changed in accordance with the provisions of this section, the number of Directors shall be at least seven (7), but not more than fifteen (15). The number of directors may be fixed or changed at the annual meeting of the Board, at which a quorum is present, by the affirmative vote of a majority of the Board.

Section C. Responsibilities.

The Board will:

1. Determine the organization's mission and purpose;
2. Hire, serve as counsel and support to, regularly evaluate the performance of, and dismiss when necessary an Executive Director;
3. Review and approve the budget and ensure that the Fund's assets are managed effectively, as recommended and presented by the Finance Committee;
4. Form standing and ad-hoc committees and monitor their activities throughout the year;
5. Approve grant awards;
6. Formulate long-range plans and carry out educational programs to give direction and dimension to the Fund;
7. Ensure that the public and charitable role of the Fund will be carried out in a way that is most beneficial to the community and consistent with the mission and purpose of the Fund through policy review, examination of past experience, and looking to new opportunities;
8. Serve as ambassadors for the Fund;
9. Assess its own performance;
10. Develop policies and procedures consistent with these Operating Guidelines.
11. Provide access and training for family members interested in and supportive of the mission of Needmor;
12. Ensure succession planning and leadership development of future board members, both family and civic;
13. Encourage continued support of Needmor with volunteer energy and financial contributions.

Section D. Board Member Expectations.

Each Board member is expected to:

1. Participate in Board meetings and committee meetings;
2. Be prepared for Board meetings and committee meetings; receive and read materials pertaining to Board meeting discussions;
3. Attend at least one site-visit and/or Needmor retreat, annually; and
4. Make a best effort to be responsive to the office and others regarding Board business.

Section E. Nomination, Election and Vacancies.

1. Directors shall be elected at the annual meeting of the Board; but when the annual meeting is not held or Directors are not elected there, they may be elected at a special meeting called and held for that purpose. Director candidates shall be nominated by the Board Development Committee. The election shall be by ballot whenever requested by any Board member, but unless so requested, the election may be conducted in any manner approved at the meeting. Only persons nominated as candidates by the Board Development Committee shall be eligible for election as Directors.
2. Vacancies in the Board may be filled by a majority vote of the remaining Directors for the duration of the term of the vacant position.
3. The BDC shall recruit donor family members for 51% of the Board seats. If there are not qualified, interested donor family members, or if vacancies occur, actual Board

composition may be less than 51% donor family members. In that case, at the next board election, donor family members have a first right to nomination for the then available seats until they make up 51% of the Board.

Section F. Term of Office.

Directors shall hold office for three-year terms or until the annual Board meeting held in the year in which such Directors' terms expire, or until their successors are elected and qualified. A Board member may serve for an unlimited number of terms. The term of office begins at the end of the meeting at which the election is held.

Section G. Meetings.

At least two meetings of the Board shall be held annually. It will also meet as necessary to carry out its duties. Meetings of the Board may be held either in person, by telephone or by other electronic means. Board meetings are open to Donor Family non-Board members, who should notify the Board Chair of their interest in attending to observe.

Section H. Special Meetings

Special meetings of the Board shall be held at the call of the Chair or upon the written request of three members of the Board. The notice of a special meeting shall specify the business to be considered at such meeting and no other business may be conducted.

Section I. Notice of Meetings.

All members of the Board and those of the Donor Family who request notice will be notified of all meetings.

Section J. Quorum.

A majority of the Board shall constitute a quorum at its meetings. The Board shall act by a majority of those members present.

Section K. Conflict of Interest.

The Board shall adopt a conflict of interest policy.

Section L. Removal.

As described in Section D above, serving on the Board involves a commitment of time and work. Board members who fail to keep their commitments will relinquish their status as a Board member. If a Board member misses three consecutive regularly scheduled meetings, the Chair or the Chair of the Board Development Committee will notify that Board member that he or she is considered to have resigned from the Board. He or she may request reinstatement, which requires a vote of a majority of the Board.

Section M. Proxy.

For non-regularly scheduled meetings, a Board member may request to participate by proxy. He/she should contact the Director or the Chair and offer comments or concerns about the issue at hand and express an intended vote. The Board will consider such requests for participation by proxy individually, before deliberations begin, and on the

record. This participation will count as being ‘present’ for the purpose of Section L. above.

III. THE DONOR FAMILY

Section A. Definition.

Donor Family members are the descendants of Duane and Virginia Secor Stranahan, who established the Needmor Fund, and any spouse or partner of a descendant.

Section B. Opportunities for Involvement.

Family members may participate in Needmor by:

1. Attending annual interactive educational meetings;
2. Volunteering for nomination to the Board;
3. Attending site visits (as deemed appropriate by Needmor staff);
4. Serving on committees;
5. Participating in other donor education opportunities.
6. Having access to various reports such as annual reports, Needmor News, the website, and other vehicles that communicate the work of Needmor;
7. Attending board meetings as an observer;
8. By financial support as their means may allow.

IV. OFFICERS

Section A. Officers.

The officers, all of whom shall be chosen from among the directors, shall be a Chair, a Vice-Chair and a Secretary/Treasurer. Officers shall serve for 3 years and until their successors are elected.

Section B. Election and Term of Office.

The Board Development Committee shall nominate a Board Chair, a Vice-Chair, and all Standing Committee chairs except for the chair of the Board Development Committee, who will be selected by the Board chair. The officers shall be elected by the Board of Directors at its Annual Meeting. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors.

Section C. The Chair.

The Chair shall have general charge of the affairs of the Fund, shall preside at the meetings of the Board of Directors and of the Executive Committee and shall perform such other duties as are provided in these Guidelines and as the Board of Directors may determine from time to time.

Section D. Vice Chair.

The Vice-Chair shall, at the request of the Chair, or in the event of his or her absence or disability, at any time and from time to time, perform any and all duties of the Chair and

shall have such other powers and perform such other duties as the Board of Directors may from time to time specify.

Section E. Secretary/Treasurer.

The Secretary/Treasurer shall attend, and keep, or cause to be kept, the minutes of all meetings of the Board of Directors and shall attend to or cause the giving and serving of all notices of the Fund. He or she shall also keep, or cause to be kept, a record containing the names of all persons who are members of the Board of Directors of the Fund, showing their places of residence and shall, in general, perform all the duties incident on the office of secretary. He or she shall have such other powers and perform such other duties as the Board of Directors may, from time to time, specify.

The Secretary/Treasurer shall also serve as the chair of the Finance Committee.

Section F. Removal of Officers or Delegation of their Powers.

Any officer elected or appointed by the Board of Directors shall be subject to removal by the Board if, at any time, in the judgment of the Board, such action is in the best interest of the Fund. In case of the absence of any officer or agent of the Fund, the Board of Directors may, without removal of said officer, delegate his or her powers and duties to any other officer or suitable person selected by the Board for such period as the Board deems proper, subject, however, to any limitations herein contained and only to the extent permitted by law.

Section G. Compensation.

No officer or member of the Board of Directors of the Fund shall receive any compensation for his or her service as an officer or member of the Board.

V. COMMITTEES

Section A. Committees.

In addition to such other committees as the Board of Directors and the Executive Committee may from time to time authorize or appoint, there shall be the following standing committees: Executive Committee, Finance Committee, Program Committee and Board Development Committee. Committees and committee chairs are appointed by the Chair of the Board based upon recommendations of the Board Development Committee and approved by the Board. The Finance Committee chair shall be the Secretary/Treasurer and shall be elected by the Board.

Section B. Executive Committee.

The Executive Committee shall consist of the Chair of the Board, the Vice-Chair of the Board, the Secretary/Treasurer of the Board, two members at large from the Board and the Executive Director (as a non-voting member). The Executive Committee shall act for the Board of Directors in the interim between Board meetings and such actions shall be ratified by the Board at its next meeting. The Chair of the Board shall be chairperson of

the Executive Committee, the meetings of which shall be called by him or her at any time he or she deems necessary.

The Executive Committee shall cause minutes of its meetings to be kept, which minutes shall be submitted to the Board of Directors at its next meeting.

The Board Chair will appoint one of the members of the Executive Committee as personnel coordinator. The personnel coordinator will, in consultation with the Executive Committee and the Executive Director, see to the implementation of the personnel policies including the annual performance review of the executive director.

Section C. Finance Committee.

The finance committee manages the finances of the Needmor Fund. This shall include, but is not limited to, overseeing the investment of the Needmor endowment, creating a budget for the Needmor office, informing the Board of funds available for granting, maintaining an adequate cash flow for the Fund's activities, and soliciting contributions to the Needmor Fund. The finance committee will also create and review investment policies and objectives and ensure they are carried out. The budget prepared by the Finance Committee must be approved by the Board. The Finance Committee may seek approval from the Board to recruit outside members as it sees fit. The Secretary/Treasurer will be the chair of the finance committee and will organize, delegate and schedule the work of the committee.

Section D. Board Development Committee.

The Board appoints the Board Development Committee. Its job is to present the Board with a slate of qualified and prepared nominees for Board vacancies.

The Board Development Committee shall also:

1. Create a system of periodic evaluation of the Board and individual members to assess individual and group strengths, areas for improvement and plans to improve functioning;
2. Identify the expertise and diversity needed in Board candidates and officers, and find appropriate candidates with the input of key foundation stakeholders (staff, Board members, family members, peers, etc.);
3. Develop potential Board members' knowledge and familiarity with Needmor's work and mission;
4. Create an orientation structure for new board members, perhaps including assigning them a mentor;
5. Develop a subcommittee responsible for recruiting and training family members for future board leadership roles;
6. Periodically review the board terms, limits, etc. for appropriateness;
7. Oversee the implementation of board development programs.

Section E. Program Committee

The Program Committee will organize the Board to set Program direction and create policy about the scope, direction, staffing, resource allocation, mission and guidelines of Needmor's program. The Program Committee will plan and facilitate Board discussions to evaluate existing program practices, introduce innovations to the program and discontinue program practices that are ineffective.

It should represent in its membership the National Learning Community, the Regional Clusters, the Finance Committee and any other Board committee or Task Team that is involved in program work.

Every program component should have, at any given time, a Guidance Paper that embodies the focus, strategy and goals of that program area. This Guidance Paper is the basis of direction setting and evaluation and is the tool for the Board's overall program involvement and guidance.

The Program Committee will organize the information and facilitate Board discussion to draft, discuss and alter or adopt these Guidance Papers for the program as a whole and each component, currently identified as:

- Grantmaking- Southeast, Southwest and National
- Field Presence
- Mission Related Investing

The committee will develop a cycle of planning that provides the Board an opportunity, over time, to fully discuss and evaluate both the individual components and the full program work of the Fund.

Section F. Terms of Committee Membership and Committee Procedures.

1. Unless otherwise determined by the Board of Directors or the Executive Committee, the members of all committees shall hold office from the date of election or appointment to the next Annual Meeting of the Board of Directors. Any member of any committee who shall be absent from three consecutive meetings without having been excused by the chair of such committee shall be deemed to have resigned.

2. Vacancies in the membership of any committee shall be filled by the Chair with the approval of the Board of Directors.

3. The majority of the members of any committee shall constitute a quorum authorized to conduct the business of the committee. Meetings of each committee may be called by its chair, by the Board Chair or on the request of any two members of the committee on two days notice. Each committee shall have the power to adopt its own rules and procedures.

4. Meetings may be held in person, by telephone or by other electronic means.

VI. EXECUTIVE DIRECTOR

The Executive Director shall be the chief administrator of the Fund and shall have the duties of implementing the directives, decisions and policies of the Board of Directors pertaining to administration, personnel, programming, financing and public relations and shall generally promote, coordinate and supervise the efforts of the Fund. The Executive Director shall be responsible for the selection and the performance of staff.

The Executive Director shall serve at the pleasure of the Board, upon such terms in writing as the board may determine at the time of his or her appointment and from time to time thereafter.

The Executive Director shall not be a member of the Board of Directors, but shall serve on the Executive Committee (as a non-voting member).

VII. AMENDMENTS

These Operating Guidelines may be altered, amended or repealed at any meeting of the Board of Directors at which a quorum is present, by majority vote of those present, provided the notice of the meeting sets forth the proposed alteration, amendment or repeal.

VIII. MISCELLANEOUS

Section A. Fiscal Year.

The fiscal year of the Fund shall be from January 1st to December 31st.

Section B. Review.

Financial transactions of the Fund and its books and accounts shall be reviewed annually by an independent certified public accountant or firm of certified public accountants selected by the Board of Directors.

Adopted April 29, 2004 _____
Daniel Stranahan, Secretary/Treasurer
Amended to add Program Committee June 29, 2004

Roles of the Needmor Board:

- 1) Oversight and Evaluation
 - A) To define the mission (and review and revise when appropriate)
 - B) To evaluate programs and activities to be sure they effectively and efficiently meet the mission
 - C) To set values and ensure they are acted on
 - D) To hold staff accountable
 - 1) For acting in accordance with Needmor's values
 - 2) To hire, support, evaluate and fire the Executive Director and to provide effective direction, support and acknowledgement
 - 3) Monitor finances and investments, raise money
 - 4) Set and review personnel policies, insurances, etc.
- 2) Strategic Planning – to analyze the world in which Needmor operates to make sure the mission is still appropriate, and that our vision and program are constructed to accomplish the mission effectively and efficiently, and in accordance with our values. When needed, to design interventions and processes to adjust operations.
- 3) Spreading of Information and Knowledge
 - A) To develop the pertinent skills of current and future board members
 - B) To provide a place for family members to learn about philanthropy, including by going on site visits
 - C) 1) To be an ambassador for Needmor's grantees and our beliefs (for instance to raise more money for community organizing, and encourage others to engage in mission related investing)
 - 2) Assure Board and staff members do the best possible job of representing Needmor
 - In written form (Annual Report, Website, publications)
 - In person (at meetings, with grantees)

Three gifts you get from being a Board member:

- 1) Learning
- 2) Belonging
- 3) Making a difference

So Board members must get some sense of connection with other Board members, and with Needmor as an organization,

Some sense of contributing to Needmor's success

Knowledge, growth and fun

Expectations for what a good board member is/does:

- 1) Demonstrates that they believe in and support the mission, vision, values and program of the foundation

- 2) Understands our principle programs
 - A) Grantmaking - attend site visit or retreat each year
 - B) Mission-related investing
 - C) Spreading the word on community organizing (field presence)
- 3) When acting as a Board member, puts Needmor's needs before their personal agenda, or that of any other organization
- 4) Acts in accordance with our values
 - A) Honest and open - Say what we feel and believe
 - B) Listens and respects others – personally and professionally
 - C) Deals with conflict directly and constructively
 - D) Flexible, open to new ideas
 - E) Continual learning and improving of performance
 - F) Follow through on commitments, holding each other accountable
 - G) Is thoughtful and reflective, contributes good ideas and points
 - H) Works on having positive working relationships with other board members and staff
- 5) Understands and values the role of foundations
- 6) Understands the role of board members, governance systems, and respects organizational boundaries (doesn't micromanage staff)
- 7) Has a broad and active life experience, and opinions and perspectives informed by that experience, which s/he is willing to bring to the group and express clearly so that it is added to the "soup," without needing to make it be the "soup"
- 8) Is a responsible contributor – shows up, prepares and contributes, volunteers on committees and for leadership roles
- 9) Views Needmor as WE, not YOU: commits to being a part of the community of Needmor

What "breaks the deal"

- 1) If Board member evidences lack of support for mission, vision, values, and program of Needmor, or for foundations in general
- 2) If Board member can't put the needs of their own organizations or themselves behind needs of Needmor when dealing with Needmor's work
- 3) If Board member has trouble showing up, carrying through on commitments, doesn't volunteer
- 4) If a Board member creates conflict with others (Board, staff, grantees, others in field) and doesn't deal with it constructively.

From the Operating Guidelines and Board Development Committee notes from the November 04 Board meeting.