



League of Women Voters of Minnesota Records

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Memorandum

DATE: June 6, 1997
TO: Board Members, Sawyer, Tews, PT
FROM: Judy Duffy, President
RE: Board Retreat for June 18, 1997
CC:

Enclosed is the schedule for the Board Retreat on Wednesday, June 18th. The day's activities start with coffee at 9:00 a.m. and finish with dinner which concludes at 7:00 p.m. Hopefully a one day retreat is easier to fit into your schedule and will allow us the opportunity to get to know each other a little better.

We will spend some time on goals for our new board as individuals and collectively. Included for you to think about are the goals established by the last Board. They are included here for you to determine whether they are relevant, useful or should be changed substantially. Since we are in the initial stages of a long range plan, more substantive goal setting sessions will occur later in this process. Our goal setting will focus on what we want to do for the next year.

See you on the 18th and we'll even try to fit in some fun!

Note: If you find that you cannot attend, please let the office know asap.

Membership

LWVMN Board Retreat
Mt. Olivet Retreat Center
Wednesday, June 18, 1997

COME EARLY AND TAKE A WALK ON THE TRAILS!

Agenda

9:00 a.m. - Opening; coffee, rolls

9:30 a.m. - Board Development
'Getting to know you' /Pickering

10:30 a.m. - Rest Break

10:35 a.m. - Long Range Planning/Erickson, Grover

Prelim. Objectives.

12:15 p.m. - Lunch
LWVUS Council Review

1:00 p.m. - Goal Setting for 1997-98/Matlock
(enclosed are goals and objectives for 1995-97 years)

2:45 p.m. - Break

3:00 p.m. - The Board/Development/Planned Giving/Walz
Guest Speaker: Richard Lancaster, St. Paul Foundation

4:30 - 5:00 p.m. - Membership/Pickering

5:30 p.m. - Dinner

*Strengthen state league by
Review Org. Structure of
LWVMN Board, Staff, & ~~it~~
interactions.*

Sub. Committee

*Jean W.
Kathleen
Cynthia
Cindy
Carol F*

*Butler Uses
Human Resources*

LWV MISSION STATEMENT

The League of Women Voters, a nonpartisan political organization, encourages the informed and active participation of citizens in government and influences public policy through education and advocacy.

LWVMN GOAL 1995-97

The goal of the League of Women Voters of Minnesota is to empower citizens to shape better communities throughout the state.

LWVMN Priorities 1995-97

LWVMN: To strengthen local Leagues

LWVMNEF: To build better communities

Big Picture
this is jumping off point.

Jeanne M.
Sally overview
Vera recorder

What would you like to do for the next year?

To accomplish our goal, we will seek to ...

measurable

Who will do?

Deadline

1. Strengthen the League through:

A. Increasing League membership

Steps to take in the next two years:

- * Use LL programs to attract members
- * Look at MALs - are their needs being met?
Do we encourage them to join LLs?
- * Improving accessibility to LLs.

S specific
M measurable
A attainable, realistic
R relevant
T trackable

B. Providing assistance to current local Leagues

Steps to take in the next two years:

- * Listening to and meeting LL needs. *tried*
- * Facilitating and helping them deal with local issues
- * Hire additional staff to help LLs.

mission & goals.
move ahead

C. Developing new Leagues

Steps to take in the next two years:

- * Visit Brainerd

D. Increasing League visibility with the public and media

Steps to take in the next two years:

- * Assist in identifying community issues important to the citizens of that community. *part of proj*
- * Provide samples of programs done by LLs for other LLs to adopt
- * Improve accessibility to LLs. ?

E. Improving our communications and accessibility with the local Leagues.

Steps to take in the next two years:

- * Create prepackaged samples such as ed fund request forms, membership information, etc.
- * Help LLs build networks with other Leagues and organizations
- * Improve accessibility to LLs
- * Develop LL and State publication data base. *catalog - not l.l. lists*

F. Providing financial stability for LWWMN

- * Increase membership
- * Diversify funding base
- * Identify our niche for fundraising
- * Do quick, easy, fund raising
- * Develop and implement an action plan

2. Encourage public involvement in the election and political process by providing nonpartisan information and efforts to combat the public mood of cynicism.

Steps to take in the next two years:

- * LL and State publication data base
- * Broaden Voter Guide - Add local races and judges
- * Network with other groups
- * PSA to promote LL
- * Develop TV, cable, radio shows/forums that spotlight local and state issues
- * Investigate or provide workshops on "how to run for office." (Can provide booklets) LLs encourage people (in general) to run, then provide forums for the public to hear candidates' views
- * Continue customary voter service projects.

3. Promote technology in the community interest

Steps to take in the next two years:

- * Inform LL members and public about community opportunities for computer technology
- * Work with ACCESS MN and METRO NET - moved to our own capacity
 - ♦ developing LWVMN Project
 - ♦ People need to be involved in projects -- hardware and software not the problem (not necessarily)
 - ♦ Decide how League should be involved in the process
 - ♦ Expand office systems and uses -- E-mail and internet
 - ♦ Use E-mail with members who have access to computers
 - ♦ Involve LL who have access to ACCESS MN with the technology.
 - Website; listserve, documents by E-subscription

4. Take action on selected legislative issues and train other to do the same.

Steps to take in the next two years:

- * Have the six VOTERS focus on an issue with an in-depth article. did some of this
- * Encourage LLs to take action -- offer workshops on "how-to's" action wkshp at Convention
- * Continue 10 minute activists - expand Intern program
- * Expand CIA involvement - did expand
- * Investigate cable possibilities.

5. Continue on-going Education Fund projects including:

- * Elementary Curriculum of basic skills for democracy in elementary school. did this
- * Revision of Indians in Minnesota. working on this
- * Mental Health Project - diminished into 4th yr.
- * Revision of Serving MN's Mentally Ill. - no

6. Develop study item, "~~State Government Spending~~" "Election of Judges"

Minneapolis

FROM SOUTHWEST

FROM NORTHEAST

St. Paul

Follow Mn State Hwy 3 south to Farmington, turn right on Mn State Hwy 50 west to Cedar Ave. At the intersection of Cedar Ave. and Mn State Hwy 50 you will note Jeff Belzer's Chevrolet. Turn left at that junction, go approximately 3½ miles to 250th St., turn right for a mile to Highview Ave., turn left for .7 miles to 257th St. and turn left again to the Retreat Center.

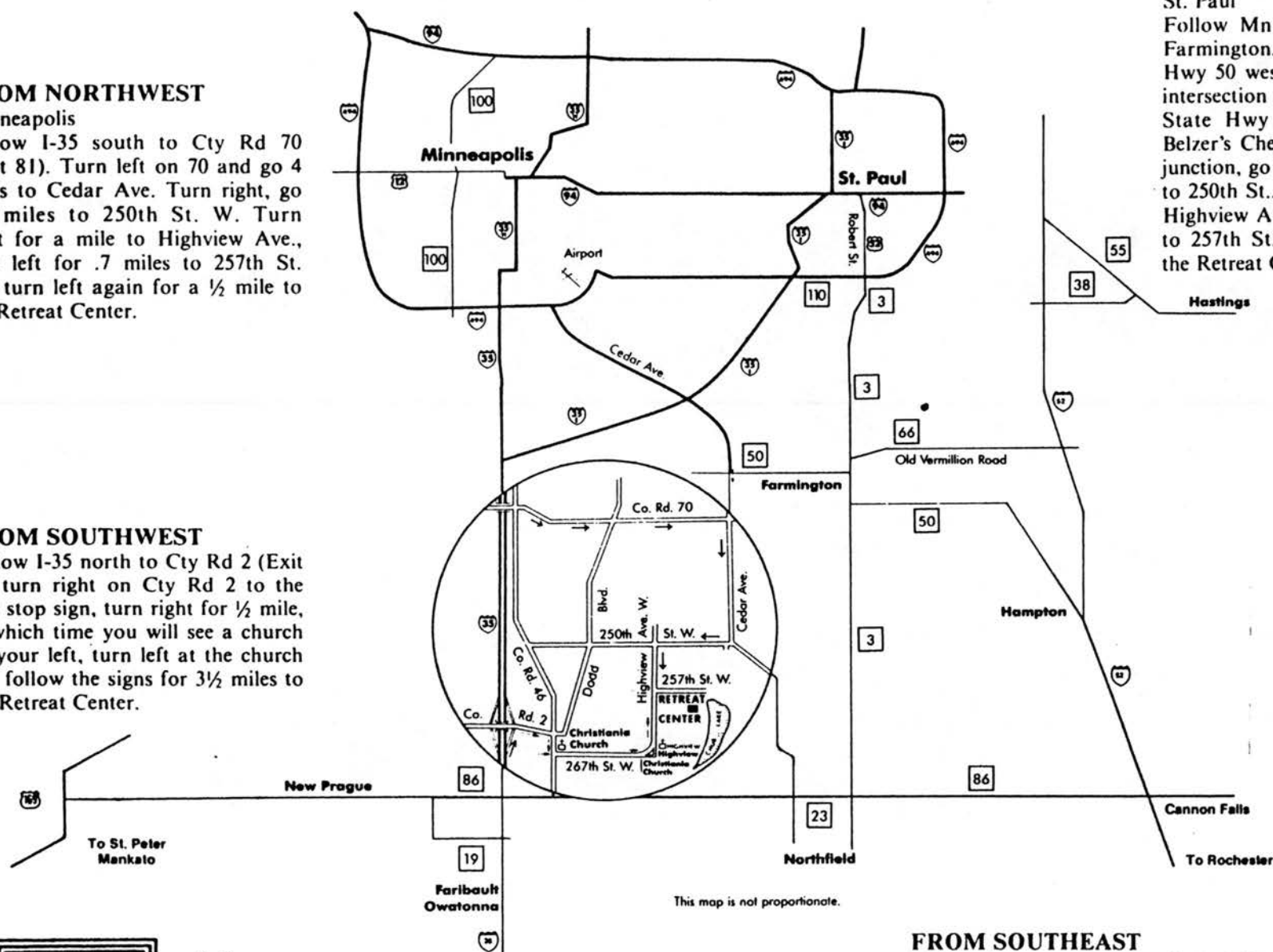
FROM SOUTHEAST

Follow Cedar Ave. north of Northfield to 250th St., turn left for one mile then turn left for .7 miles and then turn left once again for ½ mile to the Retreat Center.



**Mount
Olivet
Retreat
Center**

7984 - 257th Street West, Farmington, MN 55024 (612)469-2175





GUIDE FOR BOARD MEMBERS

Fiduciary

Duties of

Directors of

Charitable

Organizations

**FROM THE OFFICE OF
MINNESOTA ATTORNEY GENERAL
HUBERT H. HUMPHREY III**

Introduction

The Attorney General has prepared this *Guide for Board Members* to help directors understand their responsibilities as stewards of their organizations. Under Minnesota law, directors of a Minnesota nonprofit corporation are responsible for management of the business and affairs of the corporation. This does not mean that directors are required to manage the day to day activities of a corporation or to act in the role of an Executive Director. It does mean that directors must appoint officers and assign responsibilities to them so that the officers can effectively carry out the daily tasks of running the corporation. It also means that directors must supervise and direct the officers and govern the charity's efforts in carrying out its mission. In carrying out their responsibilities, the law imposes on directors the fiduciary duties of care, loyalty and obedience to the law. These duties are more generally described in this Guide.

This Guide is provided by the Minnesota Attorney General's Office to assist board members with the important responsibilities assumed when they volunteer their time. It is only a guide and is not meant to prescribe the exact manner that board members must act in all situations. For more assistance, there are a number of resources in Minnesota that provide, at little or no cost, information, direct assistance and materials for charities, their officers and directors. A list of these resources can be obtained from the Charities Division, Minnesota Attorney General's Office, 1200 NCL Tower, 445 Minnesota Street, St. Paul, MN 55101-2130, telephone: (612) 297-4613. TDD: (612) 296-1410.

Upon request this material can be made available in alternative formats.

Duty of Care

Directors of Minnesota nonprofit corporations must discharge their duties in good faith, in a manner the director reasonably believes to be in the best interests of the corporation, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

To Exercise the Proper Duty of Care:

- 1. Active Participation.** A director must actively participate in the management of the organization including attending meetings of the board, evaluating reports, reading minutes, reviewing the performance of the Executive Director and so on. Persons who do not have the time to participate as required should not agree to be on the board.
- 2. Committees.** Directors may establish committees having the authority of the board and may rely on information, opinions or reports of these committees. However, the committees are subject to the direction and control of the board. As a result, directors are still responsible for the committees and should periodically scrutinize their work.
- 3. Board Actions.** A director who is present at a meeting when an action is approved by the entire board is presumed to have agreed to the action unless the director objects to the meeting because it was not lawfully called or convened and doesn't participate in the meeting, or unless the director votes against the action or the director is prohibited from voting on the action because of a conflict of interest.

4. Minutes of Meetings. Written minutes should be taken at every board meeting. The minutes should accurately reflect the actions taken at the meeting.

5. Books and Records. A director should have general knowledge of the books and records of the organization as well as its general operation. The organization's articles, bylaws, accounting records, voting agreements and minutes must be made available to members and directors who wish to inspect them for a proper purpose.

6. Accurate Record Keeping. A director should not only be familiar with the content of the books and records, but should also assure that the organization's records and accounts are accurate. This may mean the director must take steps to require regular audits by an independent certified public accountant. At the very least, the director should be aware of what the financial records disclose and take appropriate action to make sure there are proper internal controls.

7. Trust Property. A director has the duty to protect, preserve, invest and manage the corporation's property and to do so consistent with donor restrictions and legal requirements. Instituting proper internal controls will aid in the protection of the assets.

8. Resources. A director must assist the organization in obtaining adequate resources.

9. Charitable Trusts. A trustee of a charitable trust has a higher standard of care than a director of a nonprofit corporation. A trustee has the duty to exercise the care an ordinary person would employ in dealing with that person's own property. A trustee with a greater level of skill must use that higher skill in carrying out the trustee's duties.

10. Investigations. A director has a duty to investigate warnings or reports of officer or employee theft or mismanagement. In some situations a director may have to report misconduct to the appropriate authorities, such as the police or the Attorney General. Where appropriate, a director should consult an attorney or other professional for assistance.

Duty of Loyalty

Traditionally, directors have an absolute duty of complete, undivided loyalty to the organization. This means that directors should avoid using their position or the organization's assets in a way which would result in pecuniary or monetary gain for them or for any member of their family. A director should put the good of the organization first and avoid engaging in transactions with the organization from which the director will benefit.

To Exercise the Duty of Loyalty:

1. Conflicts of Interest. Under certain circumstances, a contract or transaction between a nonprofit corporation and its director or an organization in which the director has a material financial interest is acceptable. However, if the transaction is challenged, the director will have the burden of establishing that the contract or transaction was fair and reasonable, that there was full disclosure of the conflict and that the contract or transaction was approved by members or other directors in good faith.

2. Written Policy. Boards should establish a written policy on avoiding conflicts of interest.

3. Loans. A nonprofit corporation may not lend money to a director or the director's family members unless the loan or guarantee may reasonably be expected, in the judgment of the entire board, to benefit the corporation.

4. Charitable Trusts. In charitable trusts, transactions which otherwise might consti-

tute a conflict of interest are permissible if the conflict was clearly contemplated and allowed by the original settlor of the trust.

5. Corporate Opportunity. Directors of business organizations are under a fiduciary obligation not to divert a corporate business opportunity for their personal gain. A director of a nonprofit corporation is also subject to this duty. This duty means that a director may not engage in or benefit from a business opportunity that is available to and suitable for the corporation unless the corporation decides not to engage in the business opportunity and conflicts of interest procedures are followed.

6. Internal Revenue Code. Other prohibitions relating to the duty of loyalty are specified in the rules of the Internal Revenue Code regarding self-dealing. These rules apply to private foundations.

Duty of Obedience

Directors have a duty to follow the organization's governing documents (articles of incorporation and bylaws), to carry out the organization's mission and to assure that funds are used for lawful purposes. Also, directors must comply with other state and federal laws that relate to the organization and the way in which it conducts its business.

To Exercise The Duty of Obedience:

1. State and Federal Statutes. Directors should be familiar with state and federal statutes and laws relating to nonprofit corporations, charitable solicitations, sales and use taxes, FICA and income tax withholding, and unemployment and workers' compensation obligations. They should also be familiar with the requirements of the Internal Revenue Service. Directors should see to it that their organization's status with state and federal agencies is protected.

2. Filing Requirements. Directors must comply with deadlines for taxation, for filing with the Attorney General, for registering with the Secretary of State's Office, for making social security payments, for income tax withholding, and so on.

3. Governing Documents. Directors should be familiar with their organization's governing documents and should follow the provisions of those documents. Directors should be sure proper notice is given for meetings, that regular meetings are held, that directors are properly appointed and that the organization's mission is being accomplished.

4. Outside Help. Where appropriate, directors should obtain opinions of legal counsel or accountants.

MINNESOTA ATTORNEY GENERAL'S OFFICE
CHARITIES DIVISION
1200 NCL TOWER
445 MINNESOTA STREET
ST. PAUL, MN 55101-2130



THE SAINT PAUL FOUNDATION/MINNESOTA FOUNDATION

THE BOARD/DEVELOPMENT/PLANNED GIVING

Introduction:

Traditionally, we talk about nonprofit organizations having a tripartite organization (1) the work to be done, (2) the administration of that work, (3) the policies to guide it.

Henry Wriston of Brown U. spoke of trustees being selected for the three "W's" - work, wealth, and wisdom. He said a candidate to be elected should have two of the three. Today we think all three are required in some form, if trustees are to be true leaders.

- I. Fundamental responsibilities of the governing Board.
 - A. Responsibility for the legal entity.
 - B. Responsibility for the organization's vision and mission.
 - C. Responsibility for the interface of the organization and the community.
 - D. Responsibility for leadership (assuring action) in critical areas. *1) policy 2) personnel.*
 - E. *3) planning 4) programs 5) finances.* Responsibility for self assessment.
- II. Boards and development – seen as the logical extension of the trustee's traditional concern for finances, but also relates to commitment to mission and as the interface with the community.

Three distinct areas:

1. The first is the board's role in mission and policy which sustains the substantial quality of the institution.
 - a. Development does not begin at the bottom with "needs", but at the top with the vision, the mission, and the cause.
 - b. Development is not an add-on for those that go for that sort of thing – it goes back to the heart of the organization, back to the cause and the fact that this particular organization is successful responding to the cause.

*Be able to articulate
our mission
Success in
mission stands
for a lot.*

- c. Success in mission makes everything (including development) easier; attitudes change to "how can I help?"
2. The second area for board involvement in development is personal giving.

- a. Caring deeply enough to give annually, for special projects, and in their Will or estate plan.
- b. Some trustees give time, labor, their good name; these are needed, but there is no substitute for money and the commitment it represents – a "do as I do" board.
- c. All board members should give at a level that is personally significant and appropriate to them.

"We" and
"our"

3. The third area is involvement in the work of fund raising – the process of asset development.

- a. Trustees should know this beforehand – e.g. at orientation, but continuing emphasis is important. Example:

- planning process where needs are evident
- bring in other board members to share success
- invite grant makers to talk to your board
- provide training, attend fundraising seminar
- role play, discuss the objections as well as the case

- b. The five "I's" of development: identify, inform, involve, invite, and invest.

- c. Volunteers are invaluable to the process, potential is not realized without them:

- more solicitations
- different message
- peer contact is heard differently
- base of permanent support.

\$8-10 trillion
to chg hands
in next
generation

- d. Some people say they don't like to raise money (usually haven't done it); solution involves personal understanding of mission, training, variety of opportunities, example of others' experience of success.

B. Organizing the board for development.

1. Identify and select board members with development in mind.

- a. Think through what skills and attitudes are required.
- b. Some people have a gift or special knack for asking, they get an almost primordial thrill out of putting the question and "bringing home the bacon."
- c. All that goes into making a volunteer into an effective board member should be a concern of the development officer, as well as the president.

2. Empower a development committee of the board.

- a. Choose members carefully. Development requires some high octane leaders, "weighty" the Quakers might say.
- b. May have non-board members or community leaders, financial gate-keepers, on committee or committees.
- c. Makes policy recommendations, carries the ball to the board as a whole, works with development officer and president.

3. Sub-committee on planned giving.

- a. Someone (a key person and one or two others) to be thinking about planned giving, endorse the program publicly, to give focus, take initiative, and maintain momentum.
- b. Planned giving is different: involves capital assets, it is long range, involves family and financial planner, requires planning.
- c. Don't become preoccupied with the complexities.

*Help donors
become benefactors
make them
education*

- d. Meet regularly, initiate a program, coordinate calls, and follow-up.

Conclusion:

An institution is only as great as its trustees want it to be. Walt Disney spoke of four keys to success: (1) dream, (2) think, (3) believe, and (4) dare.

The decade ahead challenges boards of trustees to focus on their fundamental responsibilities, renew their commitment to development leadership, and personally work to move their institutions to ever greater significance to the society they serve.

Richard B. Lancaster
Minnesota Foundation

MINNESOTA FOUNDATION

Planned Giving: Six Steps to Success

Richard B. Lancaster — *Senior Director*

Before you begin. Endowment building requires that your organization have the basics in place. The important basics especially essential to planned giving are:

- Develop a committed and responsible Board interested in major gifts and aware that planned giving is a long term process and results may be a little while in coming.
- Have a clear and compelling mission statement which makes the case for a major gift/planned gift.
- Understand your financial relationship with Minnesota Foundation; donors to permanent endowment care about sound business and investment practices.

Studies have demonstrated that while organizations and communities express themselves differently the following six points are fundamental elements of successful programs of planned giving.

I. Successful programs have a planned giving *committee*.

Charitable organizations need someone to be thinking about planned giving, to give focus, take initiative, maintain momentum. It is the time tested way their endowment assets have grown. Planned giving is not the same as annual giving or a special projects fund drive. A primary difference is that planned gifts come from capital assets, are characterized by careful planning over time, and usually involve family and financial advisors of the donor. A planned gift program is easy to let drift or think it can be left up to the "experts." Don't become preoccupied with the complexities of planned giving. A committee, sometimes just two or three individuals, represented on the Board and meeting regularly, coordinating calls and following up is what is required to get results.

II. Successful programs have *regular contact* with prospects.

Planned giving is usually done on the donor's timetable at an appropriate "moment of opportunity." The donor is writing a Will, selling the business, received an inheritance, retiring and wants more income, had a religious experience, or for some other reason is interested in your organization and what it might be able to do to foster a creative planned gift. Primarily because of this timing factor, regular mailings are required from the organization. Try a newsletter, send a brochure regularly on planned giving, invite prospect to special occasions, any and all of these initiatives reach out to your potential donors and remind them of your shared dreams for the community. The key is to start something and persist.

III. Successful programs start with *bequests* and continue to emphasize bequests.

Historically, endowment funds grow through gifts from bequests. If you cannot sustain a more complex and sophisticated planned giving program involving life income gifts (e.g. unitrust and

annuities), stick with a Wills and Bequest program. Remind your friends and donors that most people do not have a Will, or an up-to-date Will. Emphasize bequests in your literature. Anyone and everyone could put your organization or the community in their Will. A contingency clause or residue of someone's estate is easy to do for the donor and the legacy could make a surprising difference. Many senior fundraisers believe bequests are the true heart and soul of a planned giving program.

IV. Successful programs express appreciation and give *recognition to donors*.

Start and maintain a "Legacy Society," or in some other way publicly recognize those who give through a planned gift. Gratitude is best if it is gratitude expressed. People like to feel what they have done is worthwhile and important to others. In truth, the example to others is one of the major reasons we recognize donors on a list, or plaque, or at an annual dinner. When people give through their Will find a way to thank them in their lifetime and, possibly, to explore whether the bequest will do all they want it to do and is the best form of giving to your organization.

V. Successful programs *calendar* special projects.

Many good things are accomplished in life if you plan. Planning requires a timeframe, a calendar. A solid annual plan for a gift planning program includes mailings, personal contacts, events, and recognition. One of the events that should be considered is a Wills clinic. This is a workshop, perhaps a luncheon, where prospects are invited to hear a resident expert (or someone from Minnesota Foundation) talk about Wills and estate planning which includes charity, followed by questions. Many groups are invited and guests are under no pressure. Another local event might be an attorney or CPA speaking to the financial advisors or gatekeepers in town about the latest tax laws affecting charitable gifts or the complexities of life income agreements. Have a program and calendar it.

VI. Successful programs *ask* for gifts.

Many think planned giving is best done by professionals. Or, that it is of interest only to a few older donors and then best left to the experts to work with them. These are myths that are not true. Everyone is usually interested in what happens to the things they care about, or the future of the community, or in not paying more taxes or keeping asset at home. The local experts (or Minnesota Foundation) can help, at the right time, but real interest and enthusiasm is generated by friends and colleagues. Start with your Board. One by one your Board members can put your organization in his/her will and be willing to talk with others about why. The most common reason people don't give is they are not asked. Planned giving will flourish and build the endowment your organization or community needs when volunteers and other donors make a commitment themselves and ask others to join with them.

MINNESOTA FOUNDATION

PLANNED GIFT POSSIBILITIES

A community fund, family fund or charitable organization, through its partnership with Minnesota Foundation, has access to the full range of Planned Giving options. Planned Gifts can be structured to provide substantial tax deductions, reduce anticipated tax liability, provide income for life for one, two, or even more individuals, increase current levels of income, and leave a lasting legacy in the community.

OUTRIGHT GIFTS

Outright contributions to an endowment fund are beneficial both immediately and in the long term. Substantial outright gifts involve planning and include: cash, securities, real estate, insurance, and personal property. Usually, all outright gifts are converted to cash and invested in permanent endowment funds. Issues to consider involve valuation, sale, expenses, dating of gift and amount of deduction.

BEQUESTS

A person may make charitable gifts by his or her Will. The donor's Will can give a percentage of the donor's estate or a specific sum of money to the charitable organization at the donor's death. There are "contingency" and "residual" clauses that permit everyone to put charity in their Will. Bequests are the best way to get started in planned giving.

LIFE INCOME GIFTS

The Community Pooled Income Fund Gift provides a life-time of income that varies with market conditions. Donors can choose between Fund A for those who want higher income and Fund B for those who want current income plus growth.

The Charitable Gift Annuity provides a life-time of income that is a fixed amount determined at the time the gift is made based upon the age(s) of those receiving income. It offers immediate income payments.

The Deferred Charitable Gift Annuity offers deferred payment of income that is a fixed amount determined at the time the gift is made and based upon the age(s) of the income recipients. It is designed for donors who want to postpone income until a later time, such as in retirement.

The Charitable Remainder Unitrust is a gift vehicle for donors who want a growing income stream for life. It is well suited to gifts of real estate and stock. The income varies with the overall value of the trust and is considered a good hedge against inflation.

The Charitable Remainder Annuity Trust is a gift vehicle for donors who want a fixed income for life. It is well suited to receive tax-exempt municipal bonds as well as other types of assets.

OTHER PLANNED GIFTS

A person can also make charitable gifts of life insurance and qualified retirement plan assets. Or older donors often are willing to consider a life estate gift -- they give their home or residence but reserve the right to live there until death.

Minnesota Foundation regularly assists donors and nonprofit organizations in realizing their philanthropic goals. For more information phone: (612) 224-5463

GOAL

PROGRESS INDICATOR

MEASURES

Acceptable

Outstanding

Reach into Communities

Hire Outreach person

workw/metro l.l. newleague/

#1 B

Financial Security

IF

^{Find} Fund Raiser Chair/Committee^{Hire} Annual Appeal Chair

[Fund Study]

Increase funding sources

modest results
\$1great results
\$(Organizational)
Develop League leadership at all levels.Provide Workshops for training;
to inspire

pres/boards for all l.l's

LWV MISSION STATEMENT

The League of Women Voters, a nonpartisan political organization, encourages the informed and active participation of citizens in government and influences public policy through education and advocacy.

LWVMN GOAL 1995-97

The goal of the League of Women Voters of Minnesota is to empower citizens to shape better communities throughout the state.

LWVMN Priorities 1995-97

LWVMN: To strengthen local Leagues

LWVMNEF: To build better communities

Note: items in parentheses indicate what measurable progress we've made in the last two years; this is by no means a comprehensive list--you may think of things to add.

What would you like to do for the next year?

To accomplish our goal, we will seek to ...

1. Strengthen the League through:

A. Increasing League membership ('95-2322; '96-2361; '97- 2373; honored at LWWUS Convention in '96 and Council in '97; 2.15% increase)

Steps to take in the next two years:

- * Use LL programs to attract members(have provided lists of LL programs to LIs; encouraged sharing of program resources)
- * Look at MALs - are their needs being met? (evaluation needs to be done)
Do we encourage them to join LIs?(option is offered, info sent to LL with rebate)
- * Improving accessibility to LIs.(see above)

B. Providing assistance to current local Leagues

Steps to take in the next two years:

- * Listening to and meeting LL needs(Member Resources comm. & staff have provided this through visits, phone calls; top priority for office staff to respond to LL calls)
- * Facilitating and helping them deal with local issues(through regular contacts & part of Bdg, Bet. Com pilot)
- * Hire additional staff to help LIs.(Outreach staff will be hired for pilot after 7/1/97)

C. Developing new Leagues

Steps to take in the next two years:

- * Visit Brainerd(state unit with 35 members established in 1996)

D. Increasing League visibility with the public and media

Steps to take in the next two years:

- * Assist in identifying community issues important to the citizens of that community(part of pilot project; also discussions with various local Leagues)
- * Provide samples of programs done by LLs for other LLs to adopt(listing of programs for local Leagues; suggested speakers on various topics from LIs such as violence prevention; U.N.)
- * Improve accessibility to LIs.(see above)

E. Improving our communications and accessibility with the local Leagues.

Steps to take in the next two years:

- * Create prepackaged samples such as ed fund request forms, membership information, etc.(ed fund booklet redone; camera ready membership brochure; standard subscription forms in *President's Notebook*)
- * Help LLs build networks with other Leagues and organizations(NW Henn. County Leagues are trying to work together; Mpls/St. Paul Leagues have cooperated on study; Martin grant candidate forums encouraged cooperation among Leagues; LIs shared resources for Spending study)
- * Improve accessibility to LIs (800 #; E-mail)
- * Develop LL and State publication data base.(started but not completed)

* Review states l l interactions

F. Providing financial stability for LWVMN

- * Increase membership(see above)
- * Diversify funding base(annual appeal; memberships; marketing of pubs; fundraiser; corporate/foundation contributions; planned giving; beginning of New Century camp.)
- * Identify our niche for fundraising(on-going process--our members and allies?)
- * Do quick, easy, fund raising(non-event fundraiser in 1996: cash in, visibility, precinct caucus promotion; other?)
- * Develop and implement an action plan (is this a development action plan?)

2. Encourage public involvement in the election and political process by providing nonpartisan information and efforts to combat the public mood of cynicism.

Steps to take in the next two years:

- * LL and State publication data base (begun; not completed)
- * Broaden Voter Guide - Add local races and judges(added judges; distribution, sales to 300,000 +) publication data base (begun; not completed)
- * Network with other groups(Minnesota Compact; Campaign Finance Reform, town mtg.)
- * PSA to promote LL(used LWVUS?)
- * Develop TV, cable, radio shows/forums that spotlight local and state issues(investigated channel 6 as possible vehicle for regular League program; Weisbrod did video for MN Senate on lobbying; Road to Election Day video--run on KSTP-TV, but also cable)
- * Investigate or provide workshops on "how to run for office." (Can provide booklets) LLs encourage people (in general) to run, then provide forums for the public to hear candidates' views(did not do the first item;did the latter in Fall '96)
- * Continue customary voter service projects.(Yes--Voter Guide; Senate Debates; assistance to LLs in doing Congressional, legislative candidate forums; Election Hotline - -expanded to statewide & on TV, using computer for first time; VIP packet (Voter Information Packet; Road to Election Day video and book

3. Promote technology in the community interest

Steps to take in the next two years:

- * Inform LL members and public about community opportunities for computer technology
- * Work with ACCESS MN and METRO NET
 - ◆ developing LWVMN Project(connected Office to internet; developed web-site for LWVMN; started LWVMN-Share(in-house chat line for local League members and subscribers; subscribed to some public policy services; pulling more info off the web such as Future Plan, curriculum discussions, LWVUS action; more communication by e-mail; offering subscriptions for Board Memo/Capitol Letter by e-mail; providing our info, pubs on net; marketing events, pubs--on-going process under supervision of technology committee)
 - ◆ People need to be involved in projects -- hardware and software not the problem (have raised additional \$5,000 to upgrade/link more computers to net; first priority to secure new phone system)
 - ◆ Decide how League should be involved in the process(see above)
 - ◆ Expand office systems and uses -- E-mail and internet(see above; also great progress toward integrating our data bases with guidance from Ady Wickstrom of the technology committee)
 - ◆ Use E-mail with members who have access to computers(yes-see above)
 - ◆ Involve LL who have access to ACCESS MN with the technology.(technology committee is continuing to explore)

4. Take action on selected legislative issues and train others to do the same.

Steps to take in the next two years:

- * Have the six VOTERS focus on an issue with an in-depth article(5 issues, but each featured action article)
- * Encourage LLs to take action -- offer workshops on "how-to's" (have offered workshops; need on-going effort to educate members and LLs)
- * Continue 10 minute activists(yes--and have used the list numerous times in last two legislative sessions)
- * Expand CIA involvement(yes--more co-sponsors from more diverse groups; offered twice; exploring taking on the road)
- ~~* Investigate cable possibilities.~~

5. Continue on-going Education Fund projects including:

- * Elementary Curriculum of basic skills for democracy in elementary school(done; sold over \$4,000 worth in last fiscal year; funds of \$4,000 -about- left in budget for distribution and further marketing; also Spanish edition and revised, reformatted edition of secondary curriculum)
- * Revision of Indians in Minnesota(two years behind schedule, but first draft is nearing completion--author in middle of last chapter; ready for revisions and outside readers)
- * Mental Health Project(completing third year of 4 year contract; declining amount of grant--4th year to begin in September, 1997)
- * Revision of Serving MN's Mentally Ill. (not done; will probably not be done)

6. Develop study item, "State Government Spending." (yes--formed study committee; public forum at Humphrey Institute; worked with Humphrey Institute; publication; info and discussion guide to LLs; public meetings in communities around the state through LLs; consensus taken, position formed)

Develop study item "Election of Judges"

*7. Board Operations / Structure
Office Ops*

The *VOTER*

Copy and Photos Due:

August 22
September 26
November 14
January 16
March 13
May 15

Regular updates should include:

Program progress
Action updates
President's column
Editor's column
Upcoming events
Committee reports
Calendar information
Requests for volunteers
Photos

Send Submissions (in order of preference):

Via e-mail (CynthKrieg@aol.com)
On Disk, send hard copy too (any word processing program mac or IBM
on high density, double sided disk)
Typed (hand-delivered, mailed or faxed)

Cynthia Krieg
14359 Valley View Road, #C
Eden Prairie, MN 55344

Business Phone: 612-937-5788
Home Phone: 612-934-7796
FAX: 612-934-6986
E-Mail: CynthKrieg@aol.com

Note: My office is in my home so you are calling the same location no matter which number you dial. The office number may be more productive in terms of reaching me as my teenagers do not use it and it has a better voice mail system.

FACT SHEET

OBJECTIVE

Build on past strategic and long-rang planning efforts to create an action-oriented League FutureTrek plan which provides direction and focus to LWVMNEF in the decade ahead and paves the way for a successful launch of the Education Fund's "New Century" fundraising campaign.

Reinvent Ourselves

COMPONENTS

The League FutureTrek plan will specifically address the critical issues of changing membership, structure, relevancy, identity and positioning, Minnesota's relationship to the national League and Local Leagues, funding, priority projects, volunteerism, communication messages, links between the League and Educational Fund, the evolving role of the Board, and emerging leadership in Local Leagues.

goals - Vision
Obj. define chgs.
goal w/ deadline

Strategies:

tactics: "todo" who, what, how much

Timeline/budget

The final plan will include a situation/trend/competitive analysis, target audiences, measurable objectives, specific strategies and tactics for achieving those objectives, a timeline and a resource budget.

A living document, the FutureTrek plan will be action-oriented and outcome-based. As such, it will be revisited and revised on a quarterly basis.

PROCESS

The planning process is designed to build upon previous and current planning initiatives at the local, state and national levels. It also is intended to be inclusive, broad-based and participatory. *Democratic*

TASK FORCE

The process will be overseen by a League FutureTrek Task Force comprising state Board members, Local League representatives from all regions of the state, committee chairs, former Board members and staff. Input will be sought from all 49 Local Leagues, past and present members, committee chairs, potential funders, Board members and a cross-section of non-League organizations.

The Task Force will meet almost monthly in rotating locations around the state between June 1997 and March 1998.

TIMELINE

One-year planning process, with concept announced at 1997 spring Convention, draft reviewed in January, and final plan presented at 1998 spring Council.

TASKFORCE

17
members

15-20 Local League members and Board members representing a broad geographic cross-section of the state, various leadership roles and diverse interests.

ROLES

Task Force members will serve as an editorial and sounding board, help conduct and summarize trend and perception research, represent the interests and opinions of Local Leagues, and identify ways to involve Local Leagues in the planning process. They will meet as a group 6-8 times at locations around the state between June 1997 and March 1998.

Strategic planning consultant Anne Hittler Grover will serve as overall project manager and writer. She will design and oversee the Local League involvement process with advice from the Task Force, facilitate planning meetings and fall workshops, elicit reactions from Local Leagues and other political and community groups, oversee the work of volunteers and conduct additional issue and trend research.

CHAIR/STAFF

Kay Erickson serves as League project chair and Sally Sawyer as staff liaison.

TIMELINE

April 25 '97	Announce FutureTrek plan at LWVMN Convention. Recruit Task Force members.
May 14	Present proposed process to Board.
June 16-17	Review outline and begin planning process with Task Force. Set objectives.
June 18	Discuss planning process at annual Board Retreat.
Summer	Conduct trend research. Incorporate existing and new research into outline. Survey local Leagues. Conduct non-League perception interviews and research.
September	Review draft plan and objectives. Plan October workshops around the state.
October	Hold 4-5 regional workshops with Local Leagues around the state to elicit reactions/ideas.
November	Review revised plan with Task Force.
January '98	Present first draft of plan to Board.
February	Encourage local Leagues to review and discuss plan at February meetings.
March	Review plan and help prepare presentation for LWVMN Council.
April	Present final plan at LWVMN Council.

OUTLINE

EXECUTIVE SUMMARY

SITUATION ANALYSIS - Background. Know thyself. Study

Project Background

Organizational Description

National

State

Education Fund

Local

Missions

LWVMN

LWVMNEF

History & Growth

Organizational Goals

Membership

Profile

League Involvement

Community Involvement

Trends

Budgets & Funding

Revenue Sources

Dues Income

Fundraising

Grants

Endowment

Expense Overview

Competitive Organizations

Community Demand for League Services

Trends

Political

Education

Volunteerism

Charitable giving

Employment

Identity Overview

Internal

External

Action Plan

SWOT ANALYSIS

Strengths
Weaknesses
Opportunities
Threats

GOALS & OBJECTIVES

Membership
Visibility/Identity
Financial
Programs
Organizational Structure
Relationships with Local and National League
Organizational Culture

TARGET AUDIENCES

Primary
Secondary

POSITIONING & MESSAGES

STRATEGIES & TACTICS

TIMELINE

BUDGET & RESOURCES

EXECUTION

BENCHMARKS & EVALUATION

APPENDIX

A. Past Planning Resources
B. Local Leagues

THOMAS-KILMANN CONFLICT MODE INSTRUMENT

By

Kenneth W. Thomas
Ralph H. Kilmann

Published by



INSTRUCTIONS

Consider situations in which you find your wishes differing from those of another person. How do you usually respond to such situations?

On the following pages are several pairs of statements describing possible behavioral responses. For each pair, please circle the "A" or "B" statement which is most characteristic of your own behavior.

In many cases, neither the "A" nor the "B" statement may be very typical of your behavior; but please select the response which you would be more likely to use.

THOMAS-KILMANN
CONFLICT MODE INSTRUMENT

1. ☒ A. There are times when I let others take responsibility for solving the problem.
☐ B. Rather than negotiate the things on which we disagree, I try to stress those things upon which we both agree.
2. ☒ A. I try to find a compromise solution.
☐ B. I attempt to deal with all of his/her and my concerns.
3. ☐ A. I am usually firm in pursuing my goals.
☒ B. I might try to soothe the other's feelings and preserve our relationship.
4. ☒ A. I try to find a compromise solution.
☐ B. I sometimes sacrifice my own wishes for the wishes of the other person.
5. ☐ A. I consistently seek the other's help in working out a solution.
☒ B. I try to do what is necessary to avoid useless tensions.
6. ☒ A. I try to avoid creating unpleasantness for myself.
☒ B. I try to win my position.
7. ☒ A. I try to postpone the issue until I have had some time to think it over.
☒ B. I give up some points in exchange for others.
8. ☒ A. I am usually firm in pursuing my goals.
☒ B. I attempt to get all concerns and issues immediately out in the open.

**THOMAS-KILMANN
CONFLICT MODE INSTRUMENT**

9. ✓ ☒ A. I feel that differences are not always worth worrying about.
B. I make some effort to get my way.
10. A. I am firm in pursuing my goals.
✓ ☒ B. I try to find a compromise solution.
11. ✓ ☒ A. I attempt to get all concerns and issues immediately out in the open.
☒ B. I might try to soothe the other's feelings and preserve our relationship.
12. A. I sometimes avoid taking positions which would create controversy.
✓ ☒ B. I will let the other person have some of his/her positions if he/she lets me have some of mine.
13. ✓ ☒ A. I propose a middle ground.
B. I press to get my points made.
14. ✓ ☒ A. I tell the other person my ideas and ask for his/hers.
B. I try to show the other person the logic and benefits of my position.
15. ✓ ☒ A. I might try to soothe the other's feelings and preserve our relationship.
B. I try to do what is necessary to avoid tensions.
16. ✓ ☒ A. I try not to hurt the other's feelings.
B. I try to convince the other person of the merits of my position.

THOMAS-KILMANN
CONFLICT MODE INSTRUMENT

17. A. I am usually firm in pursuing my goals.
✓ B. I try to do what is necessary to avoid useless tensions.
18. A. If it makes other people happy, I might let them maintain their views.
✓ B. I will let other people have some of their positions if they let me have some of mine.
19. ✓ A. I attempt to get all concerns and issues immediately out in the open.
B. I try to postpone the issue until I have had some time to think it over.
20. A. I attempt to immediately work through our differences.
✓ B. I try to find a fair combination of gains and losses for both of us.
21. ✓ A. In approaching negotiations, I try to be considerate of the other person's wishes.
B. I always lean toward a direct discussion of the problem.
22. A. I try to find a position that is intermediate between his/hers and mine.
✓ B. I assert my wishes.
23. A. I am very often concerned with satisfying all our wishes.
✓ B. There are times when I let others take responsibility for solving the problem.

**THOMAS-KILMANN
CONFLICT MODE INSTRUMENT**

24. ☒ A. If the other's position seems very important to him/her, I would try to meet his/her wishes.
☒ B. I try to get the other person to settle for a compromise.
25. ☒ A. I try to show the other person the logic and benefits of my position.
☒ B. In approaching negotiations, I try to be considerate of the other person's wishes.
26. ☒ A. I propose a middle ground.
☒ B. I am nearly always concerned with satisfying all our wishes.
27. ☒ A. I sometimes avoid taking positions that would create controversy.
☒ B. If it makes other people happy, I might let them maintain their views.
28. ☒ A. I am usually firm in pursuing my goals.
☒ B. I usually seek the other's help in working out a solution.
29. ☒ A. I propose a middle ground.
☒ B. I feel that differences are not always worth worrying about.
30. ☒ A. I try not to hurt the other's feelings.
☒ B. I always share the problem with the other person so that we can work it out.

SCORING AND INTERPRETING THE
THOMAS-KILMANN CONFLICT MODE INSTRUMENT

SCORING THE THOMAS-KILMANN CONFLICT MODE INSTRUMENT

Circle the letters below which you circled on each item of the questionnaire.

	Competing (forcing)	Collaborating (problem solving)	Compromising (sharing)	Avoiding (withdrawal)	Accommodating (smoothing)
1.			✓ A	A	B
2.		B	A		✓ B
3.	A		✓ A		B
4.		A	✓ A	✓ B	B
5.	✓ B	A		B	
6.	B		✓ B	A	
7.		✓ B	B	A	
8.	A	B		✓ A	
9.	B		✓ B	A	
10.	A	✓ A	B		B
11.		A	✓ B	A	
12.			B	✓ A	
13.	B	✓ A	✓ A		
14.	B	A			✓ A
15.				B	✓ A
16.	B			✓ B	A
17.	A		✓ B	✓ B	
18.		✓ A	B		A
19.		A		B	
20.		A	B		
21.	✓ B	B			A
22.	B		A	✓ B	
23.		A	✓ B	B	
24.			B		A
25.	A		✓ A		B
26.		B	A	✓ A	
27.		✓ B		A	B
28.	A	B		✓ B	
29.		✓ B	A	B	
30.		B			A

Total number of items circled in each column:

Competing

Collaborating

Compromising

Avoiding

Accommodating

GRAPHING YOUR PROFILE SCORES

Your profile of scores indicates the repertoire of conflict-handling skills which you, as an individual, use in the kinds of conflict situations you face. Your score profile can be graphed on the next page entitled, "Your Scores on the Thomas-Kilmann Conflict Mode Instrument."

The five modes are represented by the five columns labeled "competing," "collaborating," and so on. In the column under each model is the range of possible scores on that mode—from 0 (for very low use) to 12 (for very high use). Circle your own scores on each of the five modes.

Each possible score is graphed in relation to the scores of managers who have already taken the Thomas-Kilmann Conflict Mode Instrument. The horizontal lines represent percentiles—the percentage of people who have scored at or below a given number. If you had scored some number above the "80%" line on competing, for example, that would mean that you had scored higher than 80% of the people who have taken the Thomas-Kilmann Conflict Mode Instrument—that you were in the top 20% on competition.

The double lines (at the 25th and 75th percentiles) separate the middle 50% of the scores on each mode from the top 25% and the bottom 25%. In general, if your score falls somewhere within the middle 50% on a given mode, you are close to the average in your use of that mode. If your score falls outside that range, then your use of that mode is somewhat higher or lower than most of the people who have taken the Instrument. Remember that extreme scores are not necessarily bad, however, since your situation may require high or low use of a given conflict-handling mode.

YOUR SCORES ON THE THOMAS-KILMANN CONFLICT MODE INSTRUMENT

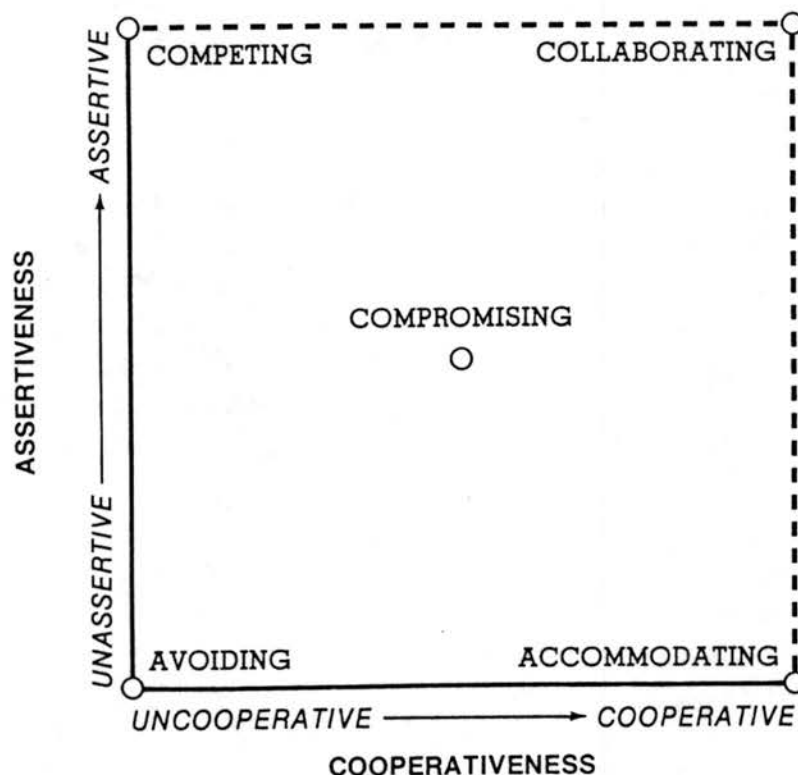
	Competing	Collab- orating	Compro- mising	Avoid- ing	Accom- modating
100%	12		12	12	12
	11	12	11	11	11
	10	11	10	10	10
90%				9	9
					8
High 25%	9	10	9	8	7
80%	8				
		9			6
70%	7		8		
				7	
60%	6				
		8		6	5
Middle 50%			7		
50%					
	5	7			
40%					4
			6		
30%	4		5	5	
		6			
					3
Low 25%	3			4	
20%		5	4		
	2			3	
10%		4			
		3	3		
		2	2	2	2
		1	1	1	1
0%	1	0	0	0	0
	0				

*Scores are graphed in relation to the scores of the original norm group, composed of managers at middle and upper levels of business and government organizations.

INTERPRETING YOUR SCORES ON THE THOMAS-KILMANN CONFLICT MODE INSTRUMENT*

The Five Conflict Handling Modes

The Thomas-Kilmann Conflict Mode Instrument is designed to assess an individual's behavior in conflict situations. "Conflict Situations" are situations in which the concerns of two people appear to be incompatible. In such situations, we can describe a person's behavior along two basic dimensions: (1) assertiveness, the extent to which the individual attempts to satisfy his/her own concerns, and (2) cooperativeness, the extent to which the individual attempts to satisfy the other person's concerns. These two basic dimensions of behavior can be used to define five specific methods of dealing with conflicts. These five "conflict-handling modes" are shown below:



*This two dimensional model of conflict handling behavior is adapted from "Conflict and Conflict Management" by Kenneth Thomas in *The Handbook of Industrial and Organizational Psychology*, edited by Marvin Dunnette (Chicago: Rand McNally, 1976). Another valuable contribution in this field is the work by Robert Blake and Jane Mouton in *The Managerial Grid* (Houston: Gulf Publishing, 1964).

Competing is assertive and uncooperative—an individual pursues their own concerns at the other person's expense. This is a power-oriented mode, in which one uses whatever power seems appropriate to win one's own position—one's ability to argue, one's rank, economic sanctions. Competing might mean "standing up for your rights," defending a position which you believe is correct, or simply trying to win.

Accommodating is unassertive and cooperative—the opposite of competing. When accommodating, an individual neglects their own concerns to satisfy the concerns of the other person; there is an element of self-sacrifice in this mode. Accommodating might take the form of selfless generosity or charity, obeying another person's order when one would prefer not to, or yielding to another's point of view.

Avoiding is unassertive and uncooperative—the individual does not immediately pursue their own concerns or those of the other person. They do not address the conflict. Avoiding might take the form of diplomatically sidestepping an issue, postponing an issue until a better time, or simply withdrawing from a threatening situation.

Collaborating is both assertive and cooperative—the opposite of avoiding. Collaborating involves an attempt to work with the other person to find some solution which fully satisfies the concerns of both persons. It means digging into an issue to identify the underlying concerns of the two individuals and to find an alternative which meets both sets of concerns. Collaborating between two persons might take the form of exploring a disagreement to learn from each other's insights, concluding to resolve some condition which would otherwise have them competing for resources, or confronting and trying to find a creative solution to an interpersonal problem.

Compromising is intermediate in both assertiveness and cooperativeness. The objective is to find some expedient, mutually acceptable solution which partially satisfies both parties. It falls on a middle ground between competing and accommodating. Compromising gives up more than competing but less than accommodating. Likewise, it addresses an issue more directly than avoiding, but doesn't explore it in as much depth as collaborating. Compromising might mean splitting the difference, exchanging concessions, or seeking a quick middle-ground position.

Interpreting Your Scores

Usually, after getting back the results of any test, people first want to know: "What are the right answers?" In the case of conflict-handling behavior, there are no universal right answers. All five modes are useful in some situations: each represents a set of useful social skills. Our conventional wisdom recognizes, for example, that often "two heads are better than one" (Collaborating). But it also says, "Kill your enemies with kindness" (Accommodating), "Split the difference" (Compromising), "Leave well enough alone" (Avoiding), "Might makes right" (Competing). The effectiveness of a given conflict-handling mode depends upon the requirements of the specific conflict situation and the skill with which the mode is used.

Each of us is capable of using all five conflict-handling modes: none of us can be characterized as having a single, rigid style of dealing with conflict. However, any given individual uses some modes better than others and therefore, tends to rely upon those modes more heavily than others, whether because of temperament or practice.

The conflict behaviors which individuals use are therefore the result of both their personal predispositions and the requirements of the situations in which they find themselves. The Thomas-Kilmann Conflict Mode Instrument is designed to assess this mix of conflict-handling modes.

To help you judge how appropriate your utilization of the five modes is for your situation, we have listed a number of uses for each mode—based upon lists generated by company presidents. Your score, high or low, indicates its usefulness in your situation. However, there is the possibility that your social skills lead you to rely upon some conflict behaviors more or less than necessary. To help you determine this, we have also listed some diagnostic questions concerning warning signals for the overuse or underuse of each mode.

A. Competing

- Uses:
1. When quick, decisive action is vital—e.g., emergencies.
 2. On important issues where unpopular courses of action need implementing—e.g., cost cutting, enforcing unpopular rules, discipline.
 3. On issues vital to company welfare when you know you're right.
 4. To protect yourself against people who take advantage of noncompetitive behavior.

If you scored High:

1. Are you surrounded by "yes" men?
(If so, perhaps it's because they have learned that it's unwise to disagree with you, or have given up trying to influence you. This closes you off from information.)
2. Are subordinates afraid to admit ignorance and uncertainties to you?
(In competitive climates, one must fight for influence and respect—which means acting more certain and confident than one feels. The upshot is that people are less able to ask for information and opinion—they are less able to learn.)

If you scored Low:

1. Do you often feel powerless in situations?
(It may be because you are unaware of the power you do have, unskilled in its use, or uncomfortable with the idea of using it. This may hinder your effectiveness by restricting your influence.)
2. Do you have trouble taking a firm stand, even when you see the need?
(Sometimes concerns for other's feelings or anxieties about the use of power cause us to vacillate, which may mean postponing the decision and adding to the suffering and/or resentment of others.)

B. Collaborating

- Uses:
1. To find an integrative solution when both sets of concerns are too important to be compromised.
 2. When your objective is to learn—e.g., testing your own assumptions, understanding the views of others.
 3. To merge insights from people with different perspectives on a problem.
 4. To gain commitment by incorporating other's concerns into a consensual decision.
 5. To work through hard feelings which have been interfering with an interpersonal relationship.

If you scored High:

1. Do you spend time discussing issues in depth that do not seem to deserve it?
(Collaboration takes time and energy—perhaps the scarcest organizational resources. Trivial problems don't require optimal solutions, and not all personal differences need to be hashed out. The overuse of collaboration and consensual decision making sometimes represents a desire to minimize risk—by diffusing responsibility for a decision or by postponing action.)
2. Does your collaborative behavior fail to elicit collaborative responses from others?
(The exploratory and tentative nature of some collaborative behavior may make it easy for others to disregard collaborative overtures; or the trust and openness may be taken advantage of. You may be missing some cues which would indicate the presence of defensiveness, strong feelings, impatience, competitiveness, or conflicting interests.)

If you scored Low:

1. Is it hard for you to see differences as opportunities for joint gain—as opportunities to learn or solve problems?
(Although there are often threatening or unproductive aspects of conflict, indiscriminate pessimism can prevent you from seeing collaborative possibilities and thus deprive you of the mutual gains and satisfactions which accompany successful collaboration.)
2. Are subordinates uncommitted to your decisions or policies?
(Perhaps their own concerns are not being incorporated into those decisions or policies.)

C. Compromising

- Uses:
1. When goals are moderately important, but not worth the effort or potential disruption of more assertive modes.
 2. When two opponents with equal power are strongly committed to mutually exclusive goals—as in labor-management bargaining.
 3. To achieve temporary settlements to complex issues.
 4. To arrive at expedient solutions under time pressure.
 5. As a backup mode when collaboration or competition fails to be successful.

If you scored High:

1. Do you concentrate so heavily upon the practicalities and tactics of compromise that you sometimes lose sight of larger issues—principles, values, long-term objectives, company welfare?
2. Does an emphasis on bargaining and trading create a cynical climate of gamesmanship?
(Such a climate might undermine interpersonal trust and deflect attention away from the *merits* of the issues discussed.)

If you scored Low:

1. Do you find yourself too sensitive or embarrassed to be effective in bargaining situations?
2. Do you find it hard to make concessions?
(Without this safety valve, you may have trouble getting gracefully out of mutually destructive arguments, power struggles, etc.)

D. Avoiding

- Uses:
1. When an issue is trivial, of only passing importance, or when other more important issues are pressing.
 2. When you perceive no chance of satisfying your concerns—e.g., when you have low power or you are frustrated by something which would be very difficult to change (national policies, someone's personality structure, etc.)
 3. When the potential damage of confronting a conflict outweighs the benefits of its resolution.
 4. To let people cool down—to reduce tensions to a productive level and to regain perspective and composure.
 5. When gathering more information outweighs the advantages of an immediate decision.
 6. When others can resolve the conflict more effectively.
 7. When the issue seems tangential or symptomatic of another more basic issue.

If you scored High:

1. Does your coordination suffer because people have trouble getting your inputs on issues?
2. Does it often appear that people are "walking on eggshells?"
(Sometimes a dysfunctional amount of energy can be devoted to caution and the avoiding of issues, indicating that issues need to be faced and resolved.)
3. Are decisions on important issues made by default?

If you scored Low:

1. Do you find yourself hurting people's feelings or stirring up hostilities?
(You may need to exercise more discretion in confronting issues or more tact in framing issues in nonthreatening ways. Tact is partially the art of avoiding potentially disruptive aspects of an issue.)
2. Do you often feel harried or overwhelmed by a number of issues?
(You may need to devote more time to setting priorities—deciding which issues are relatively unimportant and perhaps delegating them to others.)

E. Accommodating

- Uses:
1. When you realize that you are wrong—to allow a better position to be heard, to learn from others, and to show that you are reasonable.
 2. When the issue is much more important to the other person than to yourself—to satisfy the needs of others, and as a goodwill gesture to help maintain a cooperative relationship.
 3. To build up social credits for later issues which are important to you.
 4. When continued competition would only damage your cause—when you are outmatched and losing.
 5. When preserving harmony and avoiding disruption are especially important.
 6. To aid in the managerial development of subordinates by allowing them to experiment and learn from their own mistakes.

If you scored High:

1. Do you feel that your own ideas and concerns are not getting the attention they deserve?
(Deferring too much to the concerns of others can deprive you of influence, respect, and recognition. It also deprives the organization of your potential contributions.)
2. Is discipline lax?
(Although discipline for its own sake may be of little value, there are often rules, procedures, and assignments whose implementation is crucial for you or the organization.)

If you scored Low:

1. Do you have trouble building goodwill with others?
(Accommodation on minor issues which are important to others are gestures of goodwill.)
2. Do others often seem to regard you as unreasonable?
3. Do you have trouble admitting it when you are wrong?
4. Do you recognize legitimate exceptions to rules?
5. Do you know when to give up?

ABOUT THE AUTHORS

KENNETH W. THOMAS is professor of administrative sciences at a public sector institution. He was formerly professor of business administration and director of the doctoral program at the Graduate School of Business, University of Pittsburgh. He has also held faculty positions at UCLA and at Temple University and a research position at the Harvard Business School. He received his Ph.D. in Administrative Sciences from Purdue University in 1971.

Dr. Thomas is the author or co-author of various training films and materials, including the *Power Base Inventory* (Xicom, 1985) and the *Stress Resiliency Profile* (Xicom, 1992). He has consulted for a number of organizations on behavioral science topics, with a special emphasis on the management of conflict. His research on conflict management has resulted in many professional publications. In addition, his research includes work on power, empowerment, stress, and the applied relevance of behavioral science research. He has published in such professional journals as: *Behavioral Science*, *Academy of Management Journal*, *Academy of Management Review*, *Human Relations*, *California Management Review*, *Journal of Applied Behavioral Science*, and the *Journal of Conflict Resolution*.

RALPH H. KILMANN is professor of business administration and director of the Program in Corporate Culture, Katz Graduate School of Business, University of Pittsburgh. He received both his B.S. and M.S. degrees in industrial administration from Carnegie Mellon University in 1970 and his Ph.D. in management from the University of California at Los Angeles in 1972. Since 1975, he has been president of Organizational Design Consultants, a Pittsburgh-based firm specializing in the five tracks to organizational success. He is a biographee in *Who's Who in the World*, *Who's Who in Finance and Industry*, and *Who's Who in Frontiers of Science and Technology*.

Dr. Kilmann has consulted for many corporations in the Fortune 500, including AT&T, Ford, G.E., General Foods, Kodak, TRW, USX, Westinghouse, and Xerox. In addition, he has consulted for health-care, financial, and government organizations, including the U.S. Bureau of the Census and the Office of the President. Dr. Kilmann has published more than 100 articles and 10 books on planned change. His recent books include *Beyond the Quick Fix* (1984), *Gaining Control of the Corporate Culture* (1985), *Corporate Transformation* (1988), *Managing Beyond the Quick Fix* (1989), and *Making Organizations Competitive* (1990) all published by Jossey-Bass.

Review of Council

Becky Cain

asked us to elim. "Can 4"

focus on what we have -

a presence in 1,000 communities
in all 50 states

Heard abt LWWAS Future Plan + now

seeking external input w/ Consultant

Diversity is an overriding theme
in everything LWWAS is doing -
dev'd a Diversity Statement.

CFR a priority

incremental steps to improve system
soft #; issue ads; indep. expenditures

more # for FEC; free TV time for cand.

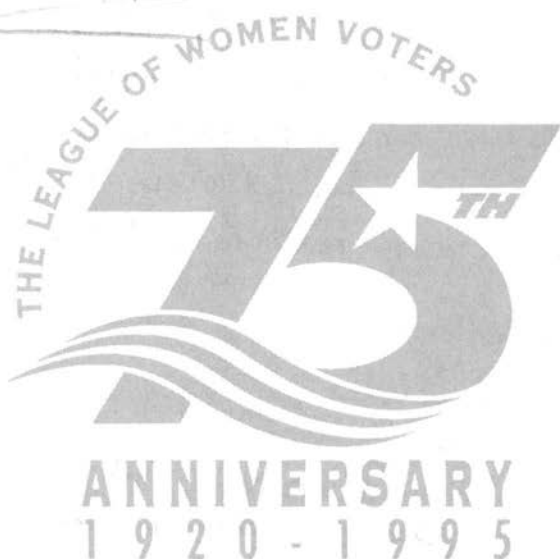
met w/ Colin Peterson, Bruce Vento, Jim
Ramstad; Bill Luther; Sen Wellstone &
Gross.

LEAGUE OF WOMEN VOTERS

Review of Council



Possibilities



Compliments of Marketing Directions

LWVMN Board Retreat
Mt. Olivet Retreat Center
Wednesday, June 18, 1997

9:00 a.m. - Opening; coffee, rolls

9:30 a.m. - Board Development

- "Getting to Know You" (Myers Briggs or other)/Borgen/Pickering

10:30 a.m. - Break

10:45 a.m. - Long Range Planning/Erickson, Grover

12:15 p.m. - Lunch

1:00 p.m. - Goal Setting for 1997-98/Matlock

-(enclose last years? or do you want to have Organization chart with
Committee structures and responsibilities?)

3:00p.m. - Break

3:15 p.m. - Membership/Pickering

3:00 - 4:30

3:45 p.m. - Planned Giving and the Board (?) /Walz

4:30 - 5:00 Guest Speaker: Richard Lancaster, St. Paul Foundation

5:30 p.m. - Dinner - definite time. (maybe a few minutes later)

~~Membership discussion~~

1-2:30
2:30-3
membership
Pickering
30 mins

the Board, Development / Planned
Giving

3:15

6:30 - 7:00

(Gail Bostz)
1. hour

Packering:

3/29

Conflict Mode Instrument

Competing

Collaborating

~~Dominating~~

Avoiding

Accommodating

Personnel Relations Survey
more employee oriented



LEAGUE OF WOMEN VOTERS OF MINNESOTA
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MEMORANDUM

DATE: June 10, 1997
TO: LWVMN Board of Directors
FROM: Kathleen Pickering, Membership Chair
RE: Board Retreat

Judy Duffy indicated that you would be getting a mailing from me for the Board Development section of the retreat. Here it is.

Many of you have taken the Myers-Briggs which helps us identify our style differences. That particular assessment tool helps us to understand how each of us has a little different way of looking at the world and how we can work with each other more effectively knowing each other's preferences.

The instrument that is enclosed is a tool to help us understand how each of us acts when we are in a conflict mode. Like the Myers-Briggs there are no right answers. Again it is our preferred style. What we hope to gain out of the exercise is to see how we can work more effectively as a Board, by understanding our individual differences of how we act when we are faced with conflict.

Please fill out the questionnaire as the instructions indicate. Also please complete the scoring section and review what your score means to you. At the retreat we will discuss how this knowledge will help us not only with the League but also in our daily lives.

Have fun. When I took it some years ago, I learned that I was not accommodating, which was a huge surprise to me. And that result really gave me something to think about.

Call me at 612/639-4240 if you have any questions.

THE SAINT PAUL FOUNDATION

THE BOARD/DEVELOPMENT

Introduction:

Traditionally, we talk about nonprofit organizations in terms of (1) the work to be done, (2) the administration of

Henry Wriston of Brown U. spoke of trustees in terms of wealth, and wisdom. He said a candidate to be a trustee should have two of the three. Today we think all three are required in some form, if trustees are to be true leaders.

- I. Fundamental responsibilities of the governing Board.
 - A. Responsibility for the legal entity.
 - B. Responsibility for the organization's vision and mission.
 - C. Responsibility for the interface of the organization and the community.
 - D. Responsibility for leadership (assuring action) in critical areas.
 - E. Responsibility for self assessment.
- II. Boards and development – seen as the logical extension of the trustee's traditional concern for finances, but also relates to commitment to mission and as the interface with the community.
 - A. Three distinct areas:
 1. The first is the board's role in mission and policy which sustains the substantial quality of the institution.
 - a. Development does not begin at the bottom with "needs", but at the top with the vision, the mission, and the cause.
 - b. Development is not an add-on for those that go for that sort of thing – it goes back to the heart of the organization, back to the cause and the fact that this particular organization is successful responding to the cause.

Duffy

From mtg at
St Paul Fndtn 5/21/97
attended by Wally & Toms

Richard Lancaster

THE SAINT PAUL FOUNDATION/MINNESOTA FOUNDATION

THE BOARD/DEVELOPMENT/PLANNED GIVING

Introduction:

Traditionally, we talk about nonprofit organizations having a tripartite organization (1) the work to be done, (2) the administration of that work, (3) the policies to guide it.

Henry Wriston of Brown U. spoke of trustees being selected for the three "W's" - work, wealth, and wisdom. He said a candidate to be elected should have two of the three. Today we think all three are required in some form, if trustees are to be true leaders.

- I. Fundamental responsibilities of the governing Board.
 - A. Responsibility for the legal entity.
 - B. Responsibility for the organization's vision and mission.
 - C. Responsibility for the interface of the organization and the community.
 - D. Responsibility for leadership (assuring action) in critical areas.
 - E. Responsibility for self assessment.
- II. Boards and development – seen as the logical extension of the trustee's traditional concern for finances, but also relates to commitment to mission and as the interface with the community.
 - A. Three distinct areas:
 1. The first is the board's role in mission and policy which sustains the substantial quality of the institution.
 - a. Development does not begin at the bottom with "needs", but at the top with the vision, the mission, and the cause.
 - b. Development is not an add-on for those that go for that sort of thing – it goes back to the heart of the organization, back to the cause and the fact that this particular organization is successful responding to the cause.

- c. Success in mission makes everything (including development) easier; attitudes change to "how can I help?"
- 2. The second area for board involvement in development is personal giving.
 - a. Caring deeply enough to give annually, for special projects, and in their Will or estate plan.
 - b. Some trustees give time, labor, their good name; these are needed, but there is no substitute for money and the commitment it represents – a "do as I do" board.
 - c. All board members should give at a level that is personally significant and appropriate to them.
- 3. The third area is involvement in the work of fund raising – the process of asset development.
 - a. Trustees should know this beforehand – e.g. at orientation, but continuing emphasis is important. Example:
 - planning process where needs are evident
 - bring in other board members to share success
 - invite grant makers to talk to your board
 - provide training, attend fundraising seminar
 - role play, discuss the objections as well as the case.
 - b. The five "I's" of development: identify, inform, involve, invite, and invest.
 - c. Volunteers are invaluable to the process, potential is not realized without them:
 - more solicitations
 - different message
 - peer contact is heard differently
 - base of permanent support.

- d. Some people say they don't like to raise money (usually haven't done it); solution involves personal understanding of mission, training, variety of opportunities, example of others' experience of success.

B. Organizing the board for development.

1. Identify and select board members with development in mind.
 - a. Think through what skills and attitudes are required.
 - b. Some people have a gift or special knack for asking, they get an almost primordial thrill out of putting the question and "bringing home the bacon."
 - c. All that goes into making a volunteer into an effective board member should be a concern of the development officer, as well as the president.
2. Empower a development committee of the board.
 - a. Choose members carefully. Development requires some high octane leaders, "weighty" the Quakers might say.
 - b. May have non-board members or community leaders, financial gate-keepers, on committee or committees.
 - c. Makes policy recommendations, carries the ball to the board as a whole, works with development officer and president.
3. Sub-committee on planned giving.
 - a. Someone (a key person and one or two others) to be thinking about planned giving, endorse the program publicly, to give focus, take initiative, and maintain momentum.
 - b. Planned giving is different: involves capital assets, it is long range, involves family and financial planner, requires planning.
 - c. Don't become preoccupied with the complexities.

- d. Meet regularly, initiate a program, coordinate calls, and follow-up.

Conclusion:

An institution is only as great as its trustees want it to be. Walt Disney spoke of four keys to success: (1) dream, (2) think, (3) believe, and (4) dare.

The decade ahead challenges boards of trustees to focus on their fundamental responsibilities, renew their commitment to development leadership, and personally work to move their institutions to ever greater significance to the society they serve.

Richard B. Lancaster
Minnesota Foundation



GUIDE FOR BOARD MEMBERS

Fiduciary Duties of Directors of Charitable Organizations

**FROM THE OFFICE OF
MINNESOTA ATTORNEY GENERAL
HUBERT H. HUMPHREY III**

Introduction

The Attorney General has prepared this *Guide for Board Members* to help directors understand their responsibilities as stewards of their organizations. Under Minnesota law, directors of a Minnesota nonprofit corporation are responsible for management of the business and affairs of the corporation. This does not mean that directors are required to manage the day to day activities of a corporation or to act in the role of an Executive Director. It does mean that directors must appoint officers and assign responsibilities to them so that the officers can effectively carry out the daily tasks of running the corporation. It also means that directors must supervise and direct the officers and govern the charity's efforts in carrying out its mission. In carrying out their responsibilities, the law imposes on directors the fiduciary duties of care, loyalty and obedience to the law. These duties are more generally described in this Guide.

This Guide is provided by the Minnesota Attorney General's Office to assist board members with the important responsibilities assumed when they volunteer their time. It is only a guide and is not meant to prescribe the exact manner that board members must act in all situations. For more assistance, there are a number of resources in Minnesota that provide, at little or no cost, information, direct assistance and materials for charities, their officers and directors. A list of these resources can be obtained from the Charities Division, Minnesota Attorney General's Office, 1200 NCL Tower, 445 Minnesota Street, St. Paul, MN 55101-2130, telephone: (612) 297-4613. TDD: (612) 296-1410.

Upon request this material can be made available in alternative formats.

Duty of Care

Directors of Minnesota nonprofit corporations must discharge their duties in good faith, in a manner the director reasonably believes to be in the best interests of the corporation, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

To Exercise the Proper Duty of Care:

- 1. Active Participation.** A director must actively participate in the management of the organization including attending meetings of the board, evaluating reports, reading minutes, reviewing the performance of the Executive Director and so on. Persons who do not have the time to participate as required should not agree to be on the board.
- 2. Committees.** Directors may establish committees having the authority of the board and may rely on information, opinions or reports of these committees. However, the committees are subject to the direction and control of the board. As a result, directors are still responsible for the committees and should periodically scrutinize their work.
- 3. Board Actions.** A director who is present at a meeting when an action is approved by the entire board is presumed to have agreed to the action unless the director objects to the meeting because it was not lawfully called or convened and doesn't participate in the meeting, or unless the director votes against the action or the director is prohibited from voting on the action because of a conflict of interest.

4. Minutes of Meetings. Written minutes should be taken at every board meeting. The minutes should accurately reflect the actions taken at the meeting.

5. Books and Records. A director should have general knowledge of the books and records of the organization as well as its general operation. The organization's articles, bylaws, accounting records, voting agreements and minutes must be made available to members and directors who wish to inspect them for a proper purpose.

6. Accurate Record Keeping. A director should not only be familiar with the content of the books and records, but should also assure that the organization's records and accounts are accurate. This may mean the director must take steps to require regular audits by an independent certified public accountant. At the very least, the director should be aware of what the financial records disclose and take appropriate action to make sure there are proper internal controls.

7. Trust Property. A director has the duty to protect, preserve, invest and manage the corporation's property and to do so consistent with donor restrictions and legal requirements. Instituting proper internal controls will aid in the protection of the assets.

8. Resources. A director must assist the organization in obtaining adequate resources.

9. Charitable Trusts. A trustee of a charitable trust has a higher standard of care than a director of a nonprofit corporation. A trustee has the duty to exercise the care an ordinary person would employ in dealing with that person's own property. A trustee with a greater level of skill must use that higher skill in carrying out the trustee's duties.

10. Investigations. A director has a duty to investigate warnings or reports of officer or employee theft or mismanagement. In some situations a director may have to report misconduct to the appropriate authorities, such as the police or the Attorney General. Where appropriate, a director should consult an attorney or other professional for assistance.

Duty of Loyalty

Traditionally, directors have an absolute duty of complete, undivided loyalty to the organization. This means that directors should avoid using their position or the organization's assets in a way which would result in pecuniary or monetary gain for them or for any member of their family. A director should put the good of the organization first and avoid engaging in transactions with the organization from which the director will benefit.

To Exercise the Duty of Loyalty:

1. Conflicts of Interest. Under certain circumstances, a contract or transaction between a nonprofit corporation and its director or an organization in which the director has a material financial interest is acceptable. However, if the transaction is challenged, the director will have the burden of establishing that the contract or transaction was fair and reasonable, that there was full disclosure of the conflict and that the contract or transaction was approved by members or other directors in good faith.

2. Written Policy. Boards should establish a written policy on avoiding conflicts of interest.

3. Loans. A nonprofit corporation may not lend money to a director or the director's family members unless the loan or guarantee may reasonably be expected, in the judgment of the entire board, to benefit the corporation.

4. Charitable Trusts. In charitable trusts, transactions which otherwise might consti-

tute a conflict of interest are permissible if the conflict was clearly contemplated and allowed by the original settlor of the trust.

5. Corporate Opportunity. Directors of business organizations are under a fiduciary obligation not to divert a corporate business opportunity for their personal gain. A director of a nonprofit corporation is also subject to this duty. This duty means that a director may not engage in or benefit from a business opportunity that is available to and suitable for the corporation unless the corporation decides not to engage in the business opportunity and conflicts of interest procedures are followed.

6. Internal Revenue Code. Other prohibitions relating to the duty of loyalty are specified in the rules of the Internal Revenue Code regarding self-dealing. These rules apply to private foundations.

Duty of Obedience

Directors have a duty to follow the organization's governing documents (articles of incorporation and bylaws), to carry out the organization's mission and to assure that funds are used for lawful purposes. Also, directors must comply with other state and federal laws that relate to the organization and the way in which it conducts its business.

To Exercise The Duty of Obedience:

1. State and Federal Statutes. Directors should be familiar with state and federal statutes and laws relating to nonprofit corporations, charitable solicitations, sales and use taxes, FICA and income tax withholding, and unemployment and workers' compensation obligations. They should also be familiar with the requirements of the Internal Revenue Service. Directors should see to it that their organization's status with state and federal agencies is protected.

2. Filing Requirements. Directors must comply with deadlines for taxation, for filing with the Attorney General, for registering with the Secretary of State's Office, for making social security payments, for income tax withholding, and so on.

3. Governing Documents. Directors should be familiar with their organization's governing documents and should follow the provisions of those documents. Directors should be sure proper notice is given for meetings, that regular meetings are held, that directors are properly appointed and that the organization's mission is being accomplished.

4. Outside Help. Where appropriate, directors should obtain opinions of legal counsel or accountants.

MINNESOTA ATTORNEY GENERAL'S OFFICE
CHARITIES DIVISION
1200 NCL TOWER
445 MINNESOTA STREET
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ST. THOMAS

CENTER FOR NONPROFIT MANAGEMENT



GRADUATE
SCHOOL OF
BUSINESS

NONPROFIT MANAGEMENT NEWS

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Strengthen Nonprofit Boards To Meet Evolving Challenges

By Kent Shamblin

can motivate the rest of the board to embrace change, even radical change.

9. Periodically review with management each program and service activity to evaluate strengths and weaknesses and whether resources are being used for maximum community impact.



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