

MICHIGAN MAIN STREET

LOCAL MAIN STREET BOARD PERFORMANCE GUIDEBOOK



Michigan Main Street

MICHIGAN DEPARTMENT OF ECONOMIC DEVELOPMENT

THANK YOU

for supporting your community's Main Street revitalization program by joining the board of directors. Your participation will have a direct impact on protecting your commercial district's future as the center of community life.

You're joining a coast-to-coast movement led by the National Main Street Center that has established nearly 2,000 Main Street America community programs across the country during the past two decades. Together, these programs have produced an investment in traditional commercial districts of more than \$10 billion and spurred the rehabilitation of countless historic structures, while providing space for tens of thousands of new businesses and creating hundreds of thousands of new jobs for local citizens.

In Michigan, you are joining a network of 23 Select and Master Level Communities that participate in the Michigan Main Street Program, a Coordinating Program affiliated with the National Main Street Center. Michigan Main Street provides technical assistance directly to your community and Main Street Organization to assist you in tackling your downtown revitalization efforts. For 15 years, Michigan Main Street has facilitated real results in participating communities including over \$257 million in private investment and over \$84 million in public investment, which can be seen in the over 1,000 new businesses and façade improvements in Main Street Districts throughout the State.

Your involvement on the board of directors will help bring about similar results for your community and make your revitalization organization's vision a reality.



This guidebook is designed to provide you with tools, templates and resources to guide the development of your board. Creating processes and systems to ensure a strong board will create a sustainable organization for years to come.

The guidebook is organized by sections designed to serve your Main Street Organization to build a stable, foundational base from which your board will develop and grow. Each section includes Recommended Frameworks; templates, tools and resources for boards to achieve higher levels of performance. Additional resources and tools are available through Michigan Main Street and the National Main Street Center.

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THE BOARD OF DIRECTORS

The local program's board of directors should be a strong, working board capable of developing and implementing policy to create positive change. The success of a commercial revitalization effort depends largely on the board's ability to identify and mobilize resources, build volunteer support, develop new leadership, and maintain clear focus on the district's needs and opportunities.

BOARD MEMBER DIVERSITY AND COMPOSITION

The board should be a decisive, action-oriented group, small enough to establish a quorum easily and large enough to represent a cross-section of the community. Ideally, the board should have between nine and 13 members that come from the following groups: the commercial district's property owners, retailers, professionals, and other business owners; lenders; city and/or county government officials; business association members; heads of neighborhood organizations; recognized community leaders; local civic organizations; preservation and/or historical societies; or interested citizens. Ideally, the program will look for different skills and strengths from its board members, depending on its stage of development, and its short and long-term goals.

Boards who are in part or in whole a Downtown Development Authority or Tax Increment Finance Authority, must follow the appropriate state law in terms of membership. For example, the majority of the board members must be individuals with an ownership or business interest in property in the district and one member must reside in the district if there are more than 100 residents in the district. The board must also include the City manager or Mayor and Board members are appointed by either the City Manager or Mayor, so a relationship with this individual is critical for Board member recruitment

In considering board building, the program is obligated to follow its bylaws, which most likely will include specific criteria on board size, structure and composition. Bylaws should be reviewed and updated on a regular basis to acknowledge and incorporate changes in the environment and community. Such changes may require adjustments to the board structure.

Two tools are offered to assist the program in developing its board to reflect the diversity of its community, and to ensure an appropriate and effective mix of skills, knowledge and experience:

1. Board Member Profile Worksheet
2. Board Composition Worksheet

Together, these worksheets build awareness of the board's current profile and composition, and help to stimulate thinking about desirable, potential candidates. Once the gaps have been identified, the board may engage in an intentional recruitment strategy to support a diverse and high-performing board.

RECOMMENDED FRAMEWORK: BOARD MEMBER PROFILE WORKSHEET

Board Members should use this worksheet to identify and document their individual characteristics.

MAIN STREET BOARD MEMBER AND VOLUNTEER PROFILE		
Profile	Characteristics	Fill in the blank with your individual profile and characteristics
Individual background	Age	
	Gender	
	Race/ethnicity	
Representation	Downtown	
	Municipality/government	
	Organization	
	Community	
	Other	
Skills/interests	Economic vitality	
	Design	
	Promotion	
	Organization	
Personal qualities	Leadership	
	Willingness to work	
	Wisdom	
	Wealth	
	Connection to organization's mission	
	Personal style (visionary, strategist, proclaimer, bridge builder, warrior, etc.)	
	Other	
Community connection	Religious organizations	
	Corporation	
	Schools/education	
	Chamber of commerce	
	Community/economic development	
	Hospital/health-related organization	
	Financial institutions	
	Utilities/safety	
	Civic groups/philanthropy	
	Downtown property owner	
	Downtown businesses	
	Downtown resident	
	Neighborhood residents	
Other		

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RECOMMENDED FRAMEWORK: BOARD COMPOSITION WORKSHEET

Once each individual Board member has completed the Board Member Profile Worksheet, the results should be compiled into this matrix. Once the results have been compiled, the Main Street Board can assess gaps in any of the categories, and prioritize Board Member Recruitment to fill those gaps.

MAIN STREET BOARD COMPOSITION													
Board member name	CURRENT BOARD MEMBERS							POTENTIAL BOARD MEMBERS					
Age													
Under 18													
19-34													
35-50													
51-65													
Over 65													
Gender													
Male													
Female													
Race/ethnicity													
Caucasian													
African American													
Asian/Pacific Islander													
Hispanic/Latino													
Native American													
Other													
Representation													
Downtown business owner													
Downtown property owner													
Downtown resident													
Organization													
Municipality/government													
Community													
Other													
Skills/interests													
Economic vitality													
Design													
Promotion													
Organization													
Personal qualities													
Leadership													
Willingness to work													
Wisdom													
Wealth													
Connection to organization's mission													
Visionary													
Strategist													
Proclaimer													
Bridge builder													
Worrier													
Other													
Community connection													
Religious organizations													
Corporation													
Schools/education													
Chamber of Commerce													
Community/economic development													
Hospital/health related organization													
Financial institutions													
Utilities/safety													
Civic groups/philanthropy													
Downtown property owner													
Downtown businesses													
Downtown resident													
Neighborhood residents													
Other													

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BOARD MEMBER RECRUITMENT

When seeking potential board members, candidates should generally fall into one of three categories:

- those who will become actively involved in planning and implementing projects
- those who can provide needed services or information, such as accountants, architects, or lawyers
- those who have money or access to money that could be used to finance the program’s projects.

All board members should bring the following to the organization:

- Commitment
- Leadership
- Time
- Enthusiasm
- Money
- Community respect
- Skills
- The 3 W’s – Wealth, Wisdom and Willingness to Work

Generate a list of potential candidates that reflect the results of your board profile and composition worksheets. It is important to seek out who you need, versus who you know. Board member recruitment of qualified and talented individuals requires looking beyond just your current circle of friends, relatives, and business associates; and actively seeking ideas and prospects from local entities. A variety of different local organizations should be invited to recommend a candidate based on your needs. Your board should develop a list of potential groups, organizations, and individuals to contact when recruiting a new member.

Consider your list of potential candidates as a living document. It is an open list that will be added to continuously based on active recruitment, referrals and expressions of interest.

Assign responsibility for board member recruitment. This is an activity best performed by a small, 2-3-person committee of board members, working in tandem with the Executive Director. Regardless of your structure, it is imperative that this responsibility be well-defined and understood by the entire board.

The following templates for a Board Member Recruitment Plan, Recruitment Prospectus, Board Office and Board Member Job Description are offered to help organize your recruitment efforts.

RECOMMENDED FRAMEWORK: BOARD MEMBER RECRUITMENT PLAN

Use this plan template to help organize your board member recruitment strategy.

Person(s) Responsible for Plan Implementation: _____

Recruitment Team Members (Who will participate in board member recruitment?):

Referral Sources (What other community organizations can be asked to recommend potential board members?):

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Outreach Methods (How will we inform the public of our search for potential board members? For example: public service announcements, Online forums, newspaper articles, etc):

Potential Candidate Information Materials (How will we inform potential board members? For example: job description, strategic plan, board brochure, etc.)

Action Plan (Determine the tasks necessary for recruitment and outreach to potential board members.)

Action	Completion Date	Responsible Person

The _____ board will review this plan on the following dates:

RECOMMENDED FRAMEWORK: RECRUITMENT PROSPECTUS

Use this worksheet to provide important information about your Main Street Organization and the roles of Main Street Board Members to prospective board members.

Becoming a Board Member of _____ Main Street

1. **Mission:** (insert your mission statement)
2. **Vision/Desired Future State:** (insert your vision statement)
3. **Transformation Strategy(ies):**
4. **Goals and Measures of Success:**
5. **Legal Authority:**
6. **Major Issues at this Time:**
7. **Major Projects and Activities:**
8. **Funding Sources**

9. Expectations of Main Street Board Members

- Fund raising and collecting the funds needed to operate the program. This is not the Executive Director's responsibility.
- Supports board decisions even when he/she may disagree with the majority
- Understands the mission of the Main Street organization and promotes its goals and activities to the community.
- Attends and actively participates in board meetings.
- As often as possible, attends the training programs and workshops held by the state coordinating program and the National Main Street Center as well as any other organization providing relevant training
- Contributes knowledge, financial resources and labor to the Main Street organization.
- Respects the need for the Executive Director to report to only one "boss".
- Offers opinions honestly, constructively and without reservation.
- Delegates responsibility to project committees or to the Executive Director when appropriate.
- Promotes unity within the organization and seeks to resolve internal conflicts.
- Encourages orderly, systematic, and incremental implementation of the Main Street organization's transformation strategy(ies), while discouraging the board from becoming distracted by secondary issues or projects not included in the annual strategic plan.
- Encourages staff and other board members to express their opinions openly in board meetings.
- Remains loyal to the Main Street organization and honors his/her commitment to it.

9. Benefits of Being a Main Street Board Member:

- o Being a voice for the members of your community
- o Self-satisfaction of providing your time to improve the community
- o Providing leadership in community revitalization
- o Development of leadership skills

The Main Street Board meets monthly on _____. Main Street Board Members are required to attend ___ out of ___ total number of meetings. In addition to serving on the board, board members are expected to serve as an active member of a project team. This typically requires up to five additional hours of volunteer time.

Additional information is available by calling the Main Street office at _____ or by contacting a current board member.

RECOMMENDED FRAMEWORK: BOARD OFFICER JOB DESCRIPTIONS

The following positions are typical of a board structure that includes an Executive Committee. An Executive Committee is optional for Main Street Organizations. However, Main Street boards must have a chair person/president position. Should your Main Street Organization choose to create an Executive Committee, the following are typical responsibilities:

Chair/President

- Serves as primary link between the board of directors and the Executive Director.
- Acts as a coordinator to facilitate decision-making process.
- Delegates responsibilities.
- Monitors accountability of the organization.
- Supervises Executive Director's performance.
- Works with Executive Director to determine board meeting agenda.
- Chairs board meetings.
- Calls special meetings when necessary.
- Appoints committee chairs with board input.
- Serves as a visible leader of the organization.

Vice Chair/President

- Supports president and shares responsibilities as delegated by president.
- Performs presidential duties when president is unable to do so.
- In some cases, takes a more active role in monitoring committee activities.

Secretary

- Serves as primary record keeper.
- Transcribes and prepares official board meeting minutes for approval by board and delivers them to the Executive Director.
- Maintains these documents in a format that is accessible by all board members and the Executive Director and that can be carried to meetings for use as a reference.

Treasurer

- Pays debts and taxes on time.
- Prepares monthly financial reports (should be submitted to the executive director for inclusion with the minutes of the next board meeting).
- Maintains all financial books and records in an auditable format, according to standard accounting practices.
- Provides financial information upon request.

RECOMMENDED FRAMEWORK: BOARD MEMBER JOB DESCRIPTION

This job description can be distributed to prospective Board Members and it represents the typical roles and responsibilities of Main Street Board Members.

Function:

- Provide governance to the Main Street Organization, represent it to the community, and accept the ultimate legal authority for it.

Duties:

Policy

- Establish and/or continue the legal existence of the program
- Ensure that the program fulfills legal requirements in the conduct of its business and affairs
- Adopt policies that determine the program's purposes, governing principles, functions and activities, and courses of action

- Assume responsibility for internal policies governing the program.
- Generate and approve major policies.

Funding and Financial Management

- Develop and approve the organization's annual financial goals.
- Annually review and approve the organization's budget.
- Approve and monitor expenditures in accordance with the Main Street organization's Financial Policies/Procedures
- Authorize and oversee an annual audit or financial review
- Assume responsibility for annual fundraising planning and implementation
- Be assured that the Board and its committees are adequately and currently informed - through reports and other methods - of the financial condition of the organization and its operations.
- Be assured that reports properly reflect the operating results and financial condition of the organization.
- Establish appropriate policies to define and identify conflicts of interest throughout the organization, and diligently administer and enforce those policies.
- Review compliance with relevant material laws affecting the organization.

Personnel

- Recruit, hire, monitor, appraise, advise, support, reward, and, when necessary, change the Main Street organization's Executive Director
- Be assured that management and board succession is properly being provided
- Ensure adequate human and financial resources. One of the board's foremost responsibilities is to secure adequate resources for the organization to fulfill its mission
- Recruit and vet a slate of potential board members and fill vacancies as needed
- Annually evaluate the performance of the Executive Director and establish his/her compensation based on industry standards
- Determine eligibility for and appoint Board Committees in response to bylaws and organizational need
- Develop a Professional Development Plan for both Board Members and the Executive Director to ensure board members and the executive director take advantage of training opportunities for continued education
- Annually review the performance of the Board and take steps to improve its performance

Committee Oversight

- Recruiting effective project team/committee chairs
- Monitor project team/committee activities and ensuring progress
- Provide adequate resources for committees, both financial and human resources
- Coordinate the work of all committees so that they advance the organization's transformation strategy(ies), goals and measures of success
- Solicit committee members to help create work plans

Planning & Doing

- Develop and approve the organization's mission and vision/desired future state and assess performance in achieving them
- Define and maintain the strategic direction for the Main Street organization
- Build consensus and a unified vision for the district
- Foster the community's sense of ownership and engagement
- Regularly assess the Main Street district and develop and implement the organization's transformation strategy(ies), goals and measures of success in relation to it
- Regularly develop and implement the organization's plans for funding its strategic programming
- Lead the planning and implementation of strategic programming that follows the transformation strategy(ies)

Monitoring, Evaluating and Communicating Value

- Develop processes for data collection for your organization’s strategic programming
- Measure the success towards your district’s transformation strategy(ies)
- Monitor progress and use data to guide the organization’s decision-making
- Package outcome information and share your organization’s impact and value
- Promote the Main Street organization and downtown revitalization efforts to continually engage key stakeholders
- Give support and prestige to the organization and inspire confidence in its activities
- Serve as an advocate of preservation-based economic development in the Main Street district

RECOMMENDED FRAMEWORK: BOARD MEMBER APPLICATION AND INTERVIEW

The Main Street Organization should develop a Board Member Application to facilitate the selection of potential Main Street Board Members. The application should:

- Outline the desired community representation, qualities, skill sets, and/or community connection for new Board Members (based on the Board Composition Matrix)
- Outline and explain the roles and responsibilities of Main Street Board Members (based on the recruitment prospectus and board member job description)
- Be available to access online

Once completed applications have been received, potential candidates should be interviewed by the Executive Committee or a small group of Board Members to determine if the candidate will meet the needs of the Board and fulfill the roles and responsibilities of a Main Street Board Member. Once the top candidate or candidates have been selected, the full Board should make a formal recommendation to the Mayor or City Manager (depending on who in your community appoints Board Members) if your Main Street Organization is a DDA. If your Main Street Organization does not need the Mayor or City Manager’s approval, the Board can make a formal selection at a Board Meeting.

BOARD MEMBER ORIENTATION

Your goal in orienting, or on-boarding new board members is to set them up for success as quickly as possible. This is accomplished by providing them with an array of materials and experiences over time. It is important to understand that orientation is an ongoing process and to organize your approach accordingly. It is assumed that new board members will have had the opportunity to review the organization’s mission, vision/desired future state, transformation strategy(ies) and other basic information during the recruitment process, and to have had any questions answered. New board members should be provided with access to print or view online a Board Member Handbook or packet of materials that include information about the following:

- Main Street Approach
- The Main Street District
 - Boundaries of the Main Street Area
 - Directory of businesses and business owners
 - Main Street projects in the District
- Local Program
 - History
 - Board members
 - Committees and committee members
 - Bylaws
 - Mission, Vision/Desired Future State and Values
 - Strategic plan that includes the transformation strategy(ies), goals and measures of success
 - Financials

- Roles and Responsibilities
 - Board Officers
 - Board Members
 - Executive Director
 - Committees
 - Volunteers

This is by no means an exhaustive list. Your local program documents will reflect its own approach to the work of the board and of the organization. Be sure to document this work, and to make it accessible.

Another approach to ensuring new board member success is to pair a new member with an experienced member in a mentor-style relationship. The experienced board member will be expected to spend time outside of board and/or committee meetings with the new member, helping to process information, resolve questions, and generally smooth the way for the new member to become integrated into the board and its culture.

New board members should also be encouraged to participate in active projects, joining as a worker, not as a “boss”. While leadership development is certainly a goal of board member engagement, immediately placing a new board member in a leadership role without time to acclimate to the culture of the organization may lead to undesirable, unintended consequences. Providing new members with opportunities to “get their hands dirty”, in a variety of activities will strengthen the new member’s commitment to the organization and provide tangible experiences that bring your written materials to life.

Finally, your on-boarding process never officially ends. There is always something to learn – for new members and experienced members alike. Embed a value of learning into your organization’s culture and take advantage of the multiple learning opportunities provided by Michigan Main Street and National Main Street. A Board Member Orientation Checklist is offered to organization your orientation efforts.

RECOMMENDED FRAMEWORK: BOARD MEMBER ORIENTATION CHECKLIST

Use this checklist to identify items that might be helpful in your board member orientation handbook/packet.

Welcome Packet

- Letter of welcome from board chair
- Mission, Vision/Desired Future State, and Values statement
- Strategic Plan/Direction – Transformation Strategy(ies), Goals and Measures of Success
- One-sheets on key services and programs
- Board member responsibilities and expectations (recruitment prospectus and job description)
- By-laws
- Committee structure (include ad hoc committees)

Policies (at minimum):

- Conflict of Interest Policy
- Code of Ethics
- Board's role in fundraising
- Board financial giving expectations (if not in by-laws)

Operations:

- Main Street Organization chart
- One-sheets on Executive Director, board, and committee functions and responsibilities
- Glossary of common acronyms
- Current strategic programming and active work plans

Facts and Figures (at minimum):

- Who you serve
- Revenue and expenses
- Main Street Area map
- Awards and recognition
- Main Street history, milestones
- Annual Reinvestment Statistics
- Current budget
- List of current board members with addresses, phone numbers, email addresses
- List of board officers
- List of current partners and stakeholders

RECOMMENDED FRAMEWORK: NEW MEMBER – SAMPLE ORIENTATION MEETING AGENDAS

The following agenda should be used to orient new Board members and should be modified by the organization to match its own culture and needs. During a review of the topics marked with an "*", provide a brief presentation about the topic and then provide time for open discussion and to address questions from participants.

Topic	Leader of This Section of Meeting
Welcome	Board chair
Review of agenda*	Board chair
Introduction of participants	Each person introduces themselves, their role in the organization, and projects they are affiliated with
Overview of organization*	Executive director reviews mission, history, programs and introduces key staff

Ongoing Agenda Topics

The following topics should be covered in depth with new board members. It is recommended that these be addressed in separate meetings, and not all at once. It might be helpful to review these topics with new board members and ask them to order them by priority. Individual programs are encouraged to adapt this list for their own purposes.

Topic	Leader
Orientation to board manual*	Board chair
Roles and responsibilities of governing board*	Board chair reviews overview of roles, role of the Executive Director, and comparison of roles of board and staff
Overview of board structure	Review listing of current officers, committees, and committee chairs
Overview of board operations*	Board chair reviews key points from bylaws and board policies, board operations calendar, sample committee work plans, and sample meeting agenda and minutes
Overview of Budget and Financial Statements*	Board chair or staff member provides overview of how to read the financial statements and how funding for the organization works.
Review of strategic plan*	Board chair reviews format of plan (vision/desired future state and transformation strategy(ies), highlights from the plan (goals and measures of success) and key points about status of implementation of the plan (strategic programming).
Administrative activities	For example, set the schedule for next year's board meetings, refine the board operations calendar, update the list of board members, etc.
Board Self-Assessment tool and process	Board chair

RECOMMENDED FRAMEWORK: BOARD MEMBER ANNUAL LETTER OF COMMITTEMENT

Once a new Board Member has been on-boarded, they should sign a letter of commitment stating they understand and are willing to commit to the duties and responsibilities of serving on the Main Street Board. Main Street Board Members should sign a Letter of Commitment annually, which outlines the expectations and responsibilities of Main Street Board members and ensures continued dedication of individuals to the Main Street Board.

HIGH PERFORMING BOARDS

Main Street Boards are working boards in every sense. In order for the work to be done, and done well, Main Street boards must create and sustain a culture that supports individual members, while fostering a sense of interdependence. Successful Main Street Boards demonstrate a high level of collaboration, shared responsibility and relational trust. Group members function interdependently, recognizing their capacity to both self-regulate and be regulated within the norms, values and goals of the larger system. Individuals seek productive, collaborative relationships, respect individual differences and recognize their contribution to the growth and development of all aspects of the organization. High-performing organizations foster an organizational environment of learning, where each member refines their skills, knowledge and abilities to embrace and learn from tensions and conflicts.

BOARD CULTURE

The culture of a board happens either intentionally, or accidentally. Culture created with intention tends to have more sustainable outcomes. Culture derives from an organization's mission, vision/desired future state and values (or guiding principles). These are defined as follows:

- **Mission Statement;** Clarifies why you exist and the difference you seek to make.
 - **Purpose:** Serves to guide decision-making about how to organize your work in support of the mission. Focuses on the outcome and the result, rather than how the outcomes are achieved.
- **Vision/Desired Future State;** Paints a picture of a future state that you expect to create or influence through your efforts. Describes the change you wish to see in your community as a result of the work of the Main Street organization.
 - **Purpose:** Acts as a figurative “North Star” to guide the organization's direction and to evaluate its impact over time.
- **Values Statements;** Announces what is important to you, and what you stand for; the core values and beliefs held by the organization.
 - **Purpose:** Serves to establish norms of behavior for staff and board, and to guide your interactions with partners, stakeholders and your community.
- **Transformation Strategy(ies), Goals and Measures of Success;** Your community revitalization strategic framework that is focused on demonstrable outcomes.
 - **Purpose:** Sets a clear direction for revitalization, based on broad community engagement and solid market understanding. Broad and continuous goals frame targeted areas for improvement and measures of success demonstrate the wise use of resources, project progress and results.

These elements form the strategic foundation of your organization and transcend the individuals who move through the organization over time. When these elements are articulated, reinforced and used to guide decision-making, the work of the organization becomes the focus for all of its members, and their efforts are channeled accordingly. A strong, strategic foundation also serves to support a professional community.

RECOMMENDED FRAMEWORK: THE ELEMENTS OF PROFESSIONAL COMMUNITY

High-performing organizations believe in and demonstrate their collective capacity to produce results and stay the course through internal and external difficulties. This type of collaborative practice does not happen by chance, it begins with specific agreements that must be taught, practiced and learned again. Developing this type of collaborative culture is the work of leaders who realize that a collection of superstars working in isolation cannot produce the same results as interdependent colleagues who share and develop their professional community together. The following describes the framework of a professional community:

1. Compelling purpose and shared standard and focus

Defining and refining the meaning of doing good work is the task of a professional community. Understandable performance and product standards are important catalysts for focusing conversations among colleagues.

2. Collective efficacy and shared responsibility

To have a high degree of collective efficacy means that group members believe that they and others, individually and together, are capable of producing increased success and of overcoming obstacles to that goal. These collective expectations are a powerful element in an organization and in a team's working culture, influencing behavior and choices of both the individuals and the group as a whole.

3. Collaborative culture

Collaborations do not happen by chance, it has to be taught, practiced and learned. Developing collaborative cultures is the work of leaders who realize that a collection of superstars working in isolation cannot produce the same results as interdependent colleagues who share and develop professional practices together.

4. Communal application of effective practices

Practice is de-privatized. All team members share their knowledge and experience. It becomes "our" team, "our" organization, "our" work - instead of "my" or "your". Developing a culture of sharing or co-leading allows groups to represent a shared understanding of their unique issues.

5. Building Relational Trust

Trust is the glue that binds group members to one another. When all parties share and hold the expectations for their relationships, and these expectations are grounded in shared goals and values, trust is a powerful tool for success. Four elements comprise Relational Trust:

- **Respect** comes in the form of basic civility and a willingness to listen deeply to what each person has to say. Group members need opportunities to talk with and influence each other and to believe that they can positively affect outcomes.
- **Competence** is the sense that each party has the ability to carry out its appropriate roles and produce desired outcomes.
- **Personal regard** for others deepens relational trust. We are a social species, wired for relationships and reciprocity. Mutual support and mutual caring fuels these associations. Extending ourselves to and for others is like making a deposit in the trust account, the interest in this account compounds with each deposit.
- **Integrity** is the congruence between saying and doing. In trusting relationships, this means we believe that a sense of morality and ethics is operating in others and in the way we are relating. Following through with agreements and commitments is a key aspect of integrity.

6. Individual and group learning based on ongoing assessment and feedback

In order for learning to be effective, it must be collaborative and active and involve feedback and reflection. Learning how to learn together requires conscious attention, purposeful structures and meaningful feedback. Groups apply feedback when they take time to reflect on their own processes and outcomes to consider which practices to continue, which to abandon and which to modify.

Source: Garmston, R. & Wellman, B. (2009). *The Adaptive School: A Sourcebook for Developing Collaborative Groups*. Second edition. Norwood, MA. Christopher Gordon. cgpublish@christopher-gordon.com

RECOMMENDED FRAMEWORK: SAMPLE BOARD CULTURE

Boards and groups in general, function best when they operate from a shared understanding of expectations; what each member expects of other members, and what all members can expect from each other. It is recommended that every board of directors consider adopting a Code of Behavior designed to increase board engagement, keep board meetings on task and build relationships of mutual respect. A sample Code of Behavior follows:

(Adapted by Ellen Shepard, CEO of Community Allies from assorted documents from Zingerman's and BALLE)

Code of Behavior

MAIN STREET ANYTOWN's Board will conduct meetings and other board activities in a way that give board members the rewards of collegiality, discussion of interesting and important topics, connection with who and what is important for the Main Street District's future, and effective tools for advancing our important work.

The MAIN STREET ANYTOWN Board will conduct its affairs with these principles:

- A sense of mutual respect, trust and inclusiveness among board members.
- The ability to explore divergent views in a respectful manner.
- The awareness that once a board member has spoken, those who haven't yet had the opportunity to do so are given priority to speak before she/he speaks again. All board members are strongly encouraged to speak up if their opinion on an issue has not already been put forth by someone else.
- A willingness to gather relevant information to inform decisions.
- Equal access to information.
- An individual and collective commitment to decisions, plans of action, and accountability to follow through on the board's agreements.
- Seek and respect the opinion or recommendation of staff.
- We encourage the nonconformist and the hard questioning of ideas, but never a personal attack. If these principles have been adhered to, we should always be able to answer these following questions affirmatively after a vote:
 - I was able to voice my viewpoint
 - I believe that the other board members understood my viewpoint
 - I believe that I understood the other board members' viewpoint
 - Whether or not I prefer this decision, I support it because the board came to it in an open, fair and inclusive manner.

Should unproductive behavior prevent us from doing our job, the Chair/President of the board should do the following:

- Ensure that all opinions on issues are welcome.
- Focus the discussion on key board issues.
- Have private discussions with board members as needed to ensure that the principles are followed.

We are all committed to making these principles of our culture not just held principles but operational principles. When our behavior falls short of our principles, we apologize, and we move forward with grace.

Board Decision-Making Model

- The board is considered to be in agreement if all members present are at least 80% satisfied with a decision. They lend their consensus by being 100% committed to living by the decision and and by being 100% committed to supporting it in the future.
- If a member can't support a decision 80%, they must provide a viable alternative for the group to vote on.
- If a simple majority of the board does not agree with the alternate proposal, the board moves forward with 100% support of the original decision.
- Board members should be alerted to significant decisions, and provided with materials to review, in advance of the board meeting at which the discussion will be held. Alternate proposals should also be given ample time for consideration, which may mean delaying a vote until the next board meeting.

One Voice

The board as a body speaks for the board, not each board member except as he/she contributes to the final board product. Hence, board practices must recognize that it is the board, not board members, who have authority. The board speaks authoritatively when it passes an official motion at a properly constituted meeting. Statements by board members have no authority. In other words, the board speaks with one voice or not at all.

Dissent is expressed during the discussion preceding a vote. Once taken, the board's decision may subsequently be changed, but are never to be undermined. All public expressions outside of board meetings must reflect the decisions reached by the board.

BOARDS AT WORK

Collectively, the board of directors assumes legal and philosophical responsibility for the Main Street Organization's activities. It must educate, build consensus, stimulate action in the commercial district, and involve volunteers in the revitalization process. As the direction of the program evolves and creates new opportunities, the Board's role in each of these areas may change. There are, however, certain basic responsibilities that remain constant throughout the life of the organization:

The board is ultimately responsible and accountable for the Main Street Organization. Although it may delegate daily management to the executive director and committees, it cannot delegate the review of the program's budget and plans or the monitoring and evaluation of the program's effectiveness. Those tasks remain board responsibilities.

The board must always represent the larger view of why commercial district revitalization is crucial for the entire community. It serves as a private-sector advocate for the Main Street Organization's interests and works to ensure the community has a comprehensive understanding of Main Street Organization's principles of revitalization. The Board is also responsible for fostering community acceptance of and involvement in the process and ensuring private-sector commitment and participation in the revitalization effort.

The board must maximize volunteer involvement in the revitalization program.

Jointly, the Board is responsible for the following aspects of the program:

- Policy
- Funding and Financial Management
- Personnel
- Committee Oversight
- Planning & Doing
- Monitoring, Evaluating and Communicating Value

POLICY

The Main Street Board is responsible for adopting and abiding by policy in order to:

- Establish and/or continue the legal existence of the program
- Ensure that the program fulfils legal requirements in the conduct of its business and affairs

- Determine the program’s purposes, governing principles, functions and activities, and course of action
- Assume responsibility for internal policies governing the program.

From a policy perspective, we will focus on bylaws and meetings and agendas. Also included is guidance on developing policies that are necessary and effective.

If your organization needs sample policies or procedures, contact Michigan Main Street.

RECOMMENDED FRAMEWORK: BY-LAWS

Bylaws are an agreement and record of how the board will conduct its business. Caution should be taken to avoid overloading your bylaws with policies, which are better left as separate documents that are more easily adapted and/or adjusted. If the board determines that a policy must be included in your bylaws, you might choose to reference the policy and its subject matter as a document contained in the organization’s policy manual. Also exercise caution when defining committees. Policy committees and/or committees critical to the functioning of the board should be included and clarified in the bylaws. Ad hoc committees or work groups do not need to be specifically identified, however the bylaws should contain adequate information about how such committees will be formed, under what circumstances, their composition and how they will be dissolved.

The following are basic components of bylaws:

- The purpose of the organization
- How the board is managed and operated;
 - e.g. Robert’s Rules of Order
 - other process for conducting business
- The composition of the board, including the minimum and maximum size of the board
 - Process for appointing new members to the board
- Term limits and their calendar;
 - e.g. 2 – 4 year terms with one time renewal
 - how long a board member can serve before a required sabbatical
 - staggering term limits to ensure the entire Board does not turnover at one time, which will ensure institutional memory remains amongst current and new Board members
 - how to replace a position if a member leaves before the end of his/her term
- Roles and duties of officers; rules and procedures for electing/appointing officers
- (If appropriate) Executive Committee purpose, duties, authority and composition
- Committee creation, structure, composition, purpose and authority
- Attendance requirements
- Board member removal process
- Rules and procedures for holding meetings
- Open Meetings Act compliance;
 - Advertising public meetings
 - definition of quorum, voting procedures
- Decision-making process; consensus, modified consensus, or majority vote
- Financial authority; budgeting, expenditure approval process, financial documentation and reporting, who holds the funds
- Bylaw change procedure

RECOMMENDED FRAMEWORK: CONSENSUS OR ROBERT’S RULES OF ORDER?

The object of Rules of Order is to assist an assembly to accomplish in the best possible manner the work for which it was designed.

Gen. Henry M. Robert

In other words, use the Rules to organize the methods by which you conduct your work, but don’t make your meetings about whether or not you are in strict compliance with Robert’s Rules. For further information, go to:

<https://robertsrules.org/robertsrules.pdf>

Although most people choose Robert’s Rules meeting etiquette system, an alternative is gaining favor. Instead of reducing all decisions to a parliamentary procedure, trying to reach a consensus can create an environment better suited to solving problems. The two systems can be overlaid, where a collaborative system is used to reach consensus and a majority-rules vote confirms the decisions. By eliminating a win/lose voting atmosphere, this approach can encourage more people to participate in the group process.

During discussions, move the group toward a consensus decision. Rather than viewing decisions as black or white (or winners and losers), find the discussion points on which everyone agrees. Continue to modify those points to elicit more agreement. For example, in a discussion over how to use the proceeds raised by a festival, some people may want to use the revenue as seed money for next year’s, while others may want to spend it on streetscape projects. Look for consensus points. In this instance, people agree that the money should be used for something that benefits a large audience of people. A simple compromise might work. Save part of the money for next year’s event and use the rest for a smaller streetscape project. With further discussion about the benefit people expect from the effort, the group may find a streetscape project that benefits the festival, such as water fountains with taps that food vendors can use or street lighting that provides electrical outlets for use during the festival.

Unless it delves into the underlying motivations behind opposing views, the group might miss a great opportunity to create a street improvement that has multiple functions.

Essential to making this process work is the board’s willingness to: 1) focus on the problems, not the person; 2) deal with core issues, not positions; and 3) brainstorm solutions that meet as many concerns as possible.

RECOMMENDED FRAMEWORK: BOARD MEETINGS AND AGENDAS

Effective board meetings share common themes; they are well-organized, information is shared well in advance, they are helmed by a capable and effective chair, and the majority of the time is spent on high-level dialogue and decision-making.

The purpose of board meetings is to gather an organization's decision-makers together to guide and monitor the work of the organization. Other important elements are to build a shared understanding of the organization's current state, reinforce its shared purpose, inform and inspire board members, address and resolve conflict, encourage dialogue on significant issues and strategic direction and to coordinate people and activities.

Successful meetings create balance between People, Product and Process:

- People – who is at the table, the relationships between these people, and their contributions
- Product – the results, decisions and outputs of the board
- Process – the way you conduct the meetings, how you do the work and the evaluation of the work and of the group

Examples of when meetings are out of balance:

- Decisions made in a vacuum
 - People and process sacrificed for product (decision)
- Social but unproductive meetings
 - Product and process sacrificed for people (relationships)
- Meeting agendas or work plans are inflexible
 - People and product sacrificed for process

Structure meeting agendas with a goal of achieving balance between people, product and process. Meetings should begin and end on time. This is commonly accomplished in part, by adopting a consent agenda that includes regular reports/documents that comprise most of the meeting packet. Your agenda might include:

- Mission, vision/desired future state, and values statements at the top of all agendas
- Roll Call
- Public Comment
- Review and approval of minutes
- *Reports; Executive committee, Treasurer's, Executive Director's, Committees
- Old Business
- New Business
- Committee/Project Updates

*Reports: While it is tempting to read aloud and/or reiterate what is contained in written reports submitted with the board meeting packet, doing so is rarely productive. Rather, establish and reinforce a board member expectation that reports are to be read before the meeting, reserving comments on content only for questions of clarity, or suggested corrections. Your time is best served having dialogue about the state of the organization and its future.

RECOMMENDED FRAMEWORK: BOARD MEETING MINUTES

Minutes are essentially a record of the actions taken by the board. It is not necessary to copy down everything that is said in a meeting. Note what was done in relation to the agenda, actions taken, and assignments made. Also record motions, seconds and the results of said motions. Minutes are not intended to be a transcript of a meeting. Decide early on who is responsible for recording the minutes of Board meetings, and of committee meetings. This is not the responsibility of the Executive Director, rather it should be a board member, or in some cases, a city employee is provided for this purpose.

RECOMMENDED FRAMEWORK: MOTIONS

The organization makes group decisions by agreeing to "motions." A motion is a proposal made by a board member that the organization takes some action or to introduce items into a meeting. This is called a main motion. A subsidiary motion is used to make a change or to change how another motion is handled. A privileged motion is used to bring up items that are urgent or that may affect business before the board. An incidental motion is used to question meeting procedures.

Only one motion can be considered at a time, although while one motion is under consideration, some secondary motions can be made if urgent or relevant to the pending motion, in this case action on the original motion must be suspended until the secondary motion(s) or subsidiary motion is dealt with.

Killing or tabling a motion:

At times you may desire to table a motion; this is allowed for a set period of time that must be stated at the time of the motion but no more than 90 days or the next closest meeting. To do this you must ask to "table the question for a period of XX days". This question is acted upon the same as any other motion.

To kill the main motion you need to "move to postpone action indefinitely".

After either one of these actions, support is required and then a vote called for.

Some of you may have heard of something called "a friendly amendment", this does not exist. Once the motion has been made and seconded, that motion is now owned by the board and can no longer be acted upon by the original maker. The chairperson can ask for any discussion, which may include a motion to amend the main motion, or a motion to withdraw (or suspend action upon) the main motion, among other things.

A question that has come up in the past is that of the chairperson making motions and voting. If the chair is a member of a standing committee they may act in that capacity as would any other member of the committee. During the normal board meeting while nothing prevents the chair from making a motion or voting in normal circumstances it is not recommended as the chair should maintain their impartiality. The chair may vote in the case of a tie vote.

Procedure

- I. A motion is made by a board member. Once a motion has been made it must be acted upon (motion on the floor) before any other business may be conducted. If the motion is in error or the originator wishes to withdraw the motion they may do so if it has not been seconded. If it has been seconded you must complete the process.
- II. Another member seconds the motion, if the motion receives no second it is considered lost.
- III. The chair states the question on the motion.
- IV. Discussion on the motion.
 - a. When no special rule relating to the length of speeches is adopted by the group, a member can speak no longer than ten minutes unless the consent of the group is obtained.
 - b. Rights in debate are not transferable. A member cannot yield an unexpired portion of his/her time to another member (the chair controls who speaks) or reserve any portion of time for later.
 - c. Please keep it civil.
- V. Chair puts the question to a vote.
 - a. Chair restates the question.
 - i. Chair takes the vote:
 1. The basic requirement for approval, except where a rule provides otherwise, is a majority vote. Majority means "more than half," excluding blanks and abstentions, at a properly called meeting with a quorum.
 2. Two-thirds vote or super majority means at least two-thirds of the votes cast, excluding blanks and abstentions, at a properly called meeting with a quorum

VI. Chair announces the result.

The Vote:

It is standard practice to accept a voice vote followed by a request for those opposed. At times or at the request of any member a standing vote (rising of hands), roll call or secret ballot may be required. In the case of a ballot vote the chair may feel free to cast a vote.

Proxy:

There is no provision to allow proxy voting.

Motions and how to handle them:

Close meeting	Move to adjourn	2 nd needed
Take a break	Recess for _____	2 nd needed
Make a complaint	Question of privilege	No 2 nd needed – no vote
Follow agenda	Orders of the day	No 2 nd needed – no vote
Lay aside	Table the question	2 nd needed
Close debate	Move the previous question	2 nd needed
Refer to committee	Refer the motion to...	2 nd needed
Modify motion	Move to amend	2 nd needed
Kill main motion	Move to postpone indefinitely	2 nd needed
Bring business	I move that...	2 nd needed
Divide motion	Move to divide	2 nd needed
Remove from table	Take motion from table	2 nd needed
Reconsider motion	Move to reconsider	2 nd needed

[Note that less formal rules can apply to boards and committees. Also, smaller groups may relax the formality of these rules.]

Resources:

Robert’s Rules of Order on-line (full text). <http://www.robertsrules.org/rror-00.htm>

Robert’s Rules in Plain English. New York: Harper Resource Zimmerman, Doris. 1997

Tropman, John. 1995. Effective Meetings: Improving Group Decision Making. Thousand Oaks Calif.: Sage.

Burleson, C. W. 1990. Effective Meetings: The Complete guide. New York, John Wiley.

Policy

- Tells us What to do and Why
 - Guidelines
 - Standards

Procedure

- Tells us When and How
 - Directions
 - Instructions

Effective Policies

- Need to address genuine needs within the organization
- Should be formulated to be easy to follow
- Produce genuine results
- Be clear and consistent
- Reasonable, justified and relevant

Policy Content

- Identify the standard to be established or the objective to be achieved
- Explain why the policy exists
- Tell when the policy applies
- Describe who it covers
- Describe the outcomes
- Written in simple sentences and paragraphs

Board vs. Operations Policies

BOARD POLICIES	OPERATIONS POLICIES
Relate to the governance of the organization, not the day-to-day operations	Established by the management team
Do not necessarily require a procedure	Relates to day-to-day operations
Relate to mission, strategic plan, external communications, code of ethics, organizational values, compliance with legal responsibilities	Board policies provide guidance in the development of operations policies
	Relate to administration, finance, safety, public relations, employee relations, privacy, confidentiality and ethics.
EXAMPLES: Eligibility, powers, duties, Confidentiality, Code of Ethics, Conflict of Interest, Indemnification, Term Limits, Removal from Office, Nepotism, Board meetings, minutes and agendas, Audit or Financial Review, Whistleblower	EXAMPLES: Financial Management, Equal Employment, Anti-Harassment, Performance Review, Compensation and Benefits, Safety, Continuous Quality Improvement, Fundraising and Gift Acceptance, Document Retention and Destruction

Developing Policy

Responsibility for evaluating recommendations for policies should be assigned to a specific committee, either existing (such as the Executive Committee) or one created for this purpose. This committee is also charged with reviewing existing policies, developing critical policies and making recommendations for approval and/or voiding of policies.

Any board member may make a recommendation for the development of a policy. Recommendations must be in writing and explain how each of the criteria for developing policy is met.

The responsible committee will review each recommendation and evaluate against each of the criteria. Recommendations that are evaluated as meeting all criteria will be added to process for developing policy, according to order of priority. Policies that contribute to improved board governance or critical operational needs will be addressed first.

Criteria for Developing Policy

- Provides necessary clarity to guide appropriate board or employee performance.
- Provides guidance about the way to handle various situations that require consistency in response and/or oversight.
- Is necessary to protect the organization legally.
- Establishes consistency in board standards.
- Clarifies board governance roles, responsibilities and/or issues.

Process for Developing Policy

- Assign responsibility for detailed work to the Nominating and Governance Committee
- Articulate the goal; why will the policy exist?
- Gather information (pre-writing research)
- Develop and write a draft
- Submit to full board for review
- Make changes as necessary
- Obtain full board approval; Implement
- Decide how you will communicate and integrate into the culture and functioning of the organization

Developing Procedures

Not all policies require a procedure. However, there are instances when a procedure is necessary to provide additional information, instruction and/or standardization for a policy. Consider the following when determining the need to develop a procedure:

Effective Procedures

- Procedures should identify the specific steps or actions of a policy
- Procedures can also describe alternative approaches if the policy addresses various situations
- Procedures can provide specific examples of situations and/or appropriate responses
- Provide for consistency, especially when policies are lengthy or complex

Criteria for Developing Procedures

- Is the policy or process lengthy and/or complex?
- Is it essential that everyone follow strict rules for the task, (i.e. payroll or other financial transactions)?
- Is documentation a necessary component of the task?
- Are there serious consequences if done wrong?

Sample Policy Template

Use this as a framework for developing relevant policies.

Policy Area: e.g. Board Governance, Facilities, etc.	Title of Policy:
Approved Date:	Approved by:
Effective Date:	Revision Date:
<p>1. Rationale or purpose to policy: It is important to articulate why this policy has been created. What is its purpose? Where did this policy come from? Including the background/purpose gives context to the policy. When the policy is scheduled to be reviewed, the organization can consider whether it is still necessary according to its original purpose. What was the challenge or issue behind creating the policy?</p> <p>2. Policy Statement: Simple statement of the standard to be established or the objective to be achieved.</p> <p>3. This policy applies to:</p> <p>4. This policy is effective under the following circumstances:</p> <p>5: Process or Procedure: Include if necessary for clarity, if there are multiple steps and/or to describe specific documentation necessary to support the policy.</p>	

Securing financial resources and demonstrating sound financial management of your organization are key responsibilities that fall to the Board. Main Street Boards are responsible for raising sufficient funds to ensure that the program can meet its objectives. Further, the Board must develop an annual budget for the program, approve and monitor its finances, authorize and/or review an annual or biennial audit and assume responsibility for all expenditures necessary to operate the program, other than those delegated by the Board to the Executive Director.

The primary responsibilities of a Board can be summarized as governing the organization and ensuring the success of its mission. Seeing to it that the organization has the required money and resources to fulfill its mission -- fundraising -- is one of the most critical responsibilities of Main Street Boards. Board members are personally responsible -- liable -- for their organization's financial solvency, thus assuring that the organization has the necessary funds to operate is a responsibility that all Main Street Boards should take very seriously. Board involvement in fundraising for community-based organizations is no longer merely an advantage, it is a necessity. Few organizations are successful in raising private-sector funding -- whether it is from foundations, corporations, church groups, United Ways, and/or special events -- without significant board involvement.

Why is the Board so critical for successful private-sector fundraising? Funders tend to view board member involvement in requesting funds as evidence of the organization's credibility and community support -- since they aren't getting paid for their efforts, they must be helping because they believe in the organization and feel it is effective. No matter how totally committed staff are to the organization, or how competent they are in describing the organization and its programs, funders may view them as motivated at least partially by the need to "raise money to cover their salaries." Thus, visible board involvement in fundraising is essential.

Most Main Street Programs ask board members to make an annual contribution to the program. An annual personal contribution to the organization by each board member enables the organization to tell potential donors that it has "100% participation" by its board, a statement of considerable psychological value because it demonstrates their commitment to the organization.

Maintaining meaningful and well-considered policies and procedures is a critical component of a strong financial management system. They are used to establish an organization's internal controls and for ensuring compliance with regulatory standards, as many nonprofit funders expect grantees to comply with specific policy and procedure guidelines. Documenting the organization's fiscal policies also serves as an important tool for clarifying roles and responsibilities and ultimately for ensuring that the organization's financial data is an accurate and reliable basis for organizational decision making.

Your organization's financial policies and procedures are largely dependent upon your local funding structure. Main Street programs that operate as their community's Downtown Development Authority or Tax Increment Finance Authority are bound by specific state and local laws and regulations. Main Street Programs operating as a separate 501(c)(3) nonprofit organization operate most effectively by following Generally Accepted Accounting Principles (GAAP). Regardless of the structure of your Main Street Organization, it is important and necessary to document your internal financial policies and procedures, and to ensure strict compliance with them.

Guidance on selecting your accounting system and a sample Financial Policy Manual are offered for your consideration.

RECOMMENDED FRAMEWORK: SELECTING AN ACCOUNTING SYSTEM

Taking the time to set up an accounting system is a key step in ensuring that your organization will run at peak efficiency. Some people regard accounting as simply keeping records, but there is an important distinction between accounting and record keeping. Accounting provides a system to manage financial resources, while record keeping is often a simple process of listing check numbers and their amounts as funds are disbursed. You may want to consider a double-entry accounting system, in which each transaction is recorded as both a debit and a credit, to help assure efficient money management.

The board of directors should translate the organization's annual goals and objectives into financial data by projecting revenues and expenditures for each activity and task. This is an extremely important process, requiring detailed planning and specific knowledge of the organization's revenue sources.

Once the board has reviewed and approved the budget (using each committee's work plans and budget requirements), it will become the tool for monitoring the status of your organization's activities. Monthly financial reports will help the board manage the program finances.

A number of accounting software programs are available to help you keep accurate financial records in-house. Make sure this information is kept on a computer in the program's office, so staff and board members can have access to it. However, be sure to use a certified accountant to handle the organization's detailed income, expense, and tax statements.

Sample Annual Operating Budget

Expenditures

Director salary \$	Insurance \$	Promotion Committee \$
Director benefits \$	Office supplies \$	Design Committee \$
Salary-other \$	Depreciation \$	ER Committee \$
Benefits-other \$	Postage \$	Contingency \$
Staff/volunteer training \$	Printing/copying \$	Other: \$
Staff/volunteer travel \$	Photo supplies \$	Other: \$
Rent \$	Prof. dues/membership \$	Total* \$
Utilities \$	Advertising \$	
Telephone \$	Organization Committee \$	

Revenues: Sources of Income, Services, and Donations

Business contributions \$	Fees for services \$
Corporate contributions \$	Event income \$
Individual contributions \$	In-kind donations \$
Memberships \$	Other: \$
City government \$	Other: \$
Business Improvement	Other: \$
District \$	Total \$

NOTE: Expenditures should not exceed revenues

RECOMMENDED FRAMEWORK: SAMPLE FINANCIAL POLICY MANUAL

The following financial policy manual contains policies and sections that are common for nonprofit organizations, or those operating without a profit motive. They are offered to help your Main Street Organization explore and discuss what policies are necessary for operational excellence, and more importantly for accountability and transparency.

ADMINISTRATIVE POLICY

Access to Records by Members

It is the policy of the organization to allow members and the general public to inspect the following records of the organization:

1. IRS Form 990
2. Original applications for tax-exempt status
3. Audited financial statements

Annual Budget

The Main Street Board will approve an annual budget well in advance of the first day of the fiscal year. The executive director has authority to approve expenses included in the budget. The Executive Director must seek board approval for any expense outside of the approved budget.

Bid Requirements

All expenditures exceeding \$2500 or that requires an ongoing contract will require at least three bids whenever possible. The decision to approve a vendor will be made by the executive director and will take into consideration first and foremost cost, local vendors and additional benefit.

When bids are required, the Main Street Organization will develop and distribute an RFP and gather no less than three bids. The decision to approve a vendor will be made by the executive director and will take into consideration first and foremost cost, local vendors and additional benefits.

Date- and Time-Received Stamp

It is the policy of the organization to stamp the payments received by mail with a date received stamp.

Document Retention Policy

The organization will have a document retention policy. The policy will list the documents to be retained and the retention period. Documents may be retained in either hard copy or electronic form.

Fiduciary Commitments

The Finance Committee (or the appropriate committee or board officer charged with this responsibility) will review any requests for the organization to assume a fiduciary role and present the board with recommendations.

Fraud or Misuse of Funds

The organization will have a whistleblower policy. See Whistleblower Policy.

Fringe Benefits

Fringe benefits include any 401k match payments provided to the Executive Director.

Loans Prohibited

The organization will prohibit loans to employees and members under all circumstances.

Payroll

The Executive Director's salary is determined by the board of directors. Board meeting minutes approving the salary will be submitted to the bookkeeper and minutes will provide documentation of payroll approval. Each employee will have a fully executed personnel file, including basic information, deductions, and status form. Executive Director will provide signed copies of timesheets of employees to the bookkeeper. Each timesheet will include any deductions.

Refunds

Members requesting a refund for dues will be refunded a pro rata share of unused dues less an administrative fee of \$50. Refunds are not available for workshops. Refunds for consulting arrangements will be prorated less an administrative fee of \$150.

Sales Tax

The Main Street Organization will not pay sales tax.

ACCOUNTING POLICY AND PROCEDURES

Accounting Computer File Back-Up Policy

The organization will use Quickbooks Desktop or a similar accounting system which maintains a back-up system to the Main Street Organization's server for accounting records. The server will have an offsite back up system which is updated at least weekly.

Accounting Method

The organization will use an accrual basis of accounting that recognizes revenues when they have been earned and expenses when they have been incurred. The fiscal year begins _____ and ends _____.

Audit

The organization will secure an audit annually to be conducted by a CPA.

The Executive Director will distribute the audited financial statements to the Board of Directors. The decision to publish the statements or otherwise make them available to the membership will be made by the board at its meeting following the issuance of the statements.

The draft of the CPA engagement letter must be reviewed by the Finance Committee (or the appropriate committee or board officer charged with this responsibility) before it is signed to ensure it covers matters important to management.

The CPA management letter will be discussed with representatives of the auditing firm and any deficiencies will be corrected.

Distribution of the management letter to individuals or firms other than those entitled to a copy by contractual obligation is left to the discretion of the executive director.

The organization will contract with the CPA firm selected to audit the organization annually. A minimum of three bids will be sought to indicate the firm most qualified and cost effective.

Audit Committee

The Finance Committee (or the appropriate committee or board officer charged with this responsibility) of the Main Street Board will serve as the audit committee. The Treasurer or a member of the Executive Committee who is not the chair of the board will chair the audit committee, ensure corrective action is taken when necessary, and report on audit committee action to the board of Directors.

Bank Reconciliations

Bank statements will be sent either by USPS or email to the Main Street Organization. The Executive Director will document receipt and review. Bank statement will be reconciled monthly by an the accountant/bookkeeper. The bank reconciliation will be distributed with the internal financial statements to the Finance Committee (or the appropriate committee or board officer charged with this responsibility) and will include documentation of voided checks.

Chart of Accounts

The organization will maintain a chart of accounts. All employees involved with account coding or budgetary responsibilities will be issued a chart of accounts that must be updated on a routine basis.

Check Disbursements

Unused check supplies will be safeguarded under lock and key. Signed checks that have not been mailed or distributed will be put under lock and key at the end of each day.

The bookkeeper or Treasurer will be given a supply of numbered checks to use. All checks remain secured at the Main Street Organization's office.

Check Reconciliation Process

The bookkeeper or Treasurer will submit the month end reconciliation report with month end financials to the Board Chair. The bookkeeper or Treasurer will sign and date reconciliation report, the Board Chair will sign and date reconciliation report and the report will be filed with the months bank statement.

Check Authority

The following positions shall have check signing authority:

- Executive Director
- Chair, Board of Directors
- Treasurer, Board of Directors

Checks issued for payment of the organization's debts over \$500.00 will require two signatures.

All checks paid to the order of the Executive Director or for the direct benefit of the Executive Director must be signed by a board member with check signing authority.

The executive director shall have the authority to sign checks as long as the bid does not exceed the limits of the bid requirements and the financial implications of the contract are included in the organizations budget. If the financial implications of signing the contract are not included in the organization's budget, Finance Committee approval is required before authority to sign the contract is granted.

Check Endorsement/Stamp

Checks will be endorsed with a stamp(s) as follows:

For Deposit Only Full Organization Name Bank Name Account Number

Contract Signing Authority

The Executive Director has the authority to sign contracts. Contracts with a term greater than 12 months or with a value greater than \$1,000 require approval of the Board.

Clearing Accounts

Clearing accounts will be used for fringe benefits expenses, photocopy expenses, telephone expenses, occupancy expenses, credit card payments, and rent payments.

Contributions

It is the policy of the organization to send thank you letters on the organization's letterhead acknowledging all contributions, regardless of the amount. The letters will indicate the dollar amount contributed and Federal Identification Number.

Control Over Checks and Cash

Checks will be endorsed with the deposit only stamp. All checks received will be deposited within one week.

Credit Card

Credit card receipts and documentation will be submitted to the bookkeeper. The bookkeeper enters receipts as they are turned in to monitor the balance of the account. The Executive Director will authorize the bookkeeper to pay the credit card bill monthly. The treasurer will review and sign the credit card statement regularly. Please see the Credit Card Policy.

Depreciation

Real property will be depreciated using the straight line method based on the useful life of the item.

Deposit of Funds

Checks or other funds received will be deposited in the appropriate bank account when amounts reach \$1000 or within three days of receipt.

Disposition of Nonfixed Assets

The Executive Director may dispose of a supply valued less than \$250.

Employment Taxes

The bookkeeper will notify the executive director in writing that the employment taxes are ready to be paid. Federal taxes are due monthly. State and city taxes are due quarterly. The executive director will provide authorization in writing to pay monthly and quarterly taxes. The bookkeeper will pay the monthly and quarterly taxes and provide confirmation of payment when available. The executive director will acknowledge payment by signing and dating the confirmation of payment. This document will be filed with the tax statements. The bookkeeper will prepare all documents and submit to the Executive Director for review and signatures. The Executive Director is responsible for making copies and mailing tax reports, and for providing copies of reports to the Board of Directors.

Financial Statement Preparation and Distribution

Financial statements will be prepared and distributed monthly to the Board of Directors. These report will include the Statement of Financial Position, balance sheet, year to date budget, check reconciliation report and budget projections. These statements will be prepared and distributed within 10 working days after the close of the month. Statements will be distributed to the Board of Directors and the Executive Director. See bank reconciliation policy.

Independent Contractors

The organization will use criteria established by the IRS when assigning individual employee or independent contractor status. Individuals qualifying as independent contractors will sign an Independent Contractor Agreement and will be issued all documents required by the IRS.

In-kind donations

The Executive Director will provide the bookkeeper with item(s) donated, quantity and value for all donations valued over \$100.

Internal Controls

The following standards exist to ensure accountability and transparency of the Main Street Organization's financial actions:

- Use of prenumbered Checks
- Checks are matched against open invoice files
- Bank Statements reviewed on a monthly basis by an employee independent of writing checks
- Separation of Duties
- Monthly Financial Statements to Board of Directors
- Checks over \$500.00 require two signatures; monthly cash disbursement journals reviewed by two board members

- Payroll services and tax preparation carried out by independent agent.
- Annual audit by independent CPA firm.

Leases

The organization will record leases as either capital leases or operating leases in the financial records, based on appropriate qualification criteria.

Long-Term Debt

The organization will include the current portion of long-term debt (the amount due to be paid within 12 months) with accounts payable on the financial records. Only the noncurrent portion of long-term debts will be included in the long-term debt section of the financial records.

Nonsufficient Funds Checks

The organization will include checks returned by the bank because of nonsufficient funds in the accounts receivable, nonsufficient funds account in the accounting records.

If the checks in question are eligible for redeposit, the subsequent deposit will reduce the receivable account accordingly.

If the checks in question are prohibited from redeposit, the organization's Bad Debts Policy will be implemented.

Payments

The Executive Director may authorize payment of invoices as long as the expenses align with the approved budget. Approval of payment will be signified by signature, date and include the appropriate account code on the invoice. All invoices will be given to the bookkeeper to manage accounts payable. Invoices will not be paid late or more than 30 days before due.

Petty Cash Fund Disbursements

The organizations will maintain a petty cash fund of no more than \$150.

It is the responsibility of the Executive Director and that person's designee to ensure that the petty cash fund is under lock and key at all times. Disbursements from the petty cash fund may only be made for approved expenditures.

A receipt must accompany every disbursement. The receipt must be signed by the person receiving the cash and the person disbursing the cash. The petty cash fund will be replenished as needed and at the end of every month. The petty cash fund replenishment check will be made out to the individual primarily responsible for maintaining the fund. The expenses will be reviewed and the resulting check will be signed by two other authorized parties.

Segregation of Duties

The organization will work with the organization's independent CPA firm to ensure adequate segregation of accounting duties exist. Suggestions on improving controls through duty segregation will be given serious consideration, and employees will be required to participate in the interest of both the organization and the employee.

Voided Checks

The organization will maintain a Voided Checks Log and document every check that has been voided, regardless of the reason. If voided checks are physically available, they will be stamped "VOID" and filed in the organization's Voided Checks File.

If voided checks are not physically available, the organization's copy of the bank's stop-payment order will be filed in a Stop-Payment Order File.

1099's

The Executive Director will maintain appropriate files for all consultants and sub-contractors who will need a 1099. The executive director will submit the appropriate documentation to the bookkeeper in a timely fashion. Production of 1099's will be included in the year-end checklist.

EMPLOYEE EXPENSE POLICY

Credit Cards

The organization will approve a credit card for the employees for business use. Please refer to the Credit Card policy.

Travel Advances and Reimbursements

The organization will issue travel advances and reimbursements to individuals who have secured the proper travel authorization. Travel advances and reimbursements will be issued if requested and/or approved at least 30 days before the trip.

These advances and reimbursements are considered account receivables from the individuals, and the proper travel accounts are charged when reimbursements for travel expenses are paid. It is the policy of the organization to establish travel expense limitations and guidelines as follows:

Personal Mileage—Employees will be reimbursed for use of their personal cars on organization business at the current rate of IRS reimbursement. Commuting mileage will not be reimbursed.

Lodging—Lodging facilities must be pre-approved by the appropriate supervisor. Employees will be reimbursed entirely for the basic room charge and applicable taxes. Receipts are necessary.

Meals—Employees will be on a per diem basis for meals and tips, in accordance with the most recent State of Michigan allocation table.

These amounts include applicable taxes. Receipts are necessary for meals. Tips should be noted on meal receipts.

Taxi—Actual taxi fares, including tips, will be reimbursed entirely. Receipts are necessary. Tips must be noted on taxi receipts.

Tips—Reasonable tips for baggage handling will be reimbursed. Receipts are not required. Tips for meals and taxis are discussed elsewhere under these guidelines.

Parking and Tolls—Parking fees and toll expenses will be reimbursed. Receipts are required.

Car Rentals—Car rentals will be reimbursed if approved in advance. Receipts are required.

Travel expense reimbursements will be distributed or mailed within 30 days if properly pre-approved.

Board Member and Volunteer Travel Reimbursement

A policy should be created for the reimbursement of Board Members and Volunteers that travel on behalf of the Main Street Organization to conferences and trainings. The above travel advance and reimbursement guidelines should be modified to create guidelines for the reimbursement of Board Members and Volunteers.

Credit Card Policy

A credit card provides Main Street Organization personnel with the ability to effectively and efficiently make purchases in relation to the Board of Directors approved Main Street Organization budget.

Guidelines

1. The Board of Directors will approve the issuance of all Main Street Organization credit cards.
2. Credit cards will be issued in the name of the employee or board officer.
3. The card will have a credit limit of \$1,000.
4. The card may be used only for the purchase of goods or services for official business of the Main Street Organization.
5. All purchases will be within current budget line item amounts. (See Fiscal Procedure for further details.)
6. The person issued the card is responsible for its protection and custody and shall immediately notify the credit card company and Board Chair if it is lost or stolen.
7. The person issued the card must immediately surrender the card to the current Board Chair or Vice Chair when affiliation with the Main Street Organization has ended.

8. The person using a credit card for purchases that cannot be substantiated as a necessary purchase for official business will be subject to disciplinary action.

Report Requirements

Credit card statements, along with receipts for all items to be paid by the Main Street Organization, will be reconciled on a monthly basis by the Executive Director. Receipts must show the date, purpose, and name(s) for which the expense was incurred.

Monthly credit card statements will be reviewed at least quarterly by the Board Chair or Treasurer for accuracy.

The audit committee will annually review integrity of the credit card statements.

INVESTMENT POLICY

The following outlines the factors the Board of Directors will consider when evaluating investment opportunities. No investments shall be made prior to the board's comprehensive evaluation of a presenting opportunity.

Objective – Primary, preservation of principal; secondary, income

Risk tolerance – low

Investment time horizon – one to five years

Liquidity – all investments will shall readily convertible to cash

Portfolio restrictions – fixed income only

Short term investments – checking , savings, money market funds

Long term investments – CDs, or other insured investments

Allocation – Funds shall be held in checking accounts sufficient to provide for near term (three months) expenses. Other funds will be held in readily available savings accounts with longer term investments sufficient to fund one at least six month's operations.

Endowment funds – The organization will evaluate endowment fund investments on an annual basis to ensure the spendable income is considered for withdrawal and investment in fixed return investments consistent with the long term financial plans of the organization.

The decision to invest cash in approved investments must be made by the Board of Directors.

The board has three, specific duties relating to personnel:

1. Hiring and regularly evaluating the Executive Director
2. Developing and approving personnel policies
3. Actively participating in the recruitment, selection, and development of individuals to serve on the board of directors.

This section will focus on the hiring and evaluation of the Executive Director. The executive director of a Main Street program is responsible for the development, coordination, administration, documentation, and implementation of the revitalization effort. Not unlike a shopping mall manager, the director initiates and coordinates a wide range of projects, from supervising promotional activities to assembling market data. Most important, however, is the director's role as a full-time enthusiastic advocate for the commercial district and an authority on information, resources, and programs related to revitalization initiatives.

A talented executive director who stays with a Main Street program for several years can expand the program's scope by building positive partnerships, supporting the implementation of the organization's vision/desired future state and strategic direction, and providing continuity throughout board and committee turnover. If the board of directors makes a concerted effort to keep the director happy, challenged, and rewarded, the Main Street program will benefit from continuity as well as retention of talented staff.

The average tenure of most Main Street directors is between two-and-a-half and three years. There are a number of reasons why directors leave—better pay, burnout, “normal” hours—so investing time in managing and rewarding staff is time well spent when the program has an effective and dedicated director.

A number of tools can help you establish effective management practices to keep staff members from leaving. First, you should have an accurate, up-to-date job description so expectations and responsibilities are clear. The board chair and director should agree on key benchmarks in an annual performance plan. Projects and goals, as well as skill-building objectives, should be specified. The organization should also budget annually for the training and professional development of the executive director to ensure the director continues to develop as a professional and takes advantage of relevant training opportunities.

Good communication—in the form of regular meetings and formal performance reviews—is essential. Regular guidance of the Main Street director is the board chair's responsibility. Meeting weekly or bi-weekly ensures that the director and chair stay informed about each other's activities and also address any problems before they become larger issues. The board chair should provide feedback often to let the director know if he or she is on the right track and offer praise and encouragement to keep him or her motivated.

Formal performance reviews are essential. Not only are they necessary to evaluate the director's achievements and progress; they also offer a collaborative opportunity to review the program's accomplishments and guide plans for the future. The director should be reviewed at 30, 60, and 90-day intervals after hiring and yearly thereafter. Reviews should be conducted by the board chair and the process should include an opportunity for each Board member to provide comments through a performance evaluation matrix or questionnaire that is reviewed and summarized by the Chair. Performance evaluations should measure both qualitative and quantitative criteria. Quantitative criteria measure the director's accomplishments according to the performance plan, and qualitative criteria evaluate less tangible assets, such as enthusiasm for the job or contributions “above and beyond.” Be careful to evaluate performance, not personality. Qualitative areas can be addressed but should not form the sole basis of the performance review.

Each Board Member should prepare using a performance evaluation matrix to identify the pros and cons of the director's performance and put them in writing. Identify instances of positive performance as well as areas that may need improvement or examples of unacceptable performance. The board chair is responsible for compiling all input into one final performance evaluation matrix. The director should be given time to comment on each issue present in the performance evaluation matrix, and then a formal written evaluation should be signed by the director and the board chair.

If the executive director has been performing poorly, create a list of specific performance improvement objectives that need to be met within a particular period of time. At the end of that period, review the executive director's progress in meeting those objectives. If they have been met, employ effective management techniques to ensure the executive director continues working at this performance level. If objectives haven't been met, the organization will need to decide whether or not to retain the director.

A sample Hiring Process, Executive Director Roles & Responsibilities, and Performance Evaluation Template are provided for your consideration.

RECOMMENDED FRAMEWORK: HIRING A DIRECTOR

The person chosen as executive director can make or break the revitalization program, making the hiring process critical. Often, board members who interview candidates aren't comfortable asking technical questions, or don't know which ones to ask. Main Street Executive Director Hiring Assistance is provided by Michigan Main Street. Following are some brief guidelines to highlight the hiring process.

Step 1: Decide who will hire the Executive Director and draft terms of employment.

Determine who will actually be employing the Executive Director; the program itself (if a nonprofit), the city, or another organization. Once that is decided, draft an employment contract stating the salary, the scope of work to be performed, benefits to be offered, the performance review system, and vacation and sick leave policies. The contract should also specify any work plan requirements and name the individual or position (e.g. board chair) to which the employee is expected to report.

Step 2: Develop a job description and advertisement.

If your organization is seeking its first executive director, the job ad can be crafted from a general description. (See Sample Job Ad below.) Programs seeking to refill the position may want to fine-tune the existing description as the job will evolve with the organization. Every organization has specific skill and experience requirements for its director, depending on the program's unique situation, strategic goals, and years in existence. Go over the organization's work plan and identify future initiatives or plans: what special skills do you think your organization will need in the next few years?

Sample Job Ad

[Name of program] is accepting applications for the position of executive director. The director will be responsible for coordinating revitalization activities utilizing the Main Street Four-Point Approach. Applicants should have education and/or experience in one or more of the following areas: historic preservation, planning, economic development, retailing, marketing, design, volunteer management, nonprofit management, or small business development. The director must be entrepreneurial, energetic, well organized, and able to work well with others as well as independently. Excellent verbal and written communication skills are essential. The salary range is [specify range] depending on experience. Submit resume, cover letter, and three references by deadline date] to [name and address of selection committee contact person].

Step 3: Advertise

Place advertisements in local or statewide newspapers; on your organization's or city's web site; with your state, citywide, or county Main Street coordinating program; on the National Trust Main Street Center's web site at www.mainstreet.org (e-mail your listing to mainst@nthp.org); and in the Center's journal, *Main Street Now*. Other Internet sites that accept job postings include the National Trust's Forum Online site, accessible from www.preservationnation.org (email your listing to forum_online@nthp.org), and Cornell University's Preserve/Net site at www.preservenet.cornell.edu.

Be patient and allow enough time for your ads to saturate the job market so that they will reach qualified candidates; advertising for four to six weeks is not uncommon. For monthly or bi-monthly publications (such as *Main Street Now*), send the ad a month ahead of time and set a deadline for resumes of at least three to four weeks after the announcement's publication or posting to the web.

Thus, you may be crafting a job advertisement with a deadline that is two months away. This may seem like a long time, but taking the time to conduct a thorough search will pay off in finding great candidates—and a great new director.

Step 4: Designate a Selection Committee

The selection committee should be appointed by the board and can include non-board members, if appropriate. It may be helpful to select a member with experience in interviewing and hiring. If the program has an executive committee, consider letting it handle the hiring process. In some communities, it may also be important politically to include representatives from other organizations. Regardless of the source of the members, it is best to keep the selection committee small, with an odd number of members (five to seven) to prevent evenly split votes.

Step 5: Screen resumes

After the job announcement's closing date has passed, screen the resumes to see if enough qualified candidates have applied. First, eliminate unqualified applicants—those who do not have the basic experience and skills needed. Then, look for attractive, well-organized resumes that, on first review, seem to have the qualifications needed. If there are none in this second group, extend the deadline and advertise again. Going without an executive director for a few more weeks or months is a better option than hiring an unqualified individual.

Review the resumes and cover letters of the qualified candidates closely. Does each applicant have the experience, skills, and education you are looking for? Do candidates appear to be “job hoppers”? Are there errors in the resume? Are the resume and cover letter written clearly and concisely? Select three to eight candidates for interviews. The interview candidates chosen should be endorsed by a majority of the committee.

Step 6: Schedule interviews

Try to interview all applicants on the same day or on consecutive days so that comparing candidates will be easier. Be sure to develop a list of questions for each candidate beforehand—each person should be asked a list of standard, as well as customized questions. Applicants who live outside the area should receive preliminary telephone interviews before being invited to the community. If, after this initial screening, the committee decides to conduct a personal interview, committee members should decide whether to reimburse the candidate for travel expenses. (This reimbursement may require approval by the board, if it hasn't already been allocated.)

Ask all applicants to bring a writing sample and/or be prepared to make a brief, formal presentation on a topic of their choice. Some communities ask candidates to write a press release about their visit while they are on site. The executive director of the revitalization organization will need to be a good communicator, able to write everything from press releases to annual reports. Be sure to hire someone who can effectively communicate both verbally and in writing.

Agree on a firm time limit for each interview (45 to 60 minutes at the most). Leave at least 30 minutes between interviews to discuss each candidate's strengths and weaknesses. You may also want to allow time for the candidate to meet with other individuals and take a guided tour of the community.

Step 7: Conduct the interviews

Designate a spokesperson to begin each interview by *briefly* describing the organization and the job. Remember, however, that the applicant should do more talking than the committee. Be sure that each committee member asks questions of each candidate and that all candidates are asked similar questions. (See “Sample Interview Questions.”) Give the applicants an opportunity to ask questions.

The most important skill a director can have is the ability to work well with people. No matter how skilled a designer, promoter, developer, or organizer, a candidate will not be successful without developing good rapport with community members. Consider introducing the candidates to key participants in the Main Street program; it will show how they interact with people and allow others to form an impression of the candidates as well.

Step 8: Committee Discussion of Candidates & Selection of Top Candidates

After the first interviews are completed, the selection committee should be able to identify three to five candidates for face-to-face interviews with the entire board of directors. Rely on the scoring sheet to help guide discussion, ensuring that the candidates are being evaluated on the skills the group is seeking. Also, allow time for each committee member to draw their own conclusions about each candidate before opening up discussion to the group. This allows each individual's opinions to be formed before group discussion begins to sway their views.

Following the interview, team members need to rate or make notes about the candidate, and perhaps discuss the interview. Make sure that your comments get to the issues (Did I like this person? Will our town like him/her? What characteristics did I perceive?) Get past the skills and experiences.

Step 9: Schedule and Conduct Second Interview

Remember the applicant's spit and polish always takes center stage during the first interview. By the second, the candidate is considerably more confident and comfortable. An effective way to get past the polish is to ask each of the semi-finalists to respond to 2 or 3 essay questions prior to their interview. Questions should be phrased to encourage specific examples of how the applicant has dealt with a situation or organized an activity (i.e., doesn't engender, just a statement of personal philosophy).

Questions might include:

- Give some reasons why a business/property owner should fix up (make an investment in) his/her building.
- How would you approach recruiting a new business? What would you anticipate to be the major factors?
- Why should we bother with downtown? What makes it worth the time and money we're about to spend?

At the end, give the applicants a date by which a decision will be made and thank them for their time.

Sample Interview Questions

Select five to 10 of these sample interview questions. Choose those that best fit your program's needs and tailor them according to whether your program is brand new or established.

Why do you want to be an executive director for this revitalization program, and what special qualities do you feel you bring to the position?

Have you had any special voluntary or professional experience(s) that relates to this position?

How would you organize or strengthen a revitalization organization?

What is the most innovative project in which you've been involved?

How would you convince skeptical merchants, property owners, or the city to participate in the Main Street program's activities?

What type of relationship would you help forge among district business and property owners, the city government, the chamber of commerce, and other community groups?

What experience do you have in public speaking and working in a position with high visibility?

Before hearing about this position, were you aware of the Main Street approach to commercial district revitalization?

Are you familiar with historic preservation issues?

The executive director must deal with a wide variety of people, from government officials to media and merchants. Can you give examples that demonstrate your ability to work productively with others?

The Main Street program is a long-term effort. Do you feel you can commit several years to this position?

Why are you interested in commercial district revitalization?

This position will require occasional travel to other communities and other states, in addition to evening and weekend work. Do you feel comfortable with these demands?

In your opinion, what are the most important issues facing commercial districts today?

Do you work best independently or with a group?

How do you prioritize projects? On how many projects do you feel comfortable working at any given time?

Of the four points of the Main Street approach, with which are you the most comfortable?

If selected, how soon could you begin work?

Observations for the Selection Committee

After each interview, ask the following questions. Did the applicant:

Listen and respond well to the questions asked?

Make eye contact when responding?

Ask questions when appropriate?

Convey a sense of pride and accomplishment when speaking of past jobs and experiences?

Prepare for the interview by researching the city and revitalization program?

Seem comfortable, confident, outgoing, pleasant, and easy to speak with?

Display a clear understanding of the ideas and issues involved in commercial district economic development as well as provide examples of their application in past professional or volunteer experiences?

Seem like an individual with whom you could work?

Seem like someone who would be accepted by your community?

Checking References

It's essential to check references and verify the employment history and educational background of your chosen candidate. The applicant should provide the telephone numbers of past employers upon request. When you contact these references, assure them that their responses will remain confidential. Be aware, however, that with the rise in libel suits, former employers may not be willing to comment on quality of performance; in many cases, they will only verify that the person was employed for a given time. Nevertheless, compile a standard list of questions to learn as much as possible about the applicant's skills, duties, and past performance. The following is a sample list:

How long have you known the candidate, and in what capacity?

Does the candidate have a good working relationship with coworkers and supervisors?

Has the candidate demonstrated efficiency and persistence in accomplishing assignments or projects? Can you give examples?

Has the candidate used innovative approaches to resolve problems? Can you give examples?

Does the candidate prioritize multiple projects and tasks well?

Are there any performance issues that you feel comfortable discussing?

We are seeking a commercial district revitalization executive director with the following skills: (list identified skill needs). Do you think the candidate has strengths in these areas? Why?

What are the candidate's strengths and weaknesses?

Would you re-hire this person?

Step 10: Select a candidate

After the interviews, rank the candidates. Check their references, and verify all education and employment listed. (See “Checking References.”) Choose a first and second candidate so that the selection committee will not have to re-interview people if the first choice turns down the position. The selection committee chairperson should then call the selected candidate and make the job offer. Job offers should be followed with a written offer or employment contract. As soon as the candidate accepts the position, call or send short letters to tell the other candidates that the position has been filled and thank them for their interest in your program. If the first and second choices decline the offer, the committee should meet to discuss whether to change the terms of the offer or re-open the selection process.

Putting the Executive Director in business

Before the executive director’s first day on the job, the board should set up an office and pave the way for the new employee to get off to a successful start.

- Secure and furnish the executive director's office. A street-level storefront is best as long as it does not compete with demand for retail space. An upper-floor or side-street office is the best alternative. Install furniture (desk, files, worktable, chairs), a good stock of office supplies, a computer, a telephone with voicemail, and perhaps a fax machine. It’s best to give the director a private office-not access to privacy.
- Set up and confirm access to photocopying and secretarial services, if applicable. The board should establish any necessary charge accounts-with office supply stores and printing shops, for example.
- Establish the program's checking account and procedures for writing checks. Most communities allow the director to write checks under an established limit; a board member, preferably the president or treasurer, is usually required to co-sign larger checks.
- Transfer enough money to the checking account to cover all expenses for the first four months.
- Establish salary payment procedures and fringe benefits.
- Gather all old and current documents relating to the commercial district, including plans, market studies, architectural studies or inventories, community brochures, and histories of the community.
- Compile basic information on the local revitalization program.

After the executive director starts work, the board should:

- Publicize the director's arrival. Send press releases with the director's picture to all local media. If you hold a press conference, emphasize the director's qualifications and the reasons why he or she was selected.
- Establish performance objectives and expected procedures and share them with the Executive Director.
- Review the budget and project accounting procedures and responsibilities with the director.
- Give the director thorough tours of the community.

- Arrange for Main Street training, if needed, through the state or city coordinating program or directly through the National Main Street Center.
- Hold a reception to introduce the director to the community.
- Set up individual meetings for the director with all board members and other community leaders.
- Check with the director to make sure all office needs are met.
- Give the director time to review existing materials about the district and the community. He or she shouldn't begin new projects until the training program has been completed.
- Schedule weekly staff meetings with the board president.
- Schedule performance evaluations with the Executive Director at 6 months and 1 year and then every year annually.

RECOMMENDED FRAMEWORK: EXECUTIVE DIRECTOR ROLE AND RESPONSIBILITIES

In general, as the principal on-site staff person, it is the Main Street director's responsibility to:

Develop strategies for preservation-based economic development in collaboration with the board of directors. Identify resources, partners, and interest groups that can help with the revitalization of the commercial district. Assist the board of directors and committees in developing and implementing a work plan based on program goals and objectives and the Main Street approach.

Manage the administrative aspects of the revitalization program. Responsibilities include purchasing, record keeping, budget development and accounting, report preparation, and supervision of employees and/or consultants.

Develop and conduct ongoing public awareness and educational programs designed to create appreciation and awareness of the Main Street district, and to foster awareness and understanding of the program's goals, achievements, and objectives.

Assess and develop capacity of district businesses, institutions, and groups to carry out joint improvement activities, such as physical improvements, improved business practices, promotional events, advertising campaigns, parking management, and business recruitment.

Assist individual tenants or property owners with physical improvement projects. Provide or obtain professional design consultation, help locate appropriate contractors and materials, participate in construction supervision, and offer advice and guidelines for financing.

Help build strong, productive working relationships among partners, including local and state agencies, business associations, schools, local nonprofits, civic groups, the media, and others.

Develop and maintain systems to track the progress of the Main Street program. To prove the economic and intangible success of the initiative, meticulous records must be kept on rental rates, dollars invested by building owners and the city, and the number of jobs and businesses created. Photographic documentation of all physical changes in the district is essential as well.

Represent the Main Street program at the local, state, and national levels. Speak effectively on the program's direction, activities, and achievements. Always be mindful of the need to improve state and national economic development policies as they relate to traditional commercial districts.

Coordinate the activities of the Main Street committees. Serve as a liaison among the committees to ensure that activities in all four points of the Main Street approach are synchronized. Assist each committee with the implementation of its work plan. The executive director should work with committees to inspire maximum volunteer dedication, achievement, responsibility, impact, and satisfaction.

Facilitate the recruitment and management of program volunteers. While paid, professional management is essential to the success of a revitalization program, the director cannot—and should not—take the place of volunteers in the organization. Instead of doing all the work, it is the director's role to expand and develop volunteer capacity and ensure that committee activity is moving smoothly. The director serves as a facilitator, coordinating people and resources to help committee volunteers work efficiently and productively.

How to make it a valuable use of everyone's time and a useful tool for growth

Conducting a performance evaluation is typically not one of the reasons a board member serves a nonprofit. But one of the most important jobs a board does is choosing, supporting and evaluating the chief executive.

An effective and ongoing performance evaluation is one of those tasks when - done well - can “build” a great organization. Evaluating the executive director has a critical role in the overall success of an organization. It should be regarded as one of the most important functions of the board. Good leadership is the one crucial element of success for every nonprofit. A great board creates a great executive director – and a great executive director creates a great board. Neither can happen in isolation or without intention.

The evaluation process is one of those intentional acts. Performance evaluations are an opportunity to address unclear expectations and poor communication. Evaluations should be an ongoing process – not a task that is ever completed. The ongoing feedback should serve as a guide for the executive director and a source of professional support.

While the process should be customized to fit your organization, here are a few possible questions that could be answered by the entire board:

- Name the director's three greatest strengths.
- Has s/he helped strengthen the board? How/In what ways?
- Have organizational systems improved? How/In what ways?
- Has staff productivity and morale improved? How/In what ways?
- Has s/he helped advance the quality of our programs? How/In what ways?
- Has funding increased? How did this occur?
- Has the public's interest in the organization increased?
- How can s/he become an even more effective leader?

A strong process for evaluating the executive director has three important characteristics. It must be: Ongoing, Forward-looking and Clarifying. It begins with establishing performance objectives and continues with regular reviews of the executive director's progress toward those objectives. Objectives should draw from and be aligned with the organization's other planning activities, including the strategic plan.

The evaluation process must also be forward-looking, guiding the ED in performing on the job. It should also help in planning how the organization's resources are invested to enhance the ED's professional capacity. While it looks back to determine the ED's strengths and weaknesses, it does so primarily to determine the proper approach to enhance future performance. In short, it is part of a continuous improvement process for the individual and the organization.

Finally, the process should clarify communication between the board and the executive director. It should assist the latter in understanding the board's expectations and help the former appreciate the challenges faced by the ED and that person's skills and talents in addressing them.

Suggested Process for Evaluating Your Executive Director

- 1) The evaluation form must be well thought-out and well-written before it can capture accurate and valid information. The review must be objective, not subjective.
- 2) Gather perspectives from all Board Members
 - It is recommended to use a survey tool with both rank/rating of critical hard and soft skills and open-ended questions
 - You may also want to consider gathering perspectives from the staff
- 3) Allow the Executive to evaluate him/herself on the same criteria as the board
- 4) The Executive Committee (or Board Chair) should examine all of the data collected to identify and explore similar themes. It is also important to explore unique information that may fall outside of the common themes, but also be critical of unsubstantiated or obtuse information.

Discussion questions when evaluating the data:

- Do we agree on what the strengths are?
 - Can we list several examples of how these strengths are illustrated?
 - Do we agree on what the challenges are?
 - Can we list several examples of how these challenges are illustrated?
 - Do we agree on what focus the professional improvement goals should have?
 - Agree on three clearly stated professional improvement goals. Ensure goals and expectations are realistic and achievable.
 - How will we measure the success of these goals and maintain our appropriate role?
 - Evaluate the compensation of our executive
 - Who else needs to be included in this conversation? (Finance Committee?)
 - What other research should we do to determine if our compensation is fair or competitive?
- 5) The Executive Committee should share the results of the assessment with the full board and seek understanding and consensus regarding the professional improvement goals. Ensure the board will speak in “one voice” to the Executive Director regarding these expectations. Discuss how the full board might expect to see changes or improvement based on these goals.
- How will the Chair/Executive Committee report back to the full board about how things are going?
 - What input should the Executive Director have in creating his/her own professional improvement goals?
- 6) The Executive Committee and/or Board Chair should personally deliver the feedback to the Executive Director and allow for dialogue and discussion. The ED should have an opportunity to provide input on the goals and outcomes. Together, determine deadlines, check-ins and how the goals will be evaluated.
- 7) Executive Committee and/or Board Chair will report on the results of the meeting with the Executive Director and share any amendments or changes to the goals, objectives and outcomes.
- 8) Full board should evaluate the process and make appropriate notes and recommendations for improvement of future evaluations.

Sample Evaluation Form

The following is an example of an evaluation form for use with the executive director of a medium-sized community development organization with a diverse program portfolio. While this sampling of questions addresses likely areas of responsibility, your actual form could include questions more specifically addressing particular aspects of the performance standards established for the executive director at the beginning of the year being reviewed.

Instructions to the respondent: The response form is grouped into sections corresponding with major responsibilities of the executive director. Each section includes several statements relating to particular performance objectives for the executive director in that area. For each of the statements, please respond as follows:

1 = Exceeds major requirements of this area of responsibility

2 = Achieves major requirements of this area of responsibility

3 = Needs to improve in this area of responsibility

4 = Fails to meet major requirements of this area of responsibility

N = Not sure; I lack firsthand knowledge in this area

Each section also contains an area for comments regarding strengths the executive director exhibits and opportunities for improvement in his or her performance in that particular area of responsibility. We encourage your responses.

Note: “Not sure” is a useful category that may reveal internal communication gaps. If more than 25 percent of board members provide this response, it may indicate an important communication problem between the executive director and the board.

SECTION 1: STRATEGY & PLANNING

- The executive director has worked with the board to develop a clear vision for the organization and understands his or her own leadership role.
- The executive director has organized the development of a written strategic plan, including measurable goals and objectives, consistent with the organization’s mission.
- The executive director organized the strategic planning process as a collaborative effort involving volunteers, staff, community leaders and potential donors.
- Up-to-date work plans exist for each of the organization’s main committees.

What are the major strengths of the executive director in this area?

What can the executive director do better in this area?

SECTION 2: PROGRAM MANAGEMENT

- The executive director demonstrates substantive knowledge regarding the organization’s programs and services.
- Programs and committees are operating in accordance with their respective work plans.
- The executive director recommends new programs and committees and the modification or discontinuance of current programs and committees, as appropriate.

What are the major strengths of the executive director in this area?

What can the executive director do better in this area?

SECTION 3: PERSONNEL MANAGEMENT

- The executive director selects and cultivates qualified senior staff, models effective behaviors and skills, and builds morale among staff and volunteers.
- The executive director delegates tasks and responsibilities effectively.
- Clear and attainable performance standards are established for staff members.
- Annual performance reviews are conducted with staff members.
- A professional development plan in support of staff is in place, and appropriate training is provided to encourage competency and develop new skills.

What are the major strengths of the executive director in this area?

What can the executive director do better in this area?

Note: Additional Sample Evaluation forms can be accessed through Michigan Main Street.

VOLUNTEER RECRUITMENT, MANAGEMENT AND RECOGNITION

One of the guiding principles of the Main Street Approach is Self-Help; Local leaders must have the will and the desire to mobilize local resources. That means engaging residents and business owners in understanding the rewards for their investment of time and

money in Main Street – the heart of their community. This engagement becomes the core of your volunteer recruitment, management and recognition strategies. Volunteers are the backbone of a successful Main Street organization. A phenomenal amount of activity must be carefully coordinated if a commercial district revitalization program is to achieve its goals. Volunteers drive the development and implementation of projects designed to achieve your Main Street Organization’s Transformation Strategy(ies), strategic goals and measures of success. Volunteer opportunities within your Main Street Organization enable members of various groups in your community with a stake in the commercial district’s future to work together to accomplish common goals and build new or strengthen existing relationships. Volunteers often grow into leadership positions that help to sustain the revitalization effort for years to come.

The following sections are designed to help frame your approach to volunteer recruitment, management and recognition.

RECOMMENDED FRAMEWORK: VOLUNTEER RECRUITMENT

People volunteer for organizations and causes they feel connected to and believe in. Main Street Organizations who regularly communicate its mission and vision/desired future state, and the results of its work are also planting the seeds for a robust volunteer base. Residents and business owners who feel connected to and a part of the vision of the Main Street Organization are much more likely to respond positively to a request for help.

When developing your volunteer recruitment strategies, it is important to understand what it is you are recruiting for. For example, are you looking for event volunteers? Project team members? Potential board members? As you develop project work plans, it is good practice to evaluate the amount of human resources your project needs to be successful, and to then recruit accordingly.

Create general job descriptions for all of your volunteer opportunities. These needn’t be lengthy, they simply need to include key information a potential volunteer needs in order to make an informed decision to participate. Include the basic duties and responsibilities, to whom they report, estimated time commitment and any specific skills that may be required. It is important that volunteers feel capable of fulfilling the role for which they are offering themselves. When completing these job descriptions, be sure to consider any special equipment, tools or apparel that will make the work of the volunteer easier. Set your volunteers up for success!

It is also good practice to create a volunteer application form. This allows you to respond positively to an offer of help, even if you don’t have an immediate need. Creating an online application form on your website provides an additional portal for potential volunteers to indicate their interest. Be sure to assign responsibility for managing your volunteer applications.

FINDING VOLUNTEERS:

How: Ads, articles, flyers, posters, personal recruitment, word-of-mouth.	Where: Newspapers, newsletters, other organizations' publications, television, radio, Internet, mailed with utility bills.
How: Appeals to special interest groups.	Where: Schools/universities, churches, civic organizations, senior organizations, newcomers packets.
How: Speaking engagements/presentations.	Where: Recruitment workshops, social gatherings, civic organizations.

To find and retain the best volunteers:

Make sure the volunteer opportunity is well defined and clearly delineated. Know what you want to accomplish and how volunteers can help you reach that goal. Be prepared to process potential volunteers quickly and efficiently. Think of them as customers and offer them your best service: clear information, sound training, quick placement. Use positive, upbeat, and informative language when recruiting. Tell people just what you are looking for and why. Say that you “want” rather than “need” people for certain tasks. Appeal to your volunteers' interests and assign them tasks accordingly.

RECOMMENDED FRAMEWORK: VOLUNTEER MANAGEMENT

The purpose of volunteer management is to ensure that you have the ability to communicate with your volunteers and track the hours they spend volunteering for your organization. Volunteer Management is also intended to ensure your volunteer has the information, tools and resources he/she needs to be successful.

Your Main Street Organization should develop a Volunteer Database (using tools such as Microsoft Excel, Constant Contact, etc.) to keep track of your volunteers and key information about each of them. The database should include the following information for each volunteer:

- Contact Information
- Availability (Days of the Week, Weekends, Day-time, Evening)
- Relevant Skills and Interests

A volunteer database will make it much easier for your organization to advertise potential volunteer opportunities to existing volunteers and to remain in constant contact with existing volunteers.

In addition to a volunteer database, your Main Street Organization should develop a system for tracking volunteer hours. Volunteers dedicate their time to the organization through attending committee meetings, volunteering at events and implementing specific projects. It is incredibly important to gather the number of volunteer hours being spent working on the projects/programming of your organization as each volunteer hour has a tangible monetary value associated with it. Your organization can calculate the monetary value of its volunteer hours to garner additional support from key stakeholders within your community.

Aside from the logistics of managing volunteers, there are several key strategies that your organization can use to ensure your volunteer base remains engaged and connected with the organization. One of the most successful strategies for a new volunteer is to pair him/her with an experienced volunteer. Doing so provides your senior volunteer with another pair of hands, and your new volunteer with someone familiar with the project or activity.

Another tool is to develop a volunteer packet. Include basic information about your Main Street Organization, its mission and vision/desired future state, Transformation Strategies, results and outcomes and the important role of volunteers. Be sure to include contact information in accordance with your internal communication flow.

At a minimum, new volunteer information must include the following:

- *What to do:*
 - What is expected of them as new volunteers? What will their responsibilities be?
 - Consider having each volunteer sign a liability waiver to ensure the organization is held harmless for any damage to personal property or injury to the volunteer. Sample liability waivers can be accessed through Michigan Main Street.
- *How to do it:*
 - It's one thing to tell someone to "handle crowd control," but if you don't explain how to do it, things will likely be very messy indeed. Explaining how volunteers can best accomplish their tasks is the crux of orientation and will probably take up the largest chunk of time.
- *What not to do:*
 - Are there certain things volunteers are not allowed to do? For example, who is and who isn't allowed to handle money? Are there situations in which they should automatically call for staff backup? Orientation should make a volunteer's (and the organization's) limits very, very clear.
- *What to do in an emergency:*
 - Who is in charge? What is the location of the first aid kit (and possibly some first aid techniques as well) should be known by everyone, as well as what to do in a fire or a severe storm.

You might consider hosting regular volunteer training events. Regular and consistent training opportunities for all volunteers provide many benefits, including:

- Training helps new volunteers get to know the people, the program, and the job quickly and efficiently.
- Training your volunteers establishes that there is a minimum competency that all volunteers are expected to obtain.
- Many volunteers see training as a benefit of being part of an organization. Training teaches them skills that may be helpful to them elsewhere and may even help them professionally.
- Training publicly acknowledges a necessary level of proficiency. By training your volunteers, you are making the statement that the organization is professional and capable of doing important work and doing it well.
- Some organizations use training as a "weeding out" technique, making sure that volunteers who have signed up will be likely to live up to their commitments.

RECOMMENDED FRAMEWORK: VOLUNTEER RECOGNITION

Once you have recruited, oriented and trained your volunteers, it is important to learn how to keep your volunteers engaged as supporters and advocates beyond the initial engagement. There are two ways to manage this ongoing engagement; soliciting feedback and recognizing your volunteers.

Soliciting feedback:

Ideally the goal of asking volunteers for feedback will be broader than finding out whether volunteers are "satisfied." Susan Ellis of Energize, Inc., points out in her blog post that a volunteer survey can help the organization use the contributions of volunteers as a way to describe its outcomes and impact. Certainly, it is useful to discover whether volunteers feel adequately trained, rewarded, and safe. If a survey helps uncover that volunteers do **NOT** feel adequately prepared, or unsafe, or that their service is not appreciated, that is useful information because the organization can identify what improvement is needed. But the real benefit of a thoughtfully crafted volunteer survey goes beyond satisfaction and gets to impact. Ellis offers the following sample questions:

- "What have you observed or heard from the community this year that indicates your services made a difference?"
- "Can you tell whether or not your efforts have had results? What are the indicators?"
- "Did we meet the goals we set for our work this year? How do you know?"
- "Did anything unexpected occur as a result of your volunteer activities (something that was important to the community) this year?"

Questions that dig a little deeper than "rate your satisfaction on a scale of one to five" remind volunteers that they play an important role in the organization's ability to advance its mission. The bonus is that the results of the survey can also help the organization demonstrate that volunteers are true contributors to the organization's outcomes. The next time you are asking volunteers for feedback see if you can include some impact-oriented questions, such as those above, that enable your organization to document the significant contribution volunteers make to advance the organization's mission.

Recognition:

There are many ways to recognize your volunteers; annual events, thank you notes, tokens of appreciation, etc. What is most important is that your organization embrace the need to recognize its volunteers, and to do so in a regular and consistent manner. If it is true that volunteers are the reason the organization is able to produce results, it must be true that they be given credit where it is due. All of the organization's successes must be appropriately credited to those who made it happen.

One way to ensure that volunteer recognition is made a priority is to include it as a value or guiding principle. Zingerman's, a Michigan-based company as famous for its delicious foods as for its organizational culture, believes unequivocally in a culture of positive appreciation:

From the article “A Culture of Positive Appreciation”, by Ari Weinzweig, Zingerman’s Co-Founding Partner originally written for Specialty Food Magazine, May 2006

“High achievers, those focused on ways to improve an organization, may not be as appreciative as they should be. I’ve spent the past 15 years trying to turn my overachieving nature inside out and become good at appreciation.

True appreciation can create an organizational culture in which appreciation and positive energy are the norms rather than the exceptions, a culture in which people feel valued for their work and help those around to do the same. Leading with appreciation creates a positive culture.

Yet working to be more appreciative has put me into a paradoxical box. In order to live the appreciative role, I need to recognize how much we have achieved, while realizing that we also have a long way to go. I’ve made peace with the reality that I can be both exceedingly appreciative of achievement to date and still be driven to make things better.

The same basic formula or recipe that works within our service culture also applies to the development of an atmosphere of positive appreciation. Five areas of concentration allow us to create a positive service-oriented culture and organization—we teach service, define it, live it, measure it and reward it. And the same is true for appreciation.”

“Being appreciative is the right thing to do from every angle. Everyone wants to feel valued; people want to know that their efforts make a difference, and that they are part of something greater than themselves. When they feel that their work is contributing positively, they are more likely to go beyond the norm. An appreciative culture sets a positive tone. There’s not much neutral ground in this area. The absence of appreciation is not neutral. Saying nothing leads most people to think that their work is NOT valued. Then, negative energy, silo mentality and self-serving approaches creep into people’s work. The culture starts to go downhill—fast.”

PLANNING AND DOING

The Main Street Approach offers a comprehensive strategy to commercial district revitalization that has been widely successful in many towns and cities throughout the country. The Main Street approach has eight guiding principles that set it apart from other redevelopment strategies:

- 1. Comprehensive.** No single focus—such as lavish public improvements, name-brand business recruitment, or endless promotional events—can do the job. For successful, long-term revitalization, a comprehensive approach must be applied.
- 2. Incremental.** Baby steps come before walking. Basic, simple activities lead to a more sophisticated understanding of the process and help members of the community develop skills and resources to tackle more complex problems and ambitious projects.
- 3. Self-Help.** Nobody else will save Main Street. Local leaders must have the will and desire to mobilize local resources. That means convincing residents and business owners alike of the rewards for their investment of time and money in Main Street—the heart of their community.
- 4. Partnerships.** Both the public and private sectors have a vital interest in the district and can work together to achieve shared goals. Each sector has a role to play and each must understand the other’s strengths and limitations to forge an effective partnership.
- 5. Assets.** Business districts must capitalize on the assets that make them unique. Every district has unique qualities like distinctive buildings and human scale that give people a sense of belonging. These local assets must serve as the foundation for all aspects of the revitalization program.
- 6. Quality.** Emphasize quality in every aspect of the revitalization program. This applies to every element of the process—from storefront designs to promotional campaigns to educational programs—shoestring budgets and “cut-and-paste” efforts won’t do the job.

7. Change. Skeptics turn into believers. Almost no one believes Main Street can really turn around...at first. Changes in attitude and practice are slow but definite—public support for change will build as the program grows and consistently meets its goals.

8. Implementation. Activity creates confidence in the program and ever-greater levels of participation. Frequent, visible changes are a reminder that the revitalization effort is under way. Small projects at the beginning of the program pave the way for larger activities as the revitalization effort matures.

The Main Street Approach also consists of the Main Street Four Points, which ensures comprehensive revitalization continues to occur in Main Street Districts. The Main Street Four Points consist of:



Economic Vitality

Strengthens existing economic assets, while also identifying opportunities for new development and growth.

Design

Leverages unique, historic character to create inviting districts that attract visitors, residents and businesses.

Organization

Cultivates partnerships and coordinates resources around a shared community vision for downtown.

Promotion

Communicates the value and vitality of downtown to community members, potential investors and key stakeholders.

Ultimately, the success of a Main Street organization lies in its ability to achieve its goals. The path toward achieving goals is in planning. In 2016, the National Main Street Center rolled out a refined model for planning, calling it the “Main Street Refresh”.

The “Main Street Refresh” initiative aims to rethink the traditional Main Street model so the program is more responsive to economic context and its outcomes are directly measurable. At the core of the Main Street Refresh are economically-grounded “Transformation Strategies.” These Strategies will serve as the foundation for the revitalization program’s work. The majority of activities with the organization’s annual workplan should then be guided by the Strategies and aligned around an agreed direction and outcome. As an aid to making the new format easier to adopt, the National Main Street Center has developed nearly 20 “off-the-shelf” strategies that can be employed in a range of conditions seen across a variety of communities. These are, essentially, readymade Transformation Strategies. They are a place to begin and can be customized along the way. The intent of these strategies is that communities will be able to identify those that are the best fit by using information they already have in hand or that can be easily obtained.

To date, Michigan Main Street has adopted and implemented the “Main Street Refresh” in all 23 of its participating programs. The “Main Street Refresh” is now the Main Street Approach and the model through which our communities conduct their revitalization efforts. The model is comprised of three, essential components:



- **Community Vision and Market Understanding**
 - Establishes a community vision for the Main Street district that acknowledges market realities and provides a foundation for future (re) development.
 - Key tools: local surveys, market data
- **Transformation Strategies**
 - Main Street organization’s select a strategy aligned with its community vision and local market information to guide programming, planning and investment in the downtown district.
 - Key tools: focused strategy, implementable goals
- **Implementation and Measurement**
 - Identifies programming, partners and capital needed to implement transformation strategy(ies); defines measures of success to track impact over time.
 - Key tools: project work plans, data collection and tracking

The Main Street organization’s board plays important roles in the implementation of each of these essential components. The model encourages board members to become more strategy driven, versus project driven. Once the Board has adopted a transformation strategy(ies), they follow a process to further define the broad strategy through developing goals and measures of success. Board members will then ensure that projects will have an impact on the chosen transformation strategy(ies), and evaluate projects against the related goals and measures of success.

Board Member Roles and Responsibilities specific to the Main Street Model:

- **Community Vision and Market Understanding**
 - Represents stakeholder’s interests
 - Builds consensus and a unified vision for the district
 - Fosters the community’s sense of ownership and engagement
 - Understands the district’s strengths, market conditions and opportunities
- **Transformation Strategies**

- Defines and maintains the strategic direction for the Main Street Organization
- Ensures the organization continues to have a comprehensive focus
- **Implementation and Measurement**
 - Leads the planning and implementation of the programming that follows the chosen strategy(ies)
 - Measures the success toward your district’s strategy(ies)
 - Monitors progress and guides the organization’s decision-making
 - Packages and shares information about outcomes, impact and value
 - Defines the next steps toward success

Following the selection of the transformation strategy(ies), goals and measures of success, the board engages its volunteers to develop projects designed to move the organization closer to achieving the strategy(ies). Work plans are created for each project, and committees/project teams are formed to implement the board-approved projects. The board is responsible for acquiring and allocating the necessary financial resources for project success.

RECOMMENDED FRAMEWORK: STRATEGIC PROGRAMMING DEVELOPMENT AND APPROVAL PROCESS

The following is a framework that should be used to guide the organization’s annual strategic planning session in which current projects/programming are evaluated and potential projects are identified. This process should be completed through coordination and collaboration between the Main Street Board and the Committees/Project Teams.

1. Identify current projects and programming that are in process, or will continue from year to year.
2. Identify existing time and resources (human + financial) needed for current projects and programming.
3. Assess alignment of current projects and programming with Board-defined goals and measures of success and the Main Street Four Points
4. Identify gaps in current programming relative to the transformation strategy, goals and measures of success and the Main Street Four Points
5. Address gaps in programming through either enhancing current programming or through identifying new programming to strategically fill the gaps
6. Brainstorm potential projects and assess how each aligns with goals, measures of success and the Main Street Four Points.
7. Identify the time and resources (human + financial) necessary to complete potential projects.
8. Determine projects to move forward with (both current and potential) based on available resources.
9. Complete List of Annual Projects.
10. Board approves the list of projects based on alignment with Strategy (goals + measures of success) and the Main Street Four Points.
11. Committees begin to complete work plans.
12. Board approves work plans based on the available time and resources (human + financial) needed to complete all of the projects.
13. Board develops annual budget based on approved projects and related project budgets.
14. Board submits the annual budget to the municipality for approval (if necessary).

RECOMMENDED FRAMEWORK: PROGRAMMING ALIGNMENT WORKSHEET

Use this worksheet to assess how current projects and programs align with Board-defined goals and measures of success and the Main Street Four Points. Also use the worksheet to identify gaps in programming relative to the goals, measures of success and Four Points.

The following guiding questions can be used to facilitate the process:

Goals and Measures of Success Alignment:

Overarching Questions:

- What current projects are you undertaking that already align well with the Transformation Strategy?
- What projects are both underperforming and are off-strategy that can be placed in the parking lot?

Project Specific Questions:

- How does the project align with the overarching goals?
- If successful, what measures of success will the project help to achieve?
 - How will you measure/track if the project is achieving the measure of success?

Main Street Four Point Alignment:

Overarching Questions:

- How do the projects that align well with the Transformation Strategy align under the Four Points?

Project Specific Questions:

- How does the project align with the Four Points?
- What Four Point objectives does the project fulfill?

MAIN STREET TRANSFORMATION STRATEGY IMPLEMENTATION																		
Desired Future State/Transformation Strategy Vision																		
PROJECT/ PROGRAMMING	OVERARCHING GOALS									PARKING LOT	FOUR POINTS							
											Economic Vitality	Design	Promotion	Organization				
											1. Support existing economic base							
											2. Promote strategic use of space + development							
											3. Assemble resources							
											1. Promote physical improvements							
											2. Preserve + enhance existing historic fabric							
											3. Encourage planning + best practices							
											1. Position district as center of activity							
											2. Market district assets							
											3. Enhance positive image							
											1. Promote the revitalization effort							
											2. Foster community engagement							
											3. Encourage investment in revitalization							
TOTAL																		

RECOMMENDED FRAMEWORK: POTENTIAL PROGRAMMING WORKSHEET

Use this worksheet to facilitate the project brainstorming process. Identify the project description and purpose as well as the allocation of resources and suggested project timeline. Also, use the worksheet to identify how the potential project aligns with the Board-defined goals and measures of success and the Main Street Four Points.

MAIN STREET TRANSFORMATION STRATEGY IMPLEMENTATION	
Desired Future State/Transformation Strategy Vision	
PROJECT PLANNING	
Project Name	
Project Description (Purpose + Intended Outcome)	
Project Responsibility and Resources	Project Lead:
	Project Volunteers:
	Project Budget:
Timeline of Project	

MAIN STREET TRANSFORMATION STRATEGY ALIGNMENT												
PROJECT/ PROGRAMMING	OVERARCHING GOALS											

MAIN STREET FOUR POINT ALIGNMENT												
PROJECT/ PROGRAMMING	FOUR POINTS											
	Economic Vitality			Design			Promotion			Organization		
	1. Support existing economic base	2. Promote strategic use of space + development	3. Assemble resources	1. Promote physical improvements	2. Preserve + enhance existing historic fabric	3. Encourage planning + best practices	1. Position district as center of activity	2. Market district assets	3. Enhance positive image	1. Promote the revitalization effort	2. Foster community engagement	3. Encourage investment in revitalization

Once the Board has approved the list of current projects/programs, committees/project teams can begin the process of developing complete and robust project work plans. Use the template below to facilitate the process.

MAIN STREET WORK PLAN								
PROJECT:								
BRIEF DESCRIPTION:								
OBJECTIVE:								
MEASURE OF SUCCESS:								
MAIN STREET POINT:					MAIN STREET POINT OVERLAP:			
TRANSFORMATION STRATEGY GOAL:					TRANSFORMATION STRATEGY GOAL OVERLAP:			
COMMITTEE/TEAM CHAIR:								
PROJECTED EXPENSES	\$	-		ACTUAL EXPENSE	\$	-		
PROJECTED REVENUE	\$	-		ACTUAL REVENUE	\$	-		
TASK	RESPONSIBLE	DUE DATE	DATE COMPLETED	PROJECTED COST/REVENUE	ACTUAL COST/REVENUE	POTENTIAL PARTNERS	NOTES	STATUS

Complete work plans should have the following components:

- Project Definition
- Project Goals/Objectives
- Task list
- Timeline
- Champion and Responsibility
- Budget
- Measure of success

Once a work plan has been created, there are several ways a committee/project team should use the work plan:

- Committee/Project Team meeting agendas are based on the project work plan
- Committee/team members report progress on tasks they are assigned to
- Coordinate tasks needing to be accomplished by the next meeting
- Committee/Team Chairs use the work plan to report to the Board on committee's activities
- Immediately after each project is complete, review the work plan and make changes/adjustments for next year

MONITORING, EVALUATING AND COMMUNICATING VALUE

Your Main Street Organization requires widespread community support for the commercial district revitalization process from both public and private sectors. Generating this level of support from the beginning requires a leap of faith on the part of your community. Once your program is up and running, it is imperative that you continue to generate good will and support from your constituents. Collecting and reporting monthly and annual reinvestment statistics as well as establishing your measures of success and robust methods of collecting and documenting relevant data is critical to your ability to report key statistics and accomplishments.

Data collection is integral to demonstrating the value of your Main Street Organization and the success of your transformation strategy(ies). Your ultimate goal is to show the economic impact of the Main Street Organization and its programming. Not only should your organization collect reinvestment statistics monthly and annually, but also every project and activity of your Main Street Organization should include a data collection component. Develop your processes for collecting data, and embed them into your work plans and your expectations of volunteers and paid staff.

Consider how the data will be used. At a minimum, the board should review monthly and annual reinvestment data. Committees/project teams and the board should also review project data and reflect on its meaning. Compare the results with benchmarks or desired outcomes and inquire about any patterns or trends. Be curious. Some data will tell you what kind of progress you've made, while others will alert you when you need to make a change.

Michigan Main Street has developed a Data Resource Guide that should be used when collecting all monthly and annual reinvestment statistics. When collecting data specific to projects/programs, the data you choose to collect is up to you. However, ensure the data you are collecting corresponds to the Board-defined goals and measures of success.

Once you have collected and analyzed the data, you can use your findings to:

- Evaluate programming
- Influence fundraising activities
- Communicate the value of your Main Street Organization to build relationships with key stakeholders
- Demonstrate economic impact

RECOMMENDED FRAMEWORK: COLLECTING PROGRAMMING DATA CORRESPONDING TO MEASURES OF SUCCESS

Use this framework for identifying and collecting data specific to the evaluation of your organization's projects and programming relative to the Board-identified Measures of Success.

- Define the goal(s) of the project
- Determine if your organization already collects relevant data monthly or annually through the reinvestment statistics
- Determine the additional data you need to collect
 - What do we need to know?
 - What will success look like?
- Agree on documentation methods
 - Must be observable, measurable and accessible
- Assign data collection
 - Who will collect the data?
 - Provide tools and training
- Share and reflect on the data
- Use data to evaluate programming relative to the transformation strategy(ies) and strategic goals

RECOMMENDED FRAMEWORK: COMMUNICATION STRATEGIES

The responsibility for communicating and promoting the Main Street Organization and downtown revitalization efforts to engage key stakeholders and show value falls to the Main Street Board. There are four key steps to ensuring your communication efforts are regular and consistent, and achieve the active support and engagement you seek through these efforts:

- Step One:
 - Identify the transformation strategy(ies), goals and measures of success for your Main Street Organization
- Step Two:
 - Target your audiences. Different groups will respond to different information. Be sure to understand who you will be communicating with, and what is important to that audience.
- Step Three:
 - Create your message, ensuring it will engage and excite each of your target audiences. Consistency of messaging is critical to achieving community support and engagement. Carefully craft your message and ensure that all communications, verbal, online and written share the same message. Avoid confusion and inconsistency. Key elements of your messaging should include:
 - Information about your Downtown – Vision/Desired Future State, Positives, Opportunities, Results
 - Information about your Main Street Organization – Mission, Value, Opportunities, Results
- Step Four:
 - Identify your messaging tools. How will you share your message with your target audiences? What form(s) of communication are they likely to consume? What is your organizational capacity to deliver regular and consistent messaging and through what delivery systems?

Main Street organizations rely on broad-based community support. When sharing your message about your Main Street organization, be prepared to answer the question, “so what?” Describe what it is that you deliver and offer independent validation for the value you claim. To obtain this validation, it is recommended that you solicit feedback from your constituents, particularly those in your Main Street district.

Feedback can be obtained informally, through conversations with business owners and residents, conducted by the Executive Director and board members. Feedback can also be obtained through such means as questionnaires or surveys, or through facilitated stakeholder dialogues. These can be conducted on an annual or biennial basis.

Stakeholder Business Purpose Questionnaire

1. If you were to describe Anytown Main Street in one sentence or one word, what would it be or how would you describe us?
2. What are we doing that you like? How do we help meet your needs?
3. What are we doing that you don't like?
4. In what areas might we improve?
5. Is there anything that we are not currently providing that you need?
6. What is important to you?

Facilitated Stakeholder Dialogues

- The purposes for engaging in dialogue are:
 - To develop greater understanding
 - To improve relationships
 - To create new networks
 - To find ways to work together
- Groups of 10-15 people come together.
- People from many groups are represented; (racial, income, religious, ethnic, etc.).
- 4-5 meetings with the same group are held over the course of several weeks.
- Groups meet for 1–2 hours at a time.
- A trained facilitator leads the discussion.

- Ground rules are agreed upon and enforced.
- Questions are posed to the group for discussion.
- Everyone speaks from his or her own beliefs and experiences.

Facilitated Group Discussion Questions

1. What Main Street organization activities have you been involved in?
2. How does the Main Street organization contribute to the betterment of the community?
3. What are your hopes for this community?
4. How would you describe the working relationships among different types of organizations in this community?
5. What can we do to improve how organizations work together?
6. What community events or celebrations do you attend?
7. What value do they have for the community, in your opinion?
8. What events or celebrations do you choose not to attend? Why is that?
9. What are your hopes and fears about these events and celebrations?
10. What can the individuals in this room do to help make the events and celebrations more reflective of the entire community?

It is important to “give back” the information you have obtained. In other words, once you have collected feedback, be sure to communicate how you plan to, or how you have used the information. Forums such as your newsletter, annual report or Executive Director’s report are suitable vehicles to share your insights.