

Organization Spinning Out of Control?

Effective Governance for Tax-Exempt Crime Stoppers Organizations

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Crime Stoppers USA Chair

9/2024



Session Objectives/Agenda





A 3D rendering of a puzzle with one red piece standing out among white pieces. The red piece is in the foreground, slightly to the left, and is the only one of its color. The white pieces are arranged around it, some partially visible. The puzzle is set against a dark background.

Program Effectiveness – Making Most Impact

- Programs and services aligned with mission and vision
- Established specific indicators to track outputs and outcomes
- As appropriate, evaluate opportunities to collaborate

A 3D rendering of a puzzle with one red piece standing out among white pieces. The red piece is in the center-left, and the white pieces are arranged around it, some overlapping. The puzzle is set against a dark background.

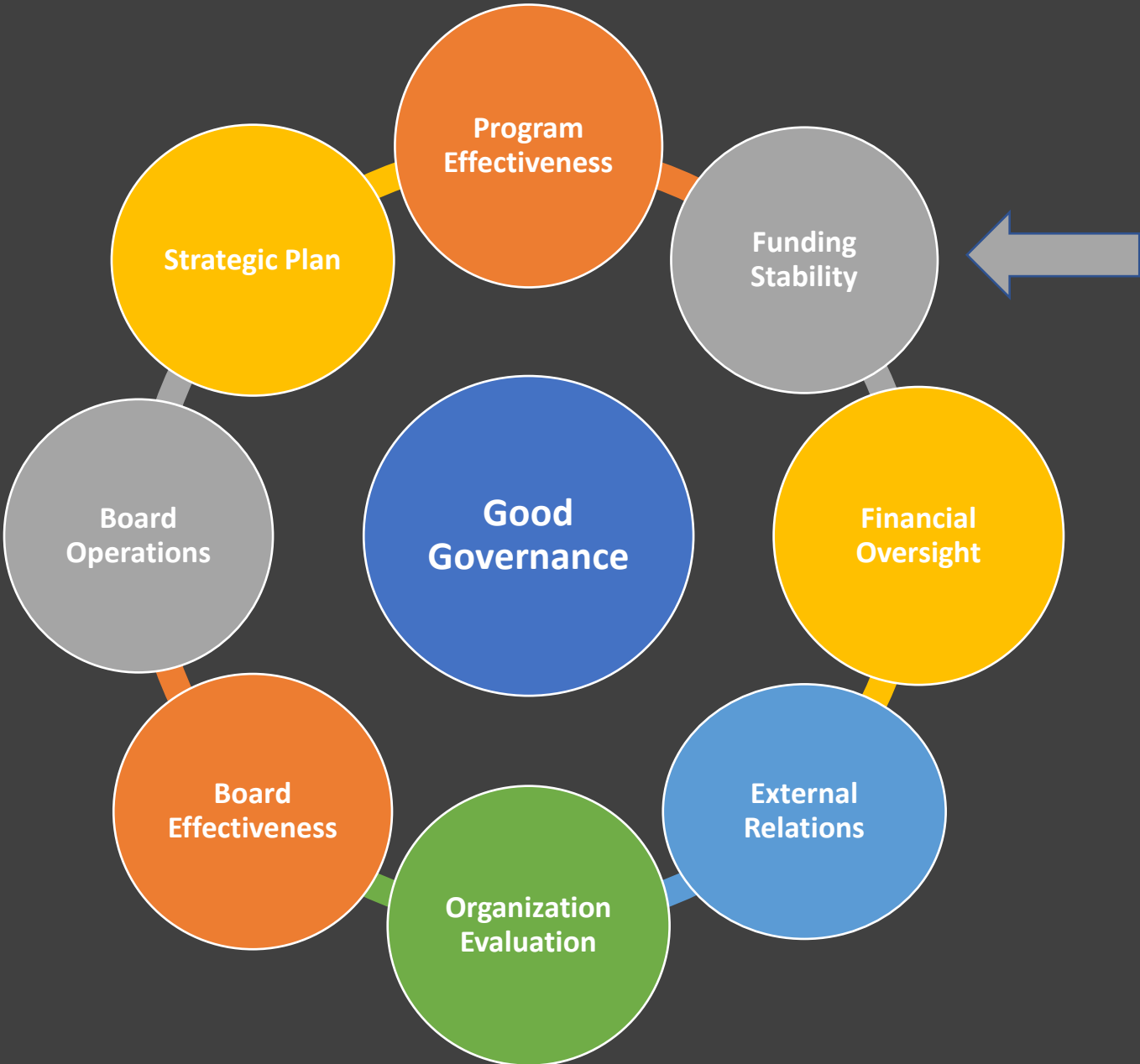
Indicators of Board Effectiveness

- Development of programs is consistent with organization's mission and strategic direction
- Programs are well defined and structured with clear goals, performance measures and expectations
- Process improvement steps in place incorporating feedback from stakeholders
- Appropriate data collection is routinely collected and reported to grow and improve programs and services

Questions for Board to Ask...

- Do organizations programs reflect its structure and function to support its mission?
- Does Board receive reports on program performance and financial health?
- Does Board ensure program integrity and effectiveness?
- Does Board support efforts to form strategic alliances to maximize program/services benefit?





Funding Stability – Sustain the Dream

- Appropriate funding strategy in place supporting programs and organization
- The mission statement is sufficient to attract donors funding the programs work
- Maintain compliance with all state laws with respect to registration to solicit funds



A close-up photograph of a pen writing on a document. The document features a line graph with a blue line that trends upwards. The pen is silver and black, and the ink is dark blue. The background is a light blue gradient.

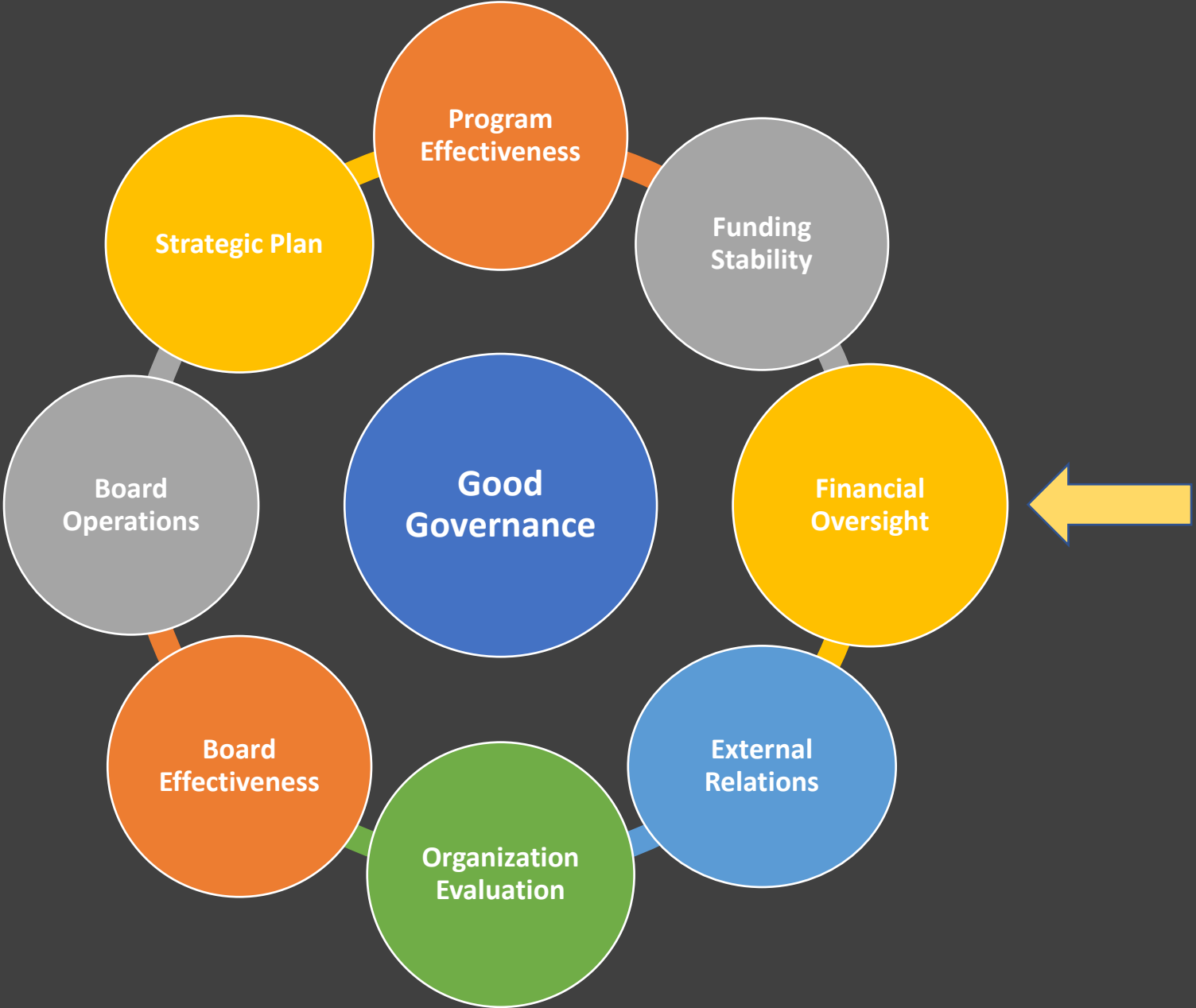
Indicators of Good Funding Stability

- Continued evaluation of the funding strategies promoting sustainability
- Board provides oversight to the fund-raising functions
- Every board member makes an annual financial donation to organization (indicative of board engagement support and commitment)
- Organization has active fund-raising committee

Questions for the Board to Ask...

- Does board seek a funding strategy that is diverse and not dependent on only one campaign?
- Is board involved in securing funding to their own personal and professional contacts?
- Is the board aware of restricted funds and how to manage if received?





Financial Oversight – Who's Watching the Dollars

- All receipts and disbursements are accurately recorded and appropriately managed
- Resources are allocated appropriately to programs achieving the mission of the organization and supporting all fundraising activities
- Demonstrating good overall financial health by covering current liabilities with cash and increasing total net assets each year





Indicators of Financial Oversight

- Board has established sound internal financial controls and reviews periodically
- Board approves annual operating budget before fiscal year
- Board approves large expenditures over predetermined limits
- Board reviews regular financial reports, monitors budget and responds appropriately to correct for course changes
- Board approves annual audit/review from audit/finance committee
- Board overseas/manages investments and financial assets
- Board periodically reviews organizations exposure to risk

Questions for the Board to Ask...

- Has Board approved fiscal policies, including policies on record retention, conflict of interest and whistleblower protection?
- Does Board regularly receive – balance sheet, year-to-date financial statement with budget comparison and report on variances?
- Is there a finance committee that oversees organizations financial activities?
- Is there an annual audit/review overseen by audit or finance committee?



Crime Stoppers USA
Statement of Operations
Fiscal Years Ending December 31, 2015 & 2016
(Audited)

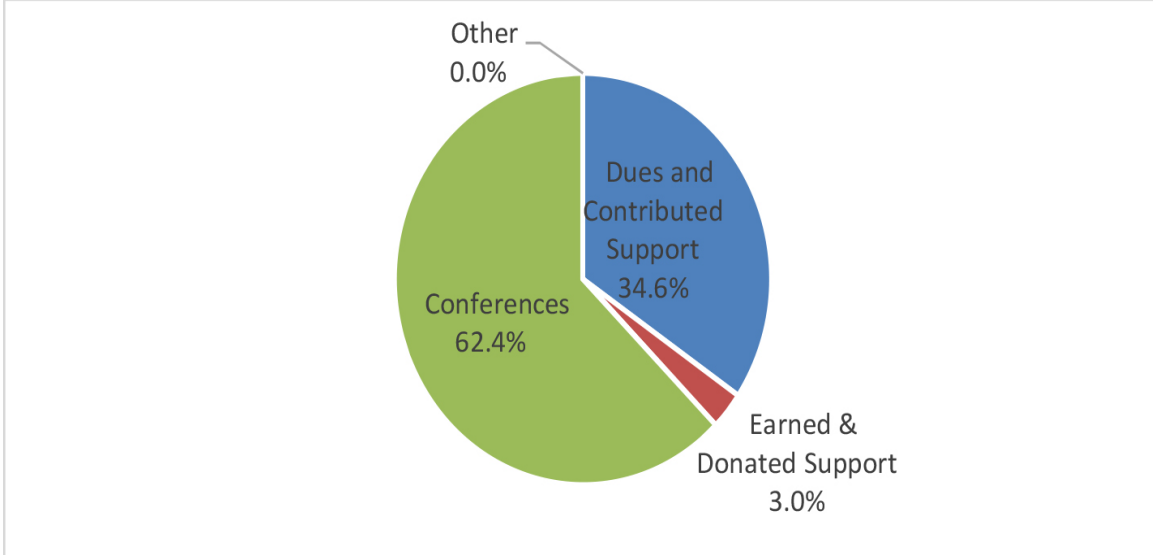
	2016	2015
Receipts:		
Dues and Contributed Support	\$ 67,575	\$ 71,300
Earned & Donated Support	5,806	2,917
Conferences	122,013	135,553
Other	21	35
Total Receipts	\$ 195,415	\$ 209,805

Disbursements:		
Program Expenses	\$ 80,463	\$ 97,724
Conference Expenses	83,141	120,136
Administrative Expenses	42,291	35,522
Total Disbursements	205,895	253,382

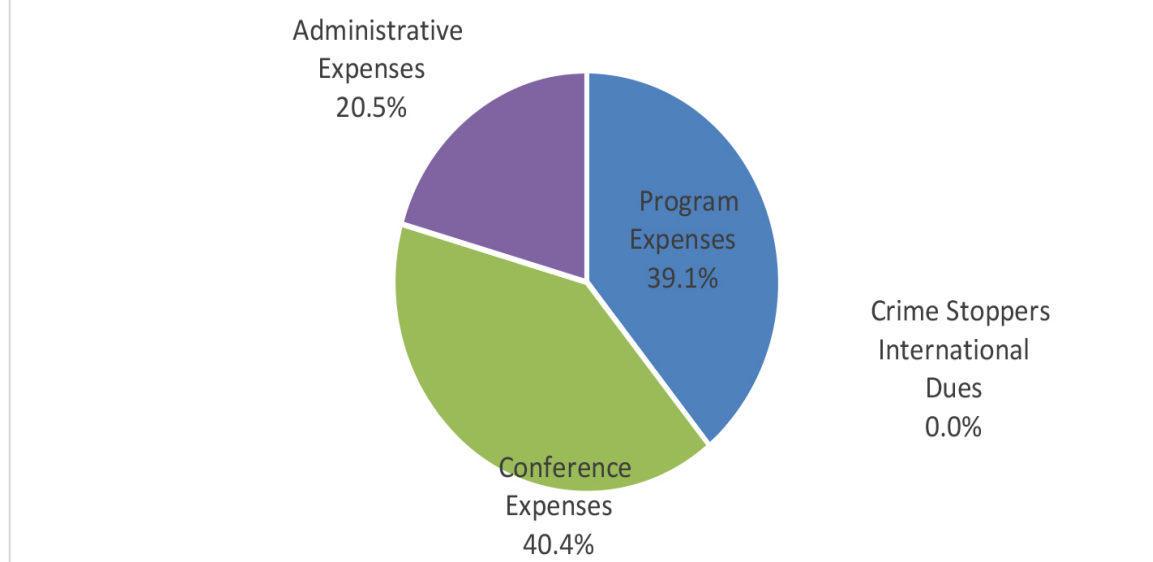
Change in Net Assets	\$ (10,480)	\$ (43,577)
Net Assets, Beginning of Year	50,191	93,768
Net Assets, End of Year	\$ 39,711	\$ 50,191

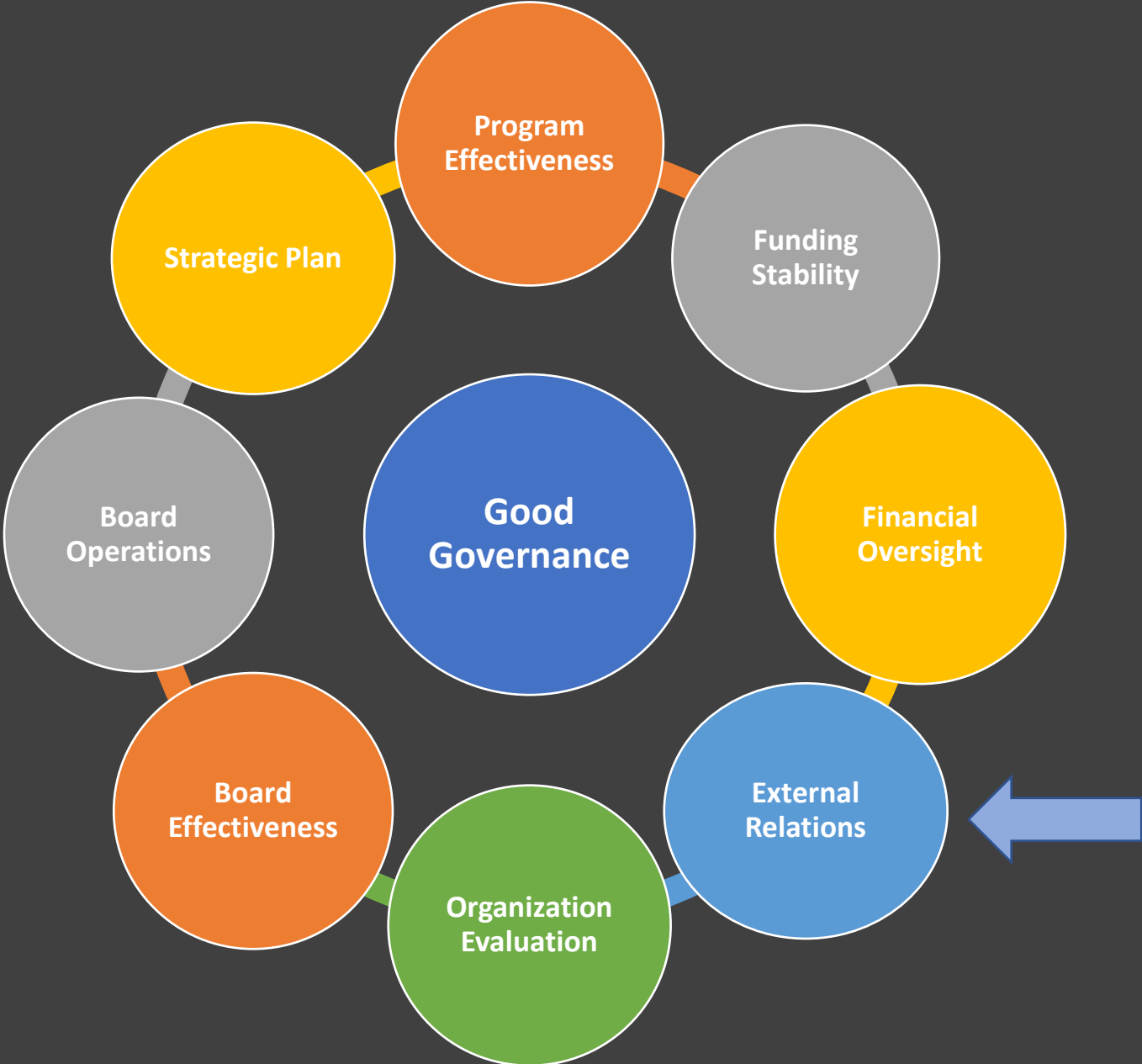
Statement of Operations
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2016 Sources of Funds



2016 Uses of Funds





External Relations – Sending the Right Message

- Organization is recognized for quality and effectiveness
- Organization has established and maintained relationships with local media, elected officials, community leaders, funders and others with whom it cooperates
- Organization looks to engage in strategic alliances which enhance the quality and quality of services provided by the organization, however, adhering to its mission



Indicators of Good External Relations

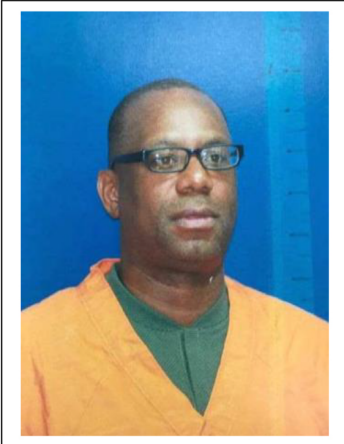
- Board members can relate and describe the organization's missions and key programs
- Organization created a communication strategy publicizing its message which attracts the support from community and its leaders
- Board embraces branding of the organization and consistently portrays the organization and services in a positive light
- Board has a plan to deal with crisis resolution with an identified team and spokesperson if and when the situation arises

Questions for the Board to Ask...

- Do board members engage with their personal and professional network supporting the organization's mission?
- How do Board members learn about operations, programs and structure?
- Our board members present at major local events?
- Has the board developed and approved a communication strategy?
- Has the Board developed and approved a crisis management response process?

Crime Stoppers official accused of embezzling money for Las Vegas fraternity trip

The Clarion-Ledger Published 3:30 p.m. CT June 29, 2017 | Updated 9:16 p.m. CT June 29, 2017



A Crime Stoppers official has been accused of embezzling money to take a round-trip service to Las Vegas to attend a national fraternity convention in Las Vegas.

Elijah Wilson, former coordinator of the North Central Mississippi Crime Stoppers, has been indicted on two counts of embezzlement by a Marshall County Grand Jury, according to state Auditor Stacey Pickering.

In addition to the Las Vegas trip, Wilson, 48, is accused of attending a Crime Stoppers conference in January of 2016, and received a travel advancement from the Town of Holly Springs, as well as reimbursement from NCMCS for the same trip.

"This case is egregious not just because of the embezzlement, but because a law enforcement official stole from the public he was sworn to serve," Pickering.

A formal demand totaling \$15,673.28 was served to Wilson, which included the embezzled funds, interest and costs.

"The illegal use of Crime Stopper money could have very well impeded the arrest and prosecution of other criminals," Public Safety Commissioner Marshall Fisher said. "We gladly work with our law enforcement partners on the local, state and federal level to fully prosecute individuals who abuse public money."

In May 2017, Wilson retired after having been employed by Holly Springs Police Department since 2000 and serving as coordinator of North Central Mississippi Crime Stoppers since 2006.

Crime Stoppers Crisis

- What questions should the board be asking?
- What are your program's next steps?





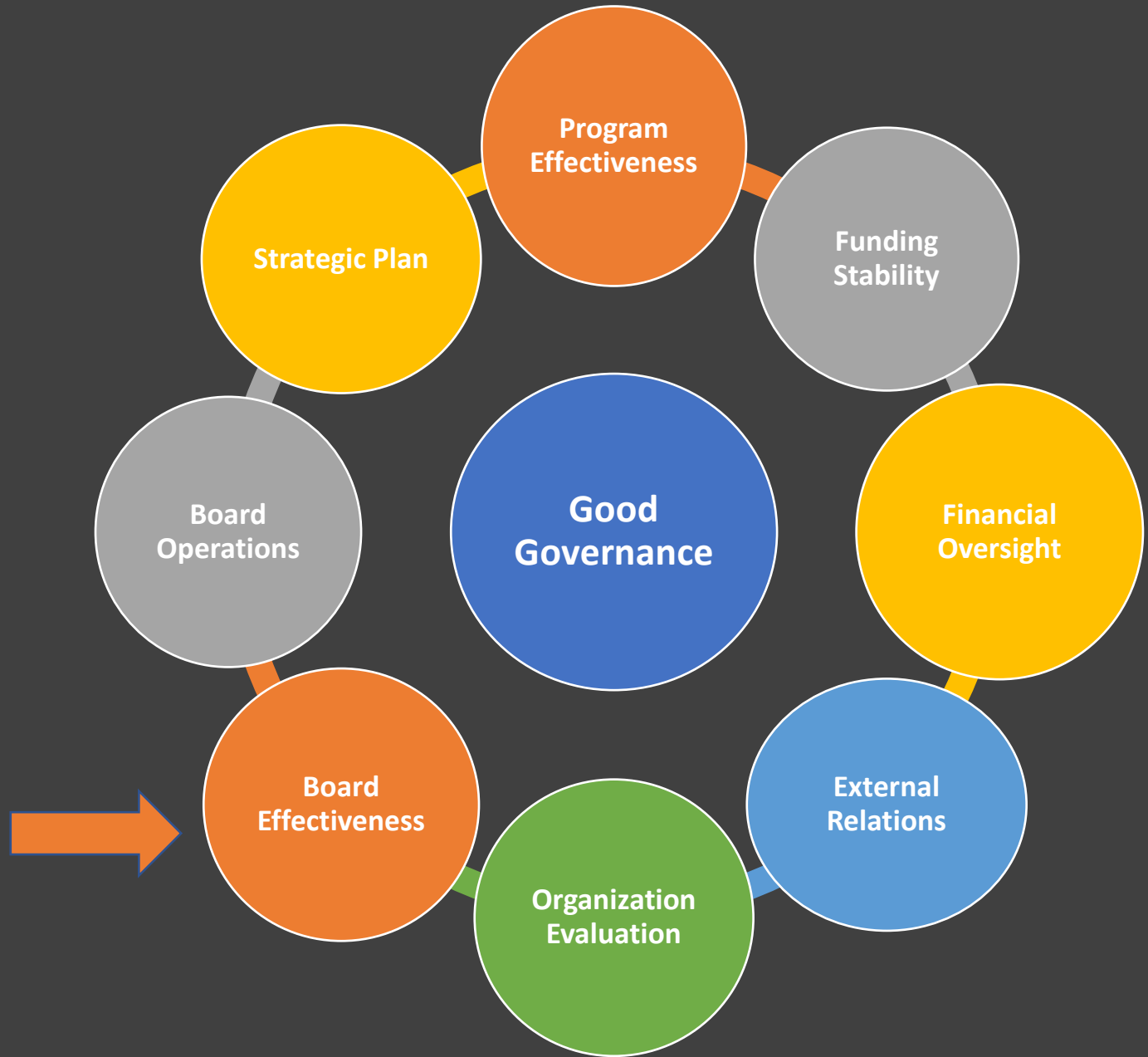
Indicators of Good Organizational Evaluation

- Evaluation results are reported to and reviewed by the Board
- Organizational performance as compared to other like organizations

Questions for the Board to Ask...

- Which areas of operation are evaluated regularly/annually
- What is the Board's role in the evaluation process?
- How does the board evaluate its relevance or impact within the community, with respect to program effectiveness?
- Does the board have an effective strategic planning annual planning process to influence lessons learned from past evaluations?





Board Effectiveness – Clear Vision, Engaged Board

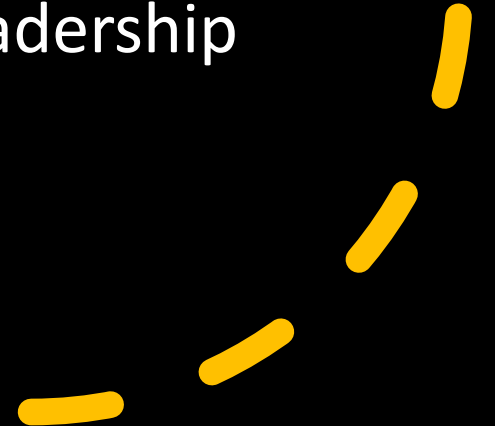
- Organization is well-managed, clear mission policy and goals
- Organization has capable leadership and an engaged board
- Organization has a positive profile within the community

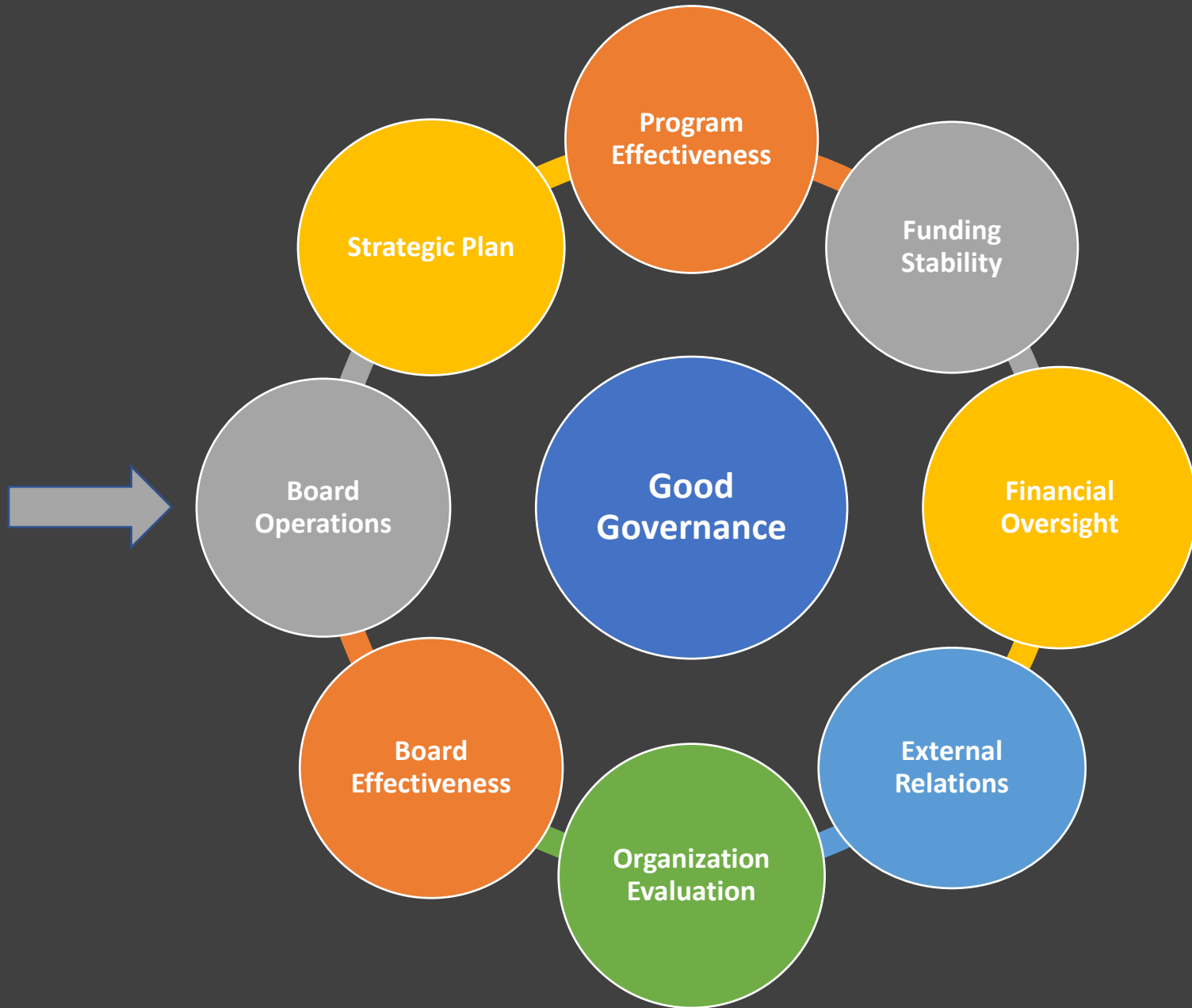
Indicators of Good Board Effectiveness

- Board is actively engaged in its oversight and knowledgeable about key issues
- Board focuses on policy development, strategic direction and evaluation of organization
- Board has established clear leadership roles driving the organization forward
- Board understands fiduciary and legal responsibilities and manages the organizations risk exposure

Questions for the Board to Ask...

- Does the board regularly appraise its own performance?
- Does Board evaluate performance of Executive Director, if applicable?
- Does Board set the Executive Directors compensation?
- Has board established a succession plan for Executive Director and board/leadership recruitment?





Board Operations – A Well-Tuned Machine

- Board meets regularly addressing matters of policy, strategic direction, organizational performance and community impact
- Board receives financial and relevant information in advance of board meeting to allow adequate time to review and prepare

Indicators of Good Board Operations

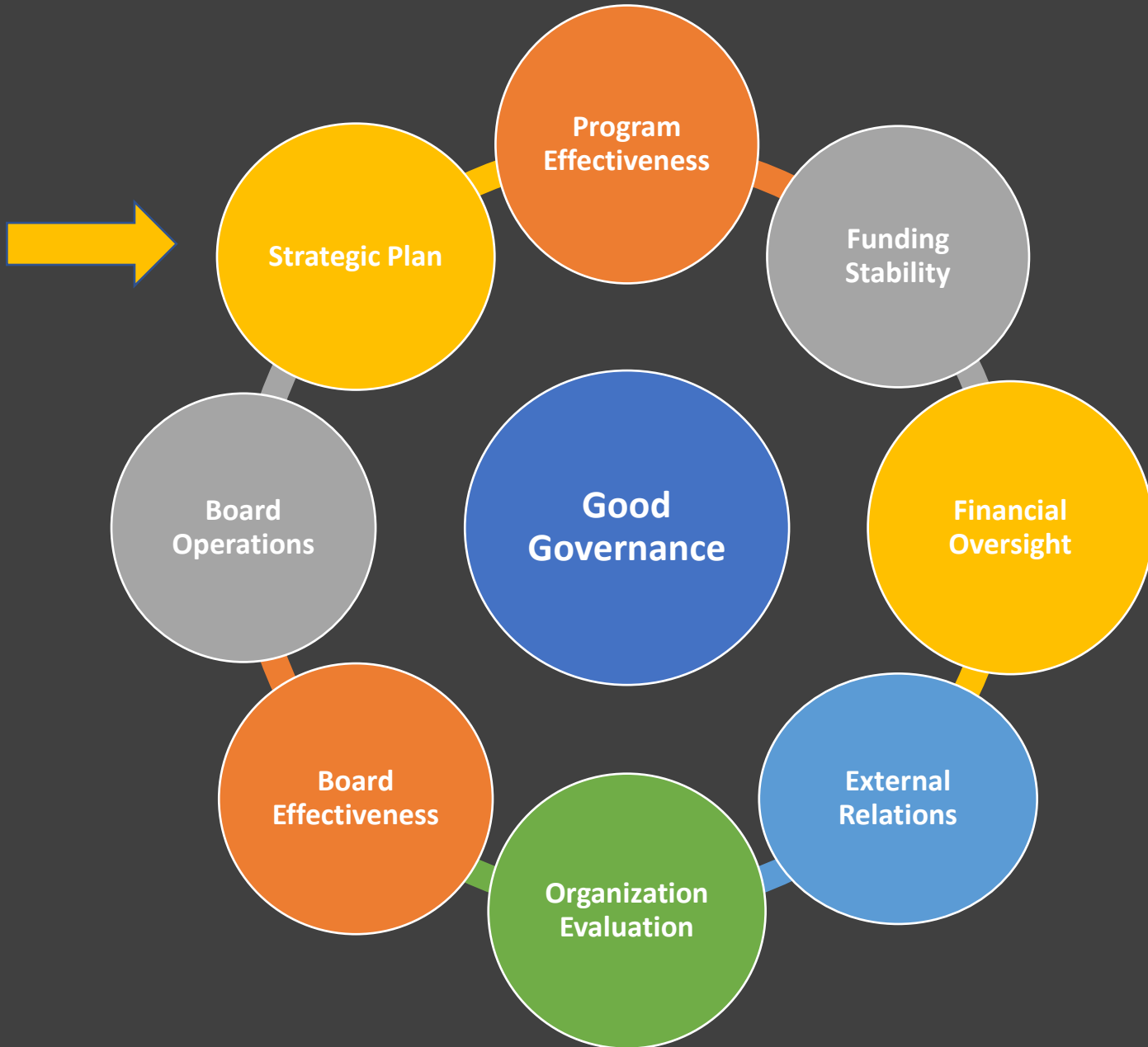
- Board meets regularly throughout the year with a quorum present
- Minutes of board meetings maintained, reviewed and approved
- New board members receive appropriate onboarding after election to board
- Ongoing training provided regularly
- Board maintains active involvement to rotation of duties and/or term limits
- Committee structure reflects organizational strategic priorities with committee's meeting regularly and reporting to board structure

Indicators of Good Board Operations – Cont'd

- Board understands its legal obligations
- Conflict of Interest policy is reviewed periodically and signed annually by board members
- Bylaws reviewed periodically to match operations
- Board is aware of federal, state and local obligations

Questions for the Board to Ask...

- How often does the board meet?
- Does the board have development, recruitment, orientation training in place?
- Have terms been set for officers of the board?
- Does Board conduct annual or periodic self-evaluations?
- Bylaws reviewed for consistency with operations?
- Is there a functioning committee structure within the organization?
- Are Board members aware of their legal responsibilities to the organization?
- Are terms for officers of the board enforced?



A 3D rendering of a puzzle with one red piece standing out among white pieces. The red piece is in the center-left, and the white pieces are arranged around it, some missing, suggesting a missing link or a key element. The puzzle is set against a dark background.

Strategic Planning – So You Know Your Direction

- Board upholds organizations mission and can articulate a clear vision for its future and values
- Board is integrally involved in setting strategic direction to strategic planning, organizational alignment and implementation

Indicators of a Good Strategic Plan

- Organization has an approved strategic plan with attainable goals
- Plan is a living and working document updated periodically adjusting for progress or critical opportunities
- Board members are knowledgeable about program goals, outcomes an organization needs while assisting with or participating in organizational events
- Board members are able to articulate the shared vision for the future of the organization

Questions for the Board to Ask...

- Does organization have current strategic plan charting program and operational direction for the organization supporting the vision?
- How does the organization monitor progress of the plan?
- How does Board respond to changing circumstances?



Session Objectives





??Questions??

Acknowledgements

- Paragon Solutions Consulting
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Wisconsin State Crime Stoppers



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