

HANDOUT # 3

Basic Responsibilities of Nonprofit Boards (Source: BoardSource)

- 1. Determine the organization's mission and purpose.** A statement of mission and purpose should articulate the organization's goals, means and primary constituents served. It is the board's responsibility to create the mission statement and review it periodically for accuracy and validity. Each individual board member should fully understand and support it.
- 2. Select the chief executive.** Boards must reach consensus of the chief executive's job description and undertake a careful search to find the most qualified individual for the position.
- 3. Provide proper financial oversight.** The board, in order to remain accountable to its donors and the public, and to safeguard its tax-exempt status, must assist in developing the annual budget and ensuring that proper financial controls are in place.
- 4. Ensure adequate resources.** One of the board's foremost responsibilities is to provide adequate resources for the organization to fulfill its mission. The board should work in partnership with the chief executive and development staff, if any, to raise funds from the community.
- 5. Ensure legal and ethical integrity and maintain accountability.** The board is ultimately responsible for ensuring adherence to legal standards and ethical norms. Solid personnel policies, grievance procedures and a clear delegation to the chief executive of hiring and managing employees will help ensure proper decorum in this area. The board must establish pertinent policies, and adhere to provisions of the organization's bylaws and articles of incorporation.
- 6. Ensure effective organizational planning.** As stewards of the organization, boards must actively participate with the staff in an overall planning process and assist in implementing the plan's goals.
- 7. Recruit and orient new board members and assess board performance.** All boards have a responsibility to articulate the make known their needs in terms of member experience, skills, and many other considerations that define a "balanced" board composition. Boards must also orient new members to their responsibilities and the organization's history, needs and challenges. By evaluating its performance in fulfilling its responsibilities, the board can recognize its achievements and reach consensus on which areas needs to be improved.
- 8. Enhance the organization's public standing.** An organization's primary link to the community, including constituents, the public and the media, is the board. Clearly articulating the organization's mission, accomplishments and goals to the public as well as garnering support from important members of the community are important elements of a comprehensive public relations strategy.
- 9. Determine, monitor and strengthen the organization's programs and services.** The board's role in this area is to determine which programs are the most consistent with the organization's mission and to monitor their effectiveness.
- 10. Support the chief executive and review his or her performance.** The board should ensure that the chief executive has the moral and professional support he or she needs to further the goals of the organization. The chief executive, in partnership with the entire board, should decide upon a periodic evaluation of his or her performance.