

Basic Responsibilities of Nonprofit Boards

1. Determine mission and purpose.

It is the board's responsibility to create and review a statement of mission and purpose that articulates the organization's goals, means, and primary constituents served.

2. Select the chief executive.

Boards must reach consensus on the chief executive's responsibilities and undertake a careful search to find the most qualified individual for the position.

3. Support and evaluate the chief executive.

The board should ensure that the chief executive has the moral and professional support they need to further the goals of the organization.

4. Ensure effective planning.

Boards must actively participate in an overall planning process and assist in implementing and monitoring the plan's goals.

5. Monitor and strengthen programs and services.

The board's responsibility is to determine which programs are consistent with the organization's mission and monitor their effectiveness.

6. Ensure adequate financial resources.

One of the board's foremost responsibilities is to secure adequate resources for the organization to fulfill its mission.

7. Protect assets and provide proper financial oversight.

The board must assist in developing the annual budget and ensuring that proper financial controls are in place.

8. Build a competent board.

All boards have a responsibility to articulate prerequisites for candidates, orient new members, and periodically and comprehensively evaluate their own performance.

9. Ensure legal and ethical integrity.

The board is ultimately responsible for adherence to legal standards and ethical norms.

10. Enhance the organization's public standing.

The board should clearly articulate the organization's mission, accomplishments, and goals to the public and garner support from the community through advocacy.

11. Legal responsibilities of nonprofit board members

 Nonprofit board members have the legal responsibility to meet the duty of care, the duty of loyalty, and the duty of obedience. Under well-established principles of nonprofit corporation law, a board member must meet certain standards of conduct and attention in carrying out their responsibilities to the organization. Several states have statutes adopting some variation of these duties that would be used in court to
determine whether a board member acted improperly. These standards are usually described as
the duty of care, the duty of loyalty, and the duty of obedience.

1. Duty of Care

The duty of care describes the level of competence that is expected of a board member and is commonly expressed as the duty of "care that an ordinarily prudent person would exercise in a like position and under similar circumstances." This means that a board member owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.

2. Duty of Loyalty

The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain, but must act in the best interests of the organization.

3. Duty of Obedience

The duty of obedience requires board members to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage donated funds to fulfill the organization's mission. This duty also requires board members to obey the law and the organization's internal rules and regulations.

Responsibilities of individual board members

- 1. Attend all board and committee meetings and functions, such as special events.
- 2. Be informed about the organization's mission, services, policies, and programs.
- 3. Review agenda and supporting materials prior to board and committee meetings.
- 4. Serve on committees or task forces and offer to take on special assignments.
- 5. Make a personal financial contribution to the organization.
- 6. Inform others about the organization. Advocate for the organization.
- 7. Suggest possible nominees to the board who can make significant contributions to the work of the board and the organization.
- 8. Keep up to date on developments in the organization's field.
- 9. Follow conflict-of-interest and confidentiality policies.
- 10. Refrain from making special requests of the staff.
- 11. Assist the board in carrying out its fiduciary responsibilities, such as reviewing the organization's financial statements.
- 12. Ability to listen, analyze, think clearly and creatively, and work well with people individually and in a group.
- 13. Willingness to prepare for and attend board and committee meetings, ask questions, take responsibility, and follow through on a given assignment, contribute personal and financial resources in a generous way according to circumstances, open doors in the community, advocate for the organization, and evaluate oneself.
- 14. Interest in developing certain skills that you may not possess, such as in cultivating and soliciting funds, cultivating, and recruiting board members and other volunteers, reading, and understanding financial statements, and learning more about the substantive program area of the organization.
- 15. Possession of honesty, sensitivity to and tolerance of differing views, community-building skills, personal integrity and sense of values, and concern for your nonprofit's development.

Responsibilities of the Board Chair

- 1. Oversee board and executive committee meetings.
- 2. Work in partnership with the chief executive to make sure board resolutions are carried out.
- 3. Call special meetings if necessary.
- 4. Appoint all committee chairs and, with the chief executive, recommend who will serve on committees.
- 5. Assist chief executive in preparing board meeting agendas.
- 6. Assist chief executive in conducting new board member orientation.
- 7. Oversee searches for a new chief executive.
- 8. Coordinate chief executive's annual performance evaluation.
- 9. Work with the governance committee to recruit new board members.
- 10. Act as an alternate spokesperson for the organization.
- 11. Periodically consult with board members on their roles and help them assess their performance.

Responsibilities of the Board Vice Chair

- 1. Attend all board meetings.
- 2. Serve on the executive committee if one exists.
- 3. Carry out special assignments as requested by the board chair.
- 4. Understand the responsibilities of the board chair and be able to perform these duties in the chair's absence.
- 5. Participate as a vital part of the board leadership.

Responsibilities of the Board Secretary

- 1. Attend all board meetings.
- 2. Serve on the executive committee if one exists.
- 3. Ensure the safety and accuracy of all board records.
- 4. Take board meeting minutes or review minutes if that task is assigned to a staff member.
- 5. Assume responsibilities of the chair in the absence of the board chair, chair-elect, and vice chair.
- 6. Provide notice of meetings of the board and/or of a committee when such notice is required.

Responsibilities of the Board Treasurer

- 1. Attend all board meetings.
- 2. Understand financial accounting for nonprofit organizations.
- 3. Serve as the chair of the finance committee.
- 4. Manage, with the finance committee, the board's review of and action related to the board's financial responsibilities.
- 5. Work with the chief executive and the chief financial officer to ensure that appropriate financial reports are made available to the board on a timely basis.
- 6. Present the annual budget to the board for approval.
- 7. Review the annual audit and answer board members' questions about the audit (if there is no audit committee).