

## Checklist #6: Develop a Solid Board

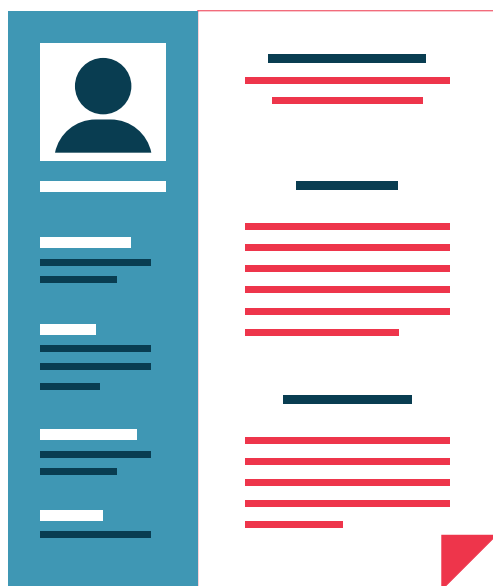
	NOTES:
<input type="checkbox"/> A board of approximately 8-10 people who are not relatives of the founder or each other	
<input type="checkbox"/> Board Profile -- Board members bring a variety of skill sets that are helpful to your nonprofit	
<input type="checkbox"/> Educate board prospects and incoming board members about board responsibilities as well as your organization's mission and activities.	
<input type="checkbox"/> Hold regular board meetings	
<input type="checkbox"/> Board Agreement - Board members regularly attend meetings and participate	
<input type="checkbox"/> Prepare meeting agendas & stick to them	
<input type="checkbox"/> Give advance notice of meetings	
<input type="checkbox"/> Start and end meetings on time	
<input type="checkbox"/> Write minutes for every board meeting	
<input type="checkbox"/> Designate board officers – at least Chair, Treasurer, and Secretary	
<input type="checkbox"/> Create board committees and task forces to focus on specific tasks and activities when necessary. Committees may contain both board members and other, non-board members who are part of your nonprofit (e.g. staff or volunteers). Committees are a good way to get work done outside the board meeting	
<input type="checkbox"/> Board members agree to adhere to the "Conflict of Interest" policy	



## TEN BASIC RESPONSIBILITIES OF NONPROFIT BOARDS

1. **Determine mission and purposes, and advocate for them.** 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 and advocate for their organization by "standing for their mission" ([www.standforyourmission.org](http://www.standforyourmission.org)).
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 he or she needs 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 by actively, consistently, and strategically advocating for the organization's 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 and sustain 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 act as conscientious ambassadors who clearly articulate and advocate for the organization's mission, accomplishments, and goals to the public and garner support from the community.

Source: Richard T. Ingram, Ten Basic Responsibilities of Nonprofit Boards, Third Edition (BoardSource, 2015).



# Board Member JOB DESCRIPTION

## EXPECTATIONS OF THE BOARD AS A WHOLE

The mission of ABC Organization is [mission].

As the highest leadership body of the organization and to satisfy its fiduciary duties, the board is responsible for

- determining the mission and purposes of the organization
- selecting and evaluating the performance of the CEO/ executive director
- strategic and organizational planning
- ensuring strong fiduciary oversight and financial management
- fundraising and resource development
- approving and monitoring ABC Organization's programs and services
- enhancing ABC Organization's public image
- assessing its own performance as the governing body of ABC Organization

## EXPECTATIONS OF INDIVIDUAL BOARD MEMBERS

Each individual board member is expected to

- know the organization's mission, policies, programs, and needs
- faithfully read and understand the organization's financial statements
- **serve as active advocates and ambassadors for the organization and fully engage in identifying and securing the financial resources and partnerships necessary for ABC Organization to advance its mission**
- leverage connections, networks, and resources to develop collective action to fully achieve ABC's mission
- give a meaningful personal financial donation
- help identify personal connections that can benefit the organization's fundraising and reputational standing, and can influence public policy
- prepare for, attend, and conscientiously participate in board meetings
- participate fully in one or more committees

## BOARD MEMBERS ARE ALSO EXPECTED TO

- follow the organization's bylaws, policies, and board resolutions
- sign an annual conflict-of-interest disclosure and update it during the year if necessary, as well as disclose potential conflicts before meetings and actual conflicts during meetings
- maintain confidentiality about all internal matters of ABC Organization

## XYZ Board Member Responsibilities

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As a board member of the XYZ , I am fully committed and dedicated to the mission and have pledged to carry out this mission. I understand that my duties and responsibilities include the following:

### **General Expectations:**

- Know the XYZ mission, goals, policies, programs and services
- Attend Board meetings in accordance with Board Attendance Policy
- Support the collective decisions of the Board of Directors with all due respect to individual opinions on such decisions.
- Actively participate on at least one committee
- Respond to board and committee emails and requests for feedback in a timely manner
- Provide leadership in determining organizational policy and in establishing long-term goals and objectives
- Provide advice and counsel for the Board where expertise exists, as appropriate
- Comply with Code of Ethics
- Suggest candidates for the Board and for committees
- Actively participate in or support the special events during each year of my term.
- Understand community issues and actively represent and be an advocate for XYZ in the community at large
- Respect the lines of authority and communication between the Board of Directors and XYZ agency staff.

### **Fiduciary:**

- Be fully knowledgeable about the organization's financial resources, policies and operational procedures
- Exercise prudence and due diligence in overseeing the management of organization's financial resources
- Fully understand the legal and financial ramifications when voting on matters which impact the fiscal solvency of the agency

### **Meetings:**

- Prepare for and fully participate in meetings and organizational activities
- Ask questions to gain full understanding of the issues under discussion
- Maintain confidentiality of Board and committee discussions
- Bring concerns to the Board's attention to ensure they are addressed

### **Conflicts of Interest:**

- Annually sign a Conflict of Interest Statement
- In the course of meetings or activities, disclose any interests in a transaction or decision where they or any family members, employer and close associate would receive any benefit or gain.

- Avoid exposing the Board to any conflicts of interest
- Maintain objectivity and a sense of fairness and ethics
- Refuse gifts or favors from individuals or groups who do business with the organization or who may benefit from any decisions made by the Board

**Financial Commitment:**

- Annually make a specific financial commitment according to personal means and the *Board Member Financial Commitment Form*
- Actively support fundraising activities and strategies through personal involvement
- Open doors for soliciting contributions

I read and understand the level of commitment and participation expected of me as a Board Member of XYZ. In the event that I am not able to meet these expectations, I agree to notify the President of the Board of Directors and discuss others ways to fulfill my commitment, support and participation.

\_\_\_\_\_  
Board Member Signature

\_\_\_\_\_  
Date

### Board Minutes Checklist

Minutes are the permanent record of the proceedings of a meeting and need to be clear, accurate, brief, and objective. Minutes include the basic following items:

- Date, time, and place of the meeting
- Name of the person who chaired the meeting (usually the board chair)
- Names of members present, excused, and absent without notification
- Existence or absence of a quorum
- All proper motions, including the names of the mover and the seconder
- Results of all votes taken
- Names of any persons abstaining from any vote
- List of all reports and documents introduced during the meeting. Copies of reports should be attached to the official minutes.
- Commitment to a future action and by whom
- Time of adjournment
- Signature of the meeting secretary
- Sometime minutes include a brief addendum showing required follow-up activities which also identifies the person responsible for the action and the date by which it will be completed.

## **Board Officer Job Descriptions (Source: BoardSource)**

### **Chair**

- Oversees board and executive committee meetings
- Serves as ex-officio member of all committees
- Works in partnership with the chief executive to make sure board resolutions are carried out
- Calls special meetings if necessary
- Appoints all committee chairs and with the chief executive, recommend who will serve on committees
- Assists chief executive in preparing agenda for board meetings
- Assists chief executive in conducting new board member orientation
- Oversees searches for a new chief executive
- Coordinates chief executive's annual performance evaluation
- Works with the nominating committee to recruit new board members
- Acts as an alternate spokesperson for the organization
- Periodically consults with board members on their roles and help them assess their performance

### **Vice Chair**

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

### **Treasurer**

- Maintain knowledge of the organization and personal commitment to its goals and objectives
- Understand financial accounting for nonprofit organizations
- Serve as financial officer of the organization and as chairperson of the finance committee.
- Manage, with the finance committee, the board's review of and action related to the board's financial responsibilities.
- 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.
- Assist the chief executive or the chief financial officer in preparing the annual budget and presenting the budget to the board for approval.
- Review the annual audit and answers board members' questions about the audit.

## Secretary

- Attend all board meetings
- Serve on the executive committee
- Maintain all board records and ensure their accuracy and safety
- Review board minutes
- Assume responsibilities of the chair in the absence of the board chair, chair-elect, and vice chair
- Provide notice of meetings of the board and/or of a committee when such notice is required

## What should be included in the minutes of a board meeting?

While content can vary, based on your individual organization, the basic elements of meeting minutes should include:

- Name of the organization
- Date and time of meeting
- Board members in attendance, excused, and absent
- Existence of a quorum
- Voting results
- Names of abstainers and dissenters
- Reports and documents introduced
- Future action steps
- Ending time of meeting
- Signature of secretary and chair

Some boards also include motions made and by whom, and a brief account of any debate. Your board should determine how much detail is desirable without cluttering the document with irrelevant data.

## References

Outi Flynn, *Meet Smarter: A Guide to Better Nonprofit Board Meetings* (BoardSource 2004).



## Sample Governance Committee Job Description

The governance committee is responsible for ongoing review and recommendations to enhance the quality of the board of directors. The work of the committee revolves around five major areas.

### 1. Help create board roles and responsibilities

- Lead the board in regularly reviewing and updating the board's description of its roles and areas of responsibility and what is expected of individual board members.
- Assist the board in periodically updating and clarifying the primary areas of focus for the board, and help shape the board's agenda for the next year or two, based on the strategic plan.

### 2. Pay attention to board composition

- Lead in assessing current and anticipated needs related to board composition, determining the knowledge, attributes, skills, abilities, influence, and access to resources the board will need to consider to accomplish future work of the board.
- Develop a profile of the board as it should evolve over time.
- Identify potential board member candidates and explore their interest and availability for board service.
- Nominate individuals to be elected as members of the board.
- In cooperation with the board chair, contact each board member eligible for re-election to assess his or her interest in continuing board membership and work with each board member to identify what he or she might be able to contribute to the organization.

### 3. Encourage board development

- Provide candidates with information needed prior to election to the board.
- Design and oversee a process of board orientation, sharing information needed during the early stages of board service.
- Design and implement an ongoing program of board information, education, and team building.

### 4. Assess board effectiveness

- Initiate periodic assessment of the board's performance, and propose, as appropriate, changes in board structure and operations.
- Provide ongoing counsel to the board chair and other board leaders on steps they might take to enhance board effectiveness.
- Regularly review the board's practices regarding member participation, conflict of interest, confidentiality, and so on, and suggest needed improvements.
- Periodically review and update the board policy and practices.

### 5. Prepare board leadership

- Take the lead in succession planning, taking steps to recruit and prepare for future board leadership.
- Nominate board members for election as board officers.

*Source: Adapted from the work of Fred Miller, Chatham Group, Inc.*

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SAMPLE Board member recruitment process

**Goals: Elect 'x' new board members at board meeting in \_\_\_\_\_**  
**Begin to develop 'pipeline' of potential board members (people who are at various points in the cultivation/recruitment process)**

1. Collect names of potential board candidates from various sources (Governance Committee, other board members, community leaders, etc.).
2. Governance Committee reviews names within context of current board composition and identified needs.
3. Committee determines which people to contact for a more in depth conversation to ascertain interest, fit, etc.
4. Committee member(s) contact candidate(s) to schedule meeting to talk about ABC Nonprofit. Indicate to candidate(s) that the board is in the process of identifying people in the community who may have an interest in joining the board at some point in the future. This first meeting is an opportunity to talk about ABC Nonprofit's mission, values, history, strategic direction, programs, etc.
5. Send letter confirming meeting date/time with background materials:
  - Annual report
  - Current budget
  - Business plan
  - Program brochure(s)
  - Recent newsletter(s)
  - Recent newspaper or other articles
  - Information about organizational structure and senior staff members
  - Other relevant information
6. Committee member(s) meet with candidate in person to discuss ABC Nonprofit and ascertain interest and fit.
7. Committee meets to review feedback from preliminary meetings and identify those candidates who should continue to be pursued (committee interest and individual expressed interest in ABC Nonprofit).
8. Schedule second meeting for candidate(s) to come to office to meet with Governance Committee member(s) and Executive Director. Materials:
  - Responsibilities of the Board of Directors
  - Board Member Expectations Statement
  - Most recent audit
  - By-laws
  - Board committee structure
  - List of board members
  - Other relevant information
9. Committee meets to finalize slate for recommendation for board for election.
10. Conduct new board member orientation.

### Sample - Conflict of Interest Policy (Source: Minnesota Nonprofit Council)

The Board shall not enter into any contract or transaction with (a) one or more of its directors, (b) a director of a related organization, or (c) an organization in or of which a director of *Organization* is a director, officer, or legal representative, or in some other way has a material financial interest unless:

1. That interest is disclosed or known to the Board of Directors,
2. The Board approves, authorizes or ratifies the action in good faith,
3. The approval is by a majority of directors (not counting the interested director),
4. At a meeting where a quorum is present (not counting the interested director).

The interested director may be present for discussion to answer questions, but may not advocate for the action to be taken and must leave the room while a vote is taken. The minutes of all actions taken on such matters shall clearly reflect that these requirements have been met.

### Sample Form

Best practices recommend that nonprofit boards have directors sign an annual statement regarding conflicts. One potential statement is as follows:

The undersigned person acknowledges receipt of a copy of the corporate "Resolution Concerning Conflict of Interest" dated \_\_\_/\_\_\_/\_\_\_\_. By my signature affixed below I acknowledge my agreement with the spirit and intent of this resolution and , I agree to report to the President of the Board of Directors any possible conflicts (other than those stated below) that may develop before completion of the next annual statement.

\_\_\_\_\_ I am not aware of any conflict of Interest

\_\_\_\_\_ I have a conflict of interest in the following area(s)

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## Sample Finance Committee Job Description

The finance committee is responsible for assisting the board in ensuring the organization is in good fiscal health. The work of the committee revolves around six major areas.

- 1. Ensure that accurate and complete financial records are maintained**
  - Monitor income and expenditures against projections.
  - Review and recommend financial policies to the board, including ensuring adequate internal controls and maintaining financial records in accordance with standard accounting practices.
- 2. Ensure that accurate, timely, and meaningful financial statements are prepared and presented to the board**
  - Present quarterly or monthly financial statements to the board.
- 3. Oversee budget preparation and financial planning**
  - Propose for board approval a budget that reflects the organization's goals and board policies.
  - Ensure that the budget accurately reflects the needs, expenses, and revenue of the organization.
- 4. Safeguard the organization's assets**
  - Review proposed new funding for ongoing financial implications, recommending approval or disapproval to the board.
  - Ensure that the organization has the proper risk-management provisions in place.
- 5. Help the full board understand the organization's financial affairs**
  - Ensure that the board as a whole is well informed about the organization's finances.
  - Educate the board about financial matters.
- 6. Ensure compliance with federal, state, and other requirements related to the organization's finances**
  - Ensure that organization maintains adequate insurance coverage.
  - Ensure that the IRS Form 990, other forms, and employment and other taxes required by government are filed completely, correctly, and on time.

### Sample Job Description – Development Committee (BoardSource)

The development committee typically works with the board chair, the chief executive, the chief development officer and other development staff to provide valuable input for developing the fundraising plan and engaging the entire board in fundraising. The committee's responsibilities may include but are not limited to the following:

- Involving and motivating other board members and volunteers in cultivation and solicitation of gifts
- Helping to develop policies for board and staff action related to gift solicitation and recognition
- Ensuring that the case for support is strong, current, and based on the organization's mission and goals
- Helping to develop strategies for involvement and cultivation of major gift prospects
- Providing information on environmental factors affecting fundraising among the organization's constituencies
- Helping to evaluate potential prospects for increased contributions
- Helping to develop expectations for financial contributions from the board, and providing leadership by making their own gifts
- Soliciting gifts at levels required for annual, special, and planned giving programs
- Participating actively in special events and providing leadership for capital campaigns
- Developing and signing solicitation and acknowledgment letters

#### Potential Subcommittees and Task Forces:

- Special events committee
- Annual fund committee
- Corporate and foundation committee
- Major gifts committee
- Planned giving committee
- Capital campaign task force