

Ten Basic Responsibilities of Nonprofit Boards

Volunteer members of Boards of Directors give generously of their time and energy and interrupt their personal and professional lives to support a nonprofit because they believe in its mission. It has been said that it is a wise organization that invests in enhancing the abilities of board members to serve well and to make a real difference. A board, and an organization, cannot grow, cannot excel and cannot move forward unless a solid understanding of the board's most basic responsibilities is maintained. The board's role in positioning its nonprofit to meet future challenges and improving the health of the communities it serves must be supported. This can be accomplished by assessing the board and making specific and realistic recommendations for enhancing its effectiveness. A board that honestly assesses its own effectiveness and takes steps to improve when needed will motivate the staff and engender trust among funders and in the community. Such a board will also become a place where members feel the reward of knowing that they help make a difference, a fact that will make it easier to recruit the best people for board service. It is the duty of the Executive Director and President to assist the board as it pursues the provision of the highest caliber of leadership and empower the board to thrive in the ever-changing health care and nonprofit environments.

According to the National Center for Nonprofit Boards (NCNB), there are ten basic responsibilities of nonprofit boards. The basic responsibilities are as follows: determine the organization's mission and purpose, select the executive, support the executive and review her/his performance, ensure effective organizational planning, ensure adequate resources, manage resources effectively, determine and monitor the organization's programs and services, enhance the organization's public image, serve as a court of appeal, and assess its own performance.

1. Determine Mission and Purpose

In his book [Perfect Nonprofit Boards: Myths, Paradoxes and Paradigms](#), Stephen Block defines mission statement as a reflection of the needs of the community which represents a collective vision of what the community could strive to become as a result of the efforts of the organization.

2. Select the Executive Director

In the book [The Effective Voluntary Board of Directors: What It Is and How It Works](#), William Conrad and William Glenn write that hiring the staff Chief Executive is one of the board's most crucial policy decisions. They recommend broad board participation in undertaking this activity in order to find the most qualified, appropriate, and dedicated individual for the job. The search process should be conducted by a screening committee that follows specific guidelines including, but not limited to, comprehensive criteria for the selection of candidates; job description to be filled; time frame for selecting and hiring; and maintenance of candor and integrity throughout the entire process.

3. Support the Executive Director and Review her/his Performance

The Institute for Voluntary Organizations (IVO), a management consulting organization, believes that the key to success in nonprofit organizations is the board/staff relationship. According to Conrad and Glenn, the staff Chief Executive's strength vis-à-vis her staff and community depends upon the support of the board. The board must ensure that the executive director has the moral and professional support needed to further the organization's goals. In their book, Conrad and Glenn state that the single most important policy decision that the board makes is the performance appraisal of the executive director.

4. Ensure Effective Organizational Planning

The planning process gives organizational direction, the criteria for board volunteers and staff, the basis for evaluation, and, the basis for defining policy according to Conrad and Glenn. Planning not only gives purpose to an organization, but also helps to assure its survival. Board members, as stewards of an organization, must actively participate in an overall planning process and assist in implementing the plan's goals. "Boards are effective in direct proportion to the effectiveness of the planning process within the voluntary organization." (Conrad and Glenn, p. 45)

5. Ensure Adequate Resources

The National Center for Nonprofit Boards (NCNB) views providing adequate resources for the organization to execute its mission as one of the board's foremost responsibilities. To fulfill this responsibility, NCNB recommends that the board work in partnership with the Executive Director to raise funds from the community.

6. Manage Resources Effectively

Board members have critical responsibilities in the key area of financial oversight. Important issues board members should address related to managing resources effectively include financial planning, reviewing the annual independent audit, and establishing accounting policies and procedures. The board must protect the earnings and the tax-exempt status of the organization, assist in developing the annual budget and ensure that proper financial controls are in place.

7. Determine and Monitor Programs and Services

One of the Board of Directors' roles is to determine organizational programs that are consistent with the mission and to monitor their effectiveness. The board has final responsibility for the achievement of the organization's goals and objectives.

8. Enhance Public Image

It is widely known that a positive community image is of great benefit to any organization. Clearly articulating the organization's mission, accomplishments, and goals to the public and the media, as well as gathering support from important members of the community, are important elements of a comprehensive public relations strategy. Board members can convincingly accomplish this for their organization. Conrad and Glenn agree that the best interpreters or links to the community are the board volunteers, as they know their respective communities and the constituencies within them. It is also the duty of the board to monitor the

community and professional image of their organization and develop organizational visibility through networking.

9. Serve as a Court of Appeal

The board must serve as a court of appeal in personnel matters. In order to reduce the possibility of this occurring, solid personnel policies, grievance procedures, and a clear delegation to the executive director of hiring and managing employees must be enacted.

10. Assess Its Own Performance

The board can recognize its achievements and shortcomings by regularly evaluating its performance. A self-assessment will help a board determine how well it is carrying out its responsibilities and identify areas that need improvement. Among the rewards of a board self-assessment is an increase in mutual understanding, trust, and communication among board members and with senior staff – essential qualities for a healthy organization. Evaluate the board's performance as well as each individual's contribution: complete a board "checkup" and promote good governance. Another idea to improve board performance is to incorporate board education into regular board business, a byproduct of which may very well be the establishment of enhanced group cohesion and teamwork.

Implicit in NCNB's ten basic responsibilities are the effective and successful recruitment and selection of committed, active board members. The nominating committee is often called the most important committee, since the future of the board and the organization is deeply affected by its work. Responsibilities of the nominating committee include ongoing cultivation and board development activities. There is an important connection between board development and the creation of a strong working relationship. Make the most of board meetings, open the lines of communication, and create opportunities for board reflection and learning. Create a board orientation manual to be distributed to all board members to include: a general board member job description, job descriptions for board officers, committee chairs and the Executive Director, and job descriptions for board committees. The manual can also include a history of the organization, a copy of the articles of incorporation, the bylaws, the organization's mission statement, and organizational chart, a description of program services, a current board roster, a calendar of events, and the annual budget.

The Executive Director's goal should be to develop a dynamic board that reflects the needs of the organization and to help the board learn and grow in its stewardship role. Essential to increasing the effectiveness of any organization is strengthening the board of directors and promoting positive change and innovation.