

TEN BASIC RESPONSIBILITIES OF NONPROFIT BOARDS

1. Determine mission and purpose

The board is responsible for ensuring that an organization has a statement of mission and purpose that articulates the organization's goals, means, and primary constituents served. At times in an organization's history, the board reviews and if necessary creates an updated mission statement, usually as part of a strategic planning process that involves thoughtful analysis of the organization's strengths, weaknesses, opportunities and threats from an internal and external perspective.

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 on a continuing basis that the chief executive has the moral and professional support and working environment that he or she needs to further the goals of the organization.

4. Ensure effective planning

Boards must be knowledgeable about and participate in annual fiscal, operational and program planning and in strategic planning processes at relevant periods in an organization's history, and assist in implementing and monitoring annual and strategic plan goals on a regular basis.

5. Build a competent board

Boards have a responsibility to articulate prerequisites for board candidates, establish clear systems for identifying, cultivating, approving and orienting new members, and periodically and comprehensively evaluate their own performance.

6. Protect assets and provide proper financial oversight

The board must understand the organization's financial and business model and financial statements, assist in developing and approve the annual budget, monitor annual financial performance on a regular basis throughout the year, and ensure that proper financial controls are in place.

7. Monitor, and strengthen programs and services

The board must be knowledgeable about the organization's programs and services – how these function and their value and impact. The board should seek to be informed on a regular basis about the performance and value of programs, to monitor consistency with the organization's mission and effectiveness.

8. Enhance the organization's public standing

The board should be able to clearly articulate the organization's mission, accomplishments, and goals and be willing to communicate their own commitment for the organization's work and purpose to the public and garner support from the community.

9. Ensure legal and ethical integrity

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

10. Ensure adequate financial resources

One of the board's foremost responsibilities is to secure and ensure adequate resources for the organization to fulfill its mission, in partnership with the chief executive and resource development staff. Each board member is responsible for making a personal meaningful financial commitment to the organization, and to finding ways in which they can participate directly in supporting the organization's revenue generation strategies.