



Why do nonprofit organizations have boards and what do they do?

Most nonprofit organizations are corporations, distinct legal entities, and separate from the individuals who founded them. They are governed by boards of directors with legal, fiduciary, and ethical responsibilities that cannot be delegated. Board responsibilities generally fall within the following four broad categories:

- **Legal & Fiduciary** – ensuring that the organization meets legal requirements, operates in accordance with its mission and for the purpose for which it was granted tax exemption. As stewards of a public trust, board members are responsible for protecting the organization’s assets.
- **Oversight** – ensuring that the organization is well run. It has the power and authority to hire and remove the executive director; and it moderates the power of management.
- **Fundraising** – as part of their fiduciary responsibilities, many board members are actively involved in making sure that the organization has the financial resources it needs. This may include a personal contribution; advocating with a foundation, government entity or corporation; organizing a fund-raising event or hosting a benefit; or direct solicitation of other individuals.
- **Representation of Constituencies & Viewpoints** – board members are often chosen because they can bring to the board the experience or perspective of a particular group or segment of the organization’s constituency. Or, they are chosen because they bring a specific set of skills or expertise. This provides the groups and communities served by the non-profit to have a voice in its governance. However, representing a constituency or viewpoint is put aside when voting---all board members are expected to vote with the organization’s best interest in mind.

Benefits of Board Service

- Know your skills are needed
- Make the nonprofit organization better
- Greater potential to effect change
- “Feel good by doing good”
- Enjoy collaborating with interesting people
- Learn new skills
- Enjoy being recognized
- Give back to community
- Make a positive impact
- Have fun



What should potential board members look for in a nonprofit organization?

Just as an organization evaluates a potential board member,
you should evaluate the organization.

Here's what potential board members look for:

- An effective chief executive officer
- The opportunity to meet personal needs, such as making a difference, expanding a professional network, building skills, etc.
- Clear, honest, thorough communication within all levels of the organization
- A board that knows how to govern effectively
- Well-maintained, professional-looking facilities
- Competent staff
- A healthy, stable budget
- High percent of involvement from board members, volunteers and staff
- A clear understanding of the mission by both the board and staff

Background Materials

Selected background information can provide a useful overview of the organization, the board's work, and the responsibilities of board members. Helpful materials include:

- The organization's annual report
- The most recent audited financial statement
- The long-range program and financial plans
- A list of current board members, titles, and all affiliations
- A description of board members' responsibilities
- A board organization chart
- A staff organization chart
- The organization's newsletter, brochure, or other publications
- Newspaper or magazine articles about the organization
- A brief biography of the chief executive officer