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Board Expectations and Responsibilities



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Objectives

Understand how boards function individually and collectively

Gain a useful perspective on what good governance looks like

Basic understanding of the roles and responsibilities of highly functioning boards



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PRINCIPLES & PRACTICES

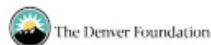
for Nonprofit Excellence in Colorado



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**Group Discussion: What
Brought you here? How do you
hope to serve your
organization as a board
member?**



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Board's Three Duties



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Duty Of Care

Definition- Must act as any prudent person would in a like situation.

In Practice-

- Financial Oversight
- Risk Management
- Compliance and Legal Oversight



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Duty Of Care in Practice

- Financial Oversight
- Risk Management
- Compliance and Legal Oversight



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Duty of Loyalty

It is important for directors to give their undivided allegiance to the organization, the board of directors and the organization's members. Directors must maintain confidentiality of board discussions and externally support all board decisions.



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Duty of Loyalty in Practice

- Avoiding Conflicts of Interest
- Fiduciary Responsibility
- Confidentiality
- Stewardship of Resources
- Supporting Organizational Mission and Values



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Duty of Obedience

Complying with federal, state and local law, adhering to the organization's governing documents, and guarding the organization's mission.



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Duty of Obedience in Practice

- **Compliance with governing Documents**
- **Fiscal oversight of Charitable Assets**
- **Adherence to Mission and Purpose**



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Board Responsibilities



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Compliance with Federal, State and Local Laws

- **Ensure that organization is in compliance with all state and federal laws.**
- **Ensure policies and procedures are in place to protect against wasting of charitable assets**



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Fiscal and Governance Policies

- The board should review and approval revised fiscal and governance policies.
- The board should seek to ensure proper accounting systems are in place.
- The board should develop a policy to clearly delineate the spending and decision making authority of the staff.



Involvement in Strategic Planning

- **Actively lead and engage in periodic review and revision of strategic plan for the organization**
- **The board should hold themselves accountable to the strategic priorities, goals and objectives of the organization**



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Review board composition and Governance

- **Review board size and structure based on size and need of the organization**



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Review of Organization

- Review Mission statement, bylaws and policies to ensure they reflect organizations growth and development



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Chief Executive Performance Review and Compensation

- **Annually, the board should conduct a performance review of the chief executive, including compensation.**
- **Support the professional development of the chief executive**



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Succession Planning

- **Short term and long term succession planning for the chief executive and key staff.**



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Monitoring Distribution of Assets

- The board should carefully review any distributions of the organization's assets



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Board Responsibilities: Development and Role in Community



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Fundraising

- **Board members should volunteer their time, assist in ensuring external sources of funds, and give financially to the organization.**
- **Nonprofits should strive toward 100 percent of board members making a meaningful financial gift annually.**



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Ambassadors and Liaisons

- **Board members should receive the training and education necessary to empower them to serve as ambassadors for the organization and its cause.**



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Orientation and Training

Board Orientation

Ongoing Board Training



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Bylaws and Board Expectations



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Purpose Of Board Bylaws

Reflection of 3 duties
for your organization

Guide board authority
and behavior

Describe specific
organizational board
procedures



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Officer Duties



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Chair or President



Vice Chair or Equivalent

Board
Leadership

Assume the
role of the
board chair
when the
chair is
absent

Support
board
chair with
planning



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Secretary

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graph LR; A[Ensures all board actions are documented] --> B[Ensures votes are counted and documented]; B --> C[Responsible for official communication with board members];
```

Ensures all board actions are documented

Ensures votes are counted and documented

Responsible for official communication with board members



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Treasurer

Ensures records are
maintained

Reviews financial reports

Liaison with accounts and
auditors



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Group/Independent Work Time

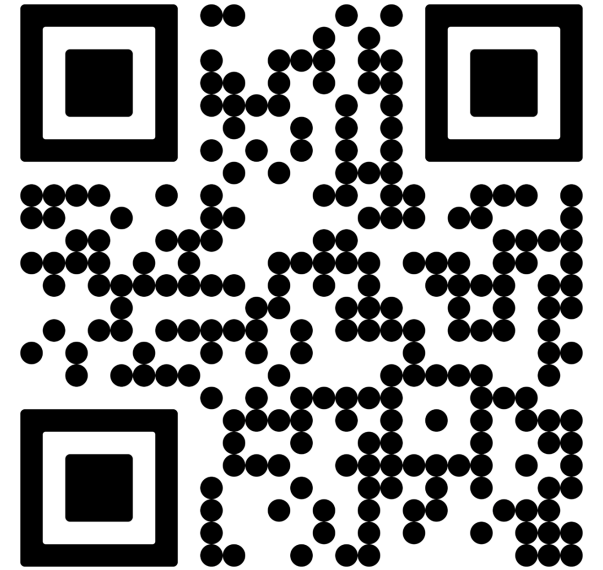
- What is your board doing really well?
- After today- what are some ways in which you see your board could make improvements?
- Overall- what are your biggest takeaways from this presentation?



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