

## Nonprofits: A Roadmap for Effective Board of Directors Governance



Understanding the board of directors' role in governing a nonprofit organization is just the first step to ensuring the organization's well-being. Because nonprofits are an integral part of the community, improving the quality of life for so many people, it's important to recognize and address the serious operational and financial challenges that jeopardize their existence. Use this checklist to accomplish your mission and goals and ensure your board can effectively meet the organization's challenges.

### Responsibilities of the Board of Directors

- Advocate for the organization's mission, values and vision.
- Provide a strategic vision to accomplish the mission of the organization.
- Monitor fiscal management and maintain accountability to funders and donors.
- Review and approve the annual budget, major program plans and organizational policies.
- Ensure that adequate resources are available to the organization.
- Evaluate the overall effectiveness of the organization.
- Hire and evaluate the executive director.
- Represent public need and interest within the organization.
- Act as a fiduciary representing the community.

### Responsibilities of Individual Board Members

- Participate actively in meetings and decision-making and contribute time beyond meetings.
- Ask questions.
- Be an advocate by being well informed about what the organization does, how it

does it and the environment in which they operate.

- Promote the organization's purpose and programs in the community in an effort to raise funds.
- Give to the organization.
- Act as a fiduciary.

### What a Board of Directors Does Not Do

- Hire, evaluate or fire staff other than the executive director.
- Approve individual bills for payment.
- Involve itself with the organization's day-to-day operations.
- As individual or committees, issue instructions that represent changes in fiscal, personnel or program policies without formal action having been taken by the full board.

### Items to Consider When Creating a Board Member Job Description

- Keep it brief, it should be no more than one and a half pages.
- You must develop your own job description tailored to the organization's mission, values and ultimate vision.
- Items to include:
  - A general description of the board's responsibility
  - A description of how the board works
  - A list of responsibilities of individual board members
  - A specific list of approximate time requirements of board service
- Review and revise as necessary.

### Board of Directors Steps to Success

- Articulate and publicize the mission of the organization.

- Set long-term and annual goals for accomplishing the mission.
- Identify an appropriate board and committee structure.
- Set term limits and procedure for rotation and recruitment of new members.
- Create the proper relationship for working with the organization management. That includes setting objectives, measuring progress and rewarding success.
- Continue to educate the board's members on the mission, objectives, operations and needs (especially financial) of the organization.
- Create and manage a fund development mentality and action plan within the board (gifts and sponsorships are better than events).
- Board members must coach and mentor newer board members.
- Give board members real work to do and the information and support they need to get it done.
- Celebrate successes and then set higher goals – always get better in the service of the organization's constituency.

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