



# Board Roles and Responsibilities: Governance Basics and Promising Practices

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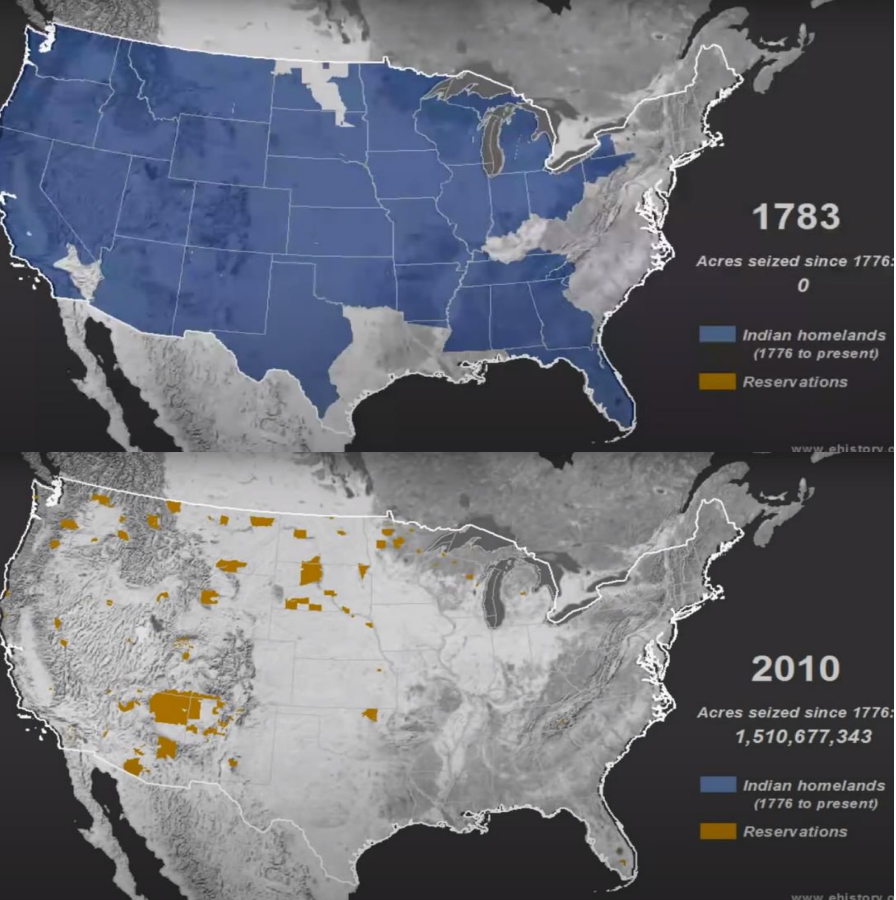


# CEN

*Center for Excellence in Nonprofits*

**Our mission is to improve the long-term sustainability of nonprofit leaders and organizations by offering the highest quality programs, consultation, training and community-building networks.**





# Land Acknowledgment

Past, Present, and Future Outlook



*“We are still America. We know the rumors of our demise. We spit them out.”*

**-Joy Harjo, *An American Sunrise***

Poet Laureate, musician, playwright, and author

Native Governance Center



What happens here is...



# Icebreaker

1

**Name and  
Pronouns**

2

**Organization  
and Position**

3

**What do you  
hope to learn  
today?**





I

Inclusion

D

Diversity

E

Equity

A

Access

L

Liberation



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# Objectives

- 1** Explore the expectations and individual commitment of becoming a nonprofit board member

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- 2** Gain a clear understanding of the roles and responsibilities of nonprofit boards & best practices for governance

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- 3** Clarify the board's role in establishing accountability for incorporating IDEAL principles into board and organizational practices

# Board Responsibilities

“In a world of well-defined problems, directors are required to exercise influence over volatility, manage uncertainty, simplify complexity, & resolve ambiguity in the 21<sup>st</sup>-century environment.”

- Pearl Zhu

Source: [https://www.goodreads.com/author/show/11041272.Pearl\\_Zhu](https://www.goodreads.com/author/show/11041272.Pearl_Zhu)



# Why is Board Governance Important?



# Different Types of Boards



“Working” Boards

“Governing” Boards

“Fundraising” Boards



# Working Boards

- Tend to actively facilitate the hands-on work of the program
- Many startup organizations begin with the working board



# Governing Boards

To Govern is to steer, to control & influence from a position of authority.

- Board Governance is a system of agreements, practices, & policies that help the board work effectively & make good decisions.
- Boards come in a variety of structures, compositions, etc., but they are always where the proverbial “buck stops.”



# Fundraising Boards

Actively engage and support the resource development.

- Boards - as a group - should understand and help create the vision for resource development strategies
- Boards monitor progress against fund development plans

# Private vs. Nonprofit Boards

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## Private Boards

- Board members represent the shareholders
- Profit is the bottom line
- Paid board members
- Chair and CEO are the same person
- Legalities, risk, and conflict of interest are different

## Nonprofit Boards

- Board members represent public interest
- Mission is the bottom line
- Most often volunteer board members
- Board Chair and ED/CEO separate
- Fundraising responsibilities

# Board vs. Board Members



GOVERNANCE	SUPPORT
Board acts as one body	Board members act as individuals
Staff acts under direction of Board	Board acts under direction of staff
Legal oversight	Acting as ambassadors
Policies	Volunteering
Financial oversight	Fundraising
Efficiency and Impact	Giving advice

# Typical Board Committees

Financial Committee

Audit Committee

Fundraising Committee

Governance Committee

Executive Committee



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# Committee Charters

## Every committee needs one

- Record the purpose of the committee charter: What is it responsible for achieving?
- Committee is accountable to the full board
- Agree on meeting logistics and responsibilities
  - Length of time expectations (standing vs ad hoc)

# Term Limits: Pros

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- Bring new ideas and new perspectives
- Avoid stagnation, tiredness, boredom, and loss of commitment
- Provide opportunities to change and improve group dynamics
- Provide a respectful and efficient mechanism for exit of board members
- Enlarge your circle of committed supporters as members rotate off the board
- Enable the board to adjust its membership to reflect organizational changes and reflect the community it serves

# Term Limits: Cons

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- Potential loss of expertise or insight
- Potential loss of organizational memory
- Need to dedicate more time to the identification, recruitment, and orientation of new board members
- Need to dedicate additional time to building the cohesiveness and structure of the board as members rotate on and off

The downside of term limits can be mitigated  
by good governance practices.



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## Components to Consider

The Work

The  
People

The  
Impact

The  
Culture

# Governance Trends/Issues



Building board  
diversity

Awareness of  
corporate  
culture

Understanding  
of organizational  
strategy

Ensuring cyber-  
security

Using technology  
effectively

Dealing with  
non-performing  
board members

Implementing  
leading practices

# Overview: Roles & Responsibilities

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## The Board

- Setting Organizational Direction
- Ensuring Necessary Resources
- Providing Oversight

## Individual Board Members

- Duty of Care
- Duty of Loyalty
- Duty of Obedience
- Ambassadors for the Organization
- Volunteers for the Organization

# Responsibilities of Individual Board Members



Actively Participate

Be Informed

Fundraise/Donate

Promote the Organization

Safeguard Ethics & Values

Volunteer & Give Advice



# Three “Hats” Board Members Wear

Legal

Ambassador

Volunteer



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# Legal Hat: The Three Duties

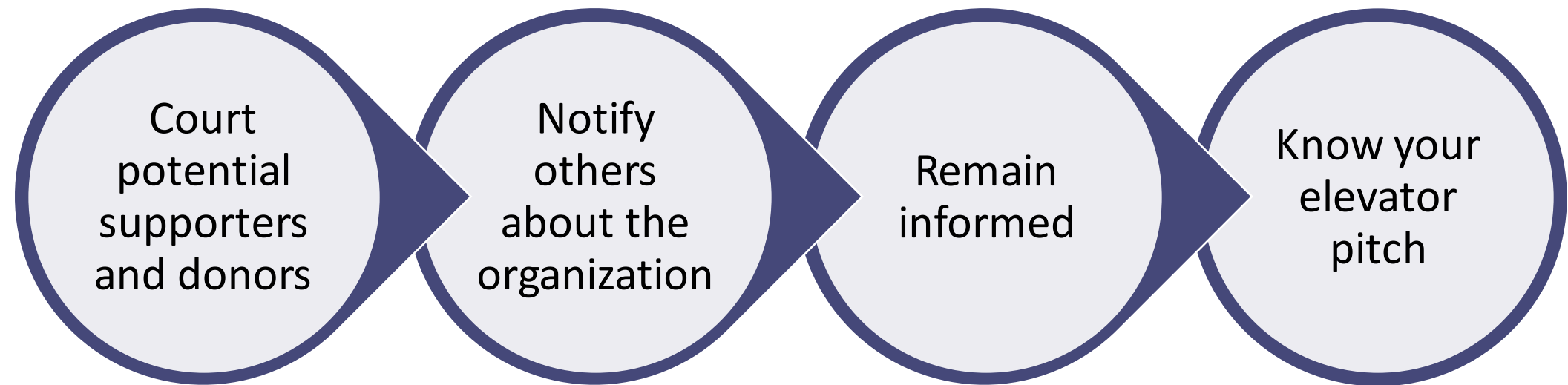
**Duty of Care**  
Use your best judgment, actively participate

**Duty of Loyalty**  
Avoid conflicts of interest, put aside personal interests for the good of the organization

**Duty of Obedience**  
Stay true to the Mission, obey the law, act ethically



# Ambassador Hat





# Volunteer Hat

- Worn by a person who, by choice, undertakes or expresses a willingness to participate in board service
- Eager to use their strengths, interests, time, and talent to meet organizational goals



# Board Role 1:

## Set Organizational Direction

Develop and  
maintain a focus  
on mission



Philosophical and  
strategic (long-  
term) planning



Not necessarily  
tactical (annual)  
planning



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# Strategic Planning





# Board Role 2: Provide Oversight

- Program
- Financial
- Risk management
- Legal and moral oversight
- Evaluation of Chief Executive
- Evaluation of the Board



# Board Role 3: Ensure Resources

Identify resources needed

Establish policies for how these resources will be acquired

Determine how board members will participate in resource development





# Board Role 4:

## Ensure Resources With A Positive Public Image

- Accurate image and positive reputation will influence organizational resources
- Success depends on external relationships
- Board needs to ascertain that stakeholders are kept informed and establish reciprocal communication





# Board Role 5: Ensure Adequate Financial Resources

- The full board participates in various ways:
  - Contribute financially
  - Help develop a fundraising plan
  - Support the organization's solicitation efforts
- Ensure adequate resources for the organization to remain financially viable

# **Individual Board Member Participation in Fundraising**

- Make a meaningful contribution (give/get)
- Identify, evaluate, and cultivate prospects
- Make introductions
- Organize and attend special events
- Attend face-to-face solicitations
- Write or sign appeal letters
- Thank donors

# Why 100% Board Giving?

- Demonstrates personal commitment
- Gives board members confidence to ask others to give
- Encourages other funders to give
- Creates board member “ownership”





# Board Role 6: Ensure Human Resources

## Board has 2 management responsibilities:

- Manage the CEO
  - Select, support, evaluate
- Manage themselves

# Characteristics of an Effective Board-Executive Partnership

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Shared  
understanding  
of mission

Clear roles and  
responsibilities

Open and  
honest  
communication

Mutual respect

Two-way  
evaluation

# Clarifying Expectations to Ensure Resources

## Board Members

Board Member Expectations

Board Member Commitments

Board Evaluation

Recruitment/Development Plan

## Executive

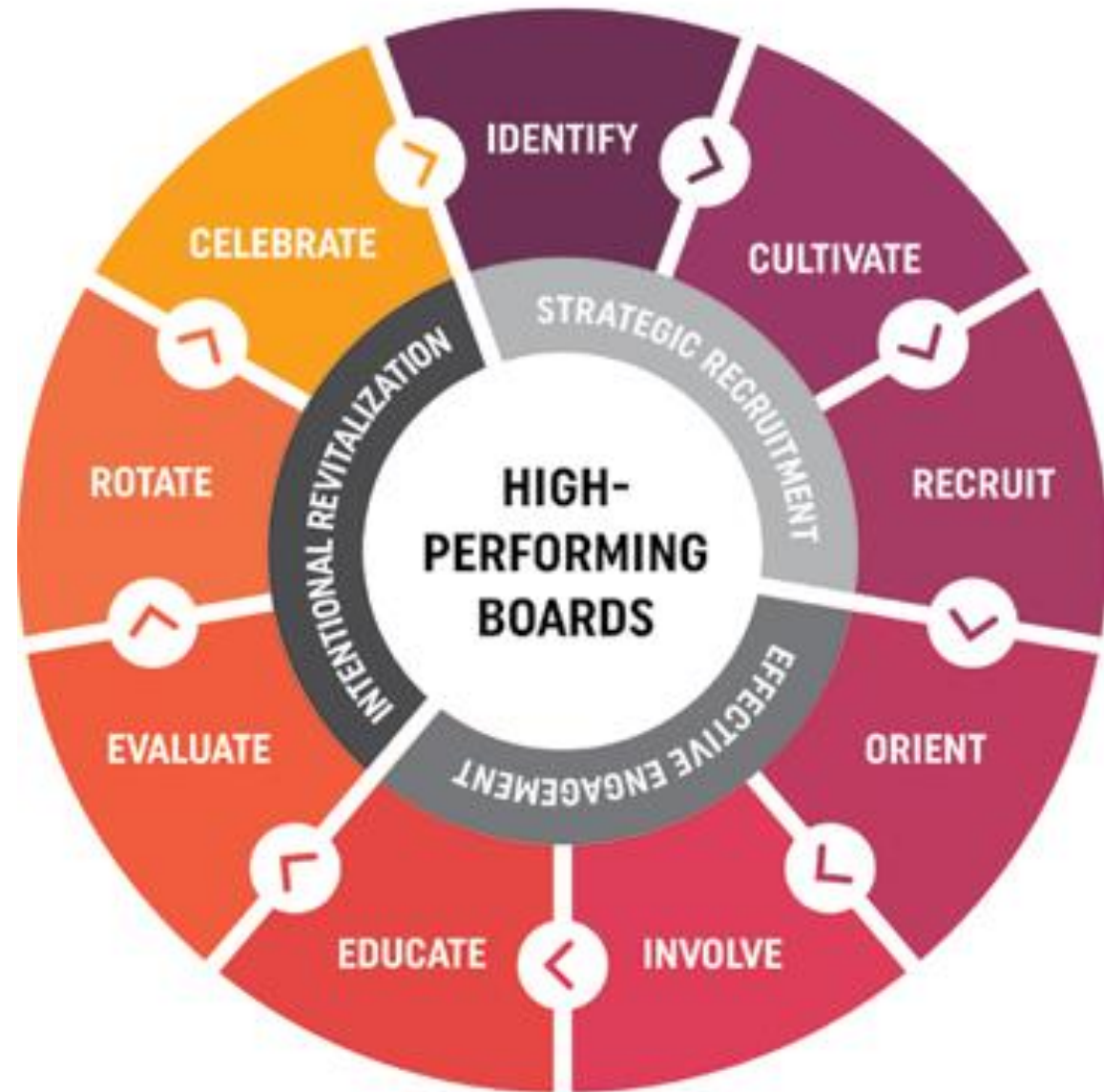
Job Description

Performance Expectations

Annual Review

Succession Plan

# The Board Building Cycle



**The Organization:** TV Food Bank

**The People:** Board, Matt *the board chair*, Community

**The Situation:** Matt is a white male in his late-fifties. He has recently joined the Tri-Valley food bank as the board chair. During his tenure over the years he has been an integral part of helping the board move toward better governance. The board has established new goals for Matt’s first year as board chair including recruiting new board members. During their board audit, the board determined that there was a huge need for more diverse voices and the voices of people with lived experience.

**Tasked with the responsibility of finding, recruiting, and onboarding diverse voices and people with lived experience, how should Matt go about this?**





# Takeaways

# Your feedback is valuable!



t h a n k y o u

