

Board Basics for Villages

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Objectives

- Purpose & Role of Village Board of Directors
- Best Practices in Village Governance
- Review Basic Responsibilities of Board Members
- Examples of Good Governance
- Resources

Why do Boards Matter

1. Nonprofits are legally required to have boards of directors (NYS minimum of 3 directors)
2. Boards are the holders of the fiduciary responsibility of the organization
3. Boards are required to ensure the delivery of the mission
4. Boards fulfill the tax-exempt status of the organization

Board Roles & Responsibilities

- ▶ Ensure that the mission, vision and values are reflected in Village operations
- ▶ Ensure the necessary resources are available to deliver services
- ▶ Providing oversight, establish policies, risk management, monitor progress on goals
- ▶ Board operations, strategic planning, staff performance reviews

Fundamental Legal Duties

- Duty of Care — Each board member has a legal responsibility to participate actively in making decisions on behalf of the organization and to exercise his or her best judgment while doing so.
- Duty of Loyalty — Each board member must put the interests of the organization before their personal and professional interests when acting on behalf of the organization in a decision-making capacity. The organization's needs come first.
- Duty of Obedience — Board members bear the legal responsibility of ensuring that the organization complies with the applicable federal, state, and local laws and adheres to its mission.

Board Recruitment

Find the Right Board Members

- Set up a Nominating Committee
- Start Your Board Member Search With Your Volunteers
- Make your donor database your best friend
- Diversify Your Board By Broadening Your Search
- Use Board or Volunteer Recruitment Websites and Social Media

Board Recruitment

Look for new board members

- ▶ Individuals active in the community
- ▶ Other boards (schools, United Way, non-village members)
- ▶ Begin at least 6 months prior to transition
- ▶ Strategic partners
- ▶ Conduct board training (provide copies of organizational documents: Articles of Incorporation, Bylaws, Mission Statement, meeting minutes...)
- ▶ Detail board role and responsibilities
- ▶ Personalize what new board members can contribute to the board (talents or skills)

Role of the Board

A nonprofit governing board is expected to represent the public trust by ensuring that the organization carries out the purposes for which it was established and as expressed in its Articles of Incorporation and Mission Statement and that it does so in a responsible and accountable fashion.

Role of the Board

1. Determine mission and purpose and advocate for them.
2. Ensure effective planning.
3. Monitor and strengthen programs and services.
4. Ensure adequate financial resources.
5. Protect assets and provide proper financial oversight.
6. Build a competent Board.
7. Ensure legal and ethical integrity.
8. Enhance the organization's public standing.

Board Expectations

- Attend all board meetings
- Start and end meetings on time
- Study and understand the organizational structure, Articles of Incorporation, Mission Statement, Bylaws, and strategic/business plan
- Prepare for meetings by reviewing the agenda and supporting documents
- Stick to established agendas during board meetings
- Treat information and discussions as confidential
- Be respectful of people and ideas

Board Tools

- Values statement
- Vision statement
- Mission statement
- Imperatives
- Strategies & Goals



Board Tools

- Board job descriptions
- Committee and advisor job descriptions
- Organizational documents (Articles of Incorporation, Bylaws...)
- Meeting minutes & strategic/business plan
- Board orientation manual
- Board development training
- Evaluation([self](#) or consultant)

Attributes that contribute to Board effectiveness

- Skills and knowledge
- Process
- Information
- Behavior



Create & Sustain Effective Board

- Ensure adequate orientation that describes the organization and its unique services, and how the committee contributes to this mission.
- Ensure committee chairs understand and can convey the role of the committee to members, and that the chair and members have up-to-date job descriptions.
- Have ground rules that support participation and attendance. Revisit the ground rules every other meeting and post them on the bottom of agendas.
- Generate minutes for each committee meeting to get closure on items and help members comprehend the progress made by the committee.
- Consider using subcommittees to increase individual responsibilities and focus on goals.

Create & Sustain Effective Board

- Welcome and train each new board member.
- Make sure members have opportunities to get to know one another.
- Make sure everyone says something during the meeting.
- Bring in experts to lead discussions on different topics.
- Be sure to find a balance between bigger issues and the day-to-day work of the organization.
- Make sure each Board member has responsibility for something.

Demonstrate Accountability and Transparency

- Code of ethics & statement of values
- Conflict of interest policy
- Cybersecurity
- Document retention policies
- Ethical fundraising
- Financial management
- Financial transparency
- Good governance policies
- Internal controls
- Public disclosure policy
- Saying 'thank you' to donors
- Whistleblower protections

Nonprofit Governance Sources

- ▶ BoardSource: www.boardsource.org
- ▶ Blue Avocado: www.blueavocado.org
- ▶ Bridgespan: www.Bridgespan.org
- ▶ CompassPoint: www.compasspoint.org
- ▶ Giving USA: www.givingusa.org
- ▶ GuideStar: www.guidestar.org
- ▶ The Foundation Center: www.foundationcenter.org
- ▶ National Council of Nonprofits: www.councilofnonprofits.org
- ▶ National Center for Charitable Statistics:
www.nccsweb.urban.org
- ▶ Pro Bono Partnership: www.probonopartnership.org

It doesn't matter how many resources you have.



If you don't know how to use them,
it will never be enough.

