



## **Board of Directors Duties**

Board of Directors have certain legal obligations, known as duties, no matter what organization or business they govern. While the details may vary from state to state, these are the common legal responsibilities for all members of boards.

### **Duty of Care**

The duty of care means that a board member is expected to exercise the same level of judgment that any other competent and prudent person would exercise in a similar situation.

### **Duty of Loyalty**

The duty of loyalty is being faithful to the organization -- never use information obtained as a board member for personal gain. Act always in the best interest of the organization and avoid any semblance of conflict of interest.

### **Duty of Obedience**

Once the board makes a decision or sets policy, an individual board member must exercise the duty of obedience and is not permitted to act in any way inconsistent with the policies or the goals, ensuring that the public trust is never compromised.

## Board of Directors Roles

The role of a non-profit board member is comprised mainly of three activities. As an organization you can decide how to divide up the time percentages. The percentages listed are only a suggestion.

### **1. Serve as a link between the organization and its stakeholders.**

- 60% of board work
- Be an advocate and spokesperson.
- Believe and actively support the mission.
- Ensure a solid base of resources. This means fundraising! This can be done by directly donating, soliciting donations or sponsorships from others, using influence, making connections, supporting effort to boost event attendance or recruiting others to fund raise.
- Look outward to help grow the vision, promoting community development.

### **2. Setting the governing policies that, at the broadest level, address:**

- 25% of board work
- Define the mission of the board. Periodically review & update the mission statement to assure it remains relevant to the community we serve. Determine how best to sustain the mission.
- Determine the programs and services.
- Develop a strategic plan for the board by working with staff to address long-term goals, program objectives & outcomes. Periodically evaluate & update the strategic plan to assure it remains relevant and that the goals, objectives & outcomes have been satisfied.
- Establish governance processes. This includes, but is not limited to, how the board operates (bylaws); self-evaluation of its performance; recruit appropriate board members as vacancies occur.
- Comply with all applicable laws, regulations, bylaws and policies.
- Balance the board/executive relationship, assuring power is delegated appropriately and its proper use is monitored.

### **3. Monitor the organization operations.**

- 15% of board work
- Hire and evaluate the performance of the executive.
- Work with and provide support to the executive. A board member's role is limited to governance and the executive is responsible for daily operational activities. The executive is the liaison between the board and the staff.
- Oversight of programs, not the day to day workings
- Approve the annual budget, contracts, and grants