
TRANSITION TOOLS

Not-for-Profit Board Articles

PREPARED FOR

Clients of MyNextSeason

The purpose of this packet is to give you the best information available about the responsibilities and expectations of not-for-profit board members. As you consider board service, look for causes which resonate with you. The best not-for-profit board members embrace not only the mission of the organization, but the methods used to address the needs and causes. Volunteering, meeting with staff and attending programming are low risk investments to ensure a good match. Serving on a not-for-profit board can be part of an impactful and fulfilling next season and helpful in meeting new people to meet other next season goals.

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WHAT DOES BOARD SERVICE ENTAIL?

How the three main roles of the board relate to the 10 basic responsibilities of nonprofit board members:



The three legal duties of a nonprofit board member:

Care

Pay attention to the organization's activities and operations

Loyalty

Put the interests of the organization before personal and professional interests.

Obedience

Comply with applicable federal, state, and local laws; adhere to the organization's bylaws; and remain the guardians of the mission.

How current boards rate themselves on the ten basic responsibilities:

Responsibility	CEO	Chair
 Mission	A-	A-
 Financial Oversight	B+	B+
Legal/Ethical Oversight	B+	B+
CEO Support	B	B+
Strategy	B-	B
CEO Evaluation	B-	B
Monitors Performance	B-	B
 Community Relations	C+	C+
Board Composition	C	C+
Fundraising	C	C

Sources: [Board Fundamentals](#), [Ten Basic Responsibilities of Nonprofit Boards](#), [Leading with Intent](#), [Legal Responsibilities of Nonprofit Boards](#)

How to Properly Approach Nonprofit Board Service

May 8, 2015 by Jane Barnet



Most people see nonprofit board work as a way to give back. And it is. But board service also offers significant benefits to you.

Here are three good reasons to serve on a nonprofit board:

Networking. If you are looking for a new job or career, nonprofit boards offer a tremendous opportunity to make connections with other professionals. Look around the table, and you will find professionals at different career stages who have interesting connections and also share a common interest. Your board colleagues are an important part of the experience.

Build your resume. Along with contributing your professional talents for a good cause, nonprofit board service also offers a way to hone new skills. Cynthia Remec, executive director at , a leading personalized board recruiting resource for the nonprofit community in New York, New Jersey and Connecticut, told us: “A board member who’s short on substantive leadership experience, for example, may soon find he’s able to update his resume with a description of the committee he ran, along with a detailed account of its objectives, goals and achievements. Board members are often challenged in ways that are wholly different from the demands of their day jobs, allowing them to grow professionally.”

Fulfillment. Serving on a nonprofit board is a much deeper and time-consuming commitment than making a gift to a worthy institution. Board membership involves service. It ought to deliver rewards beyond career success. As Winston Churchill said, “We make a living by what we get, but we make a life by what we give.”

And here are three key considerations to think about before joining:

Expect to give. If you would not make a financial gift to the organization, do not join the board. Board members you speak with should be forthright about board giving. , author of *On Board: What Current & Aspiring Board Members Must Know About Nonprofits and Board Service*, said, “The organization already should be or should become one of your top three philanthropic priorities. You can’t ask others to support an organization that you do not.” If the organization doesn’t bring up giving, you should. Is there an expected minimum? Is there a give or get? Is there a scale? Your expectations and theirs should match.

Do your homework. Choose to serve on the board of an organization whose mission resonates with you. But that's just the beginning. Try to sit in on a board meeting before you agree to join. Board service includes fiduciary responsibility. Look at the annual report and audited financials. Find out if there is board insurance. You also want to know a little about staffing levels and volunteer versus professional expectations. Ask for the board roles and responsibilities in writing—giving included. You are a volunteer, your time is valuable, so it's smart to exercise due diligence.

Have realistic expectations. You need to learn that you have wisdom, but not all the answers. **Miriam May WG84** went from a job as vice president at Citigroup to a position at a regional United Way organization.

“It was a rude awakening. I should have served on a nonprofit board first. I quickly discovered that nonprofits have a complex set of stakeholders. Clients, collegial competitors, donors, the board, committees, volunteers, community members and national umbrellas can all complicate a nonprofit's ability to execute its mission effectively. Additionally, there is much to accomplish with far fewer resources,” said May, who has gone on to serve on a variety of nonprofit boards, found nonprofits, and serve as a consultant to nonprofits and banks.



Fred Strobel joined the board of Tuesday's Children in 2012. Another director at the charity who works for Tradev accept a top post there last year. Photo: Parker Eshelman/The Wall Street Journal

Nonprofit Boards Offer Career Boosts for Executives

Directorships help strengthen leadership skills and connections with high-powered players

By Joann S. Lublin
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Oct. 4, 2016 10:44 a.m. ET 1 COMMENTS

[WSJ](#) | Sept. 6, 2016

Executives are doing good for others—and good for their careers—by joining boards of nonprofit organizations.

Consider Fred Strobel. In 2012, the [Morgan Stanley](#) executive became a director at Tuesday's Children, created to aid youngsters who lost a parent during 9/11 terrorist attacks. John Cahalane, a Tradeweb Markets LLC executive on the charity's board, wooed Mr. Strobel to accept a top post at the trading platform operator last year.

Nonprofit board experience can help senior managers strengthen their leadership skills and connections with high-powered players. They may get to “display abilities they don't demonstrate at their employer, such as strategic planning or fundraising,” says Marilyn Machlowitz, an executive recruiter who works only with nonprofits.



— ADVERTISEMENT —



But unpaid nonprofit directorships often require considerable time and money, making it critical to choose the right one, experts say. Ideally, an executive “is really, really driven by passion to join a board” and works for a company also committed to that cause, says Joan Garry, a strategic adviser for nonprofits.

One-fourth of nonprofit board members took seats to advance professional or personal interests, concluded a recent survey of 2,302 directors at 84 major U.S. nonprofits by recruiters Russell Reynolds Associates Inc. Most of those polled were corporate executives.

More executives are looking to serve on nonprofit boards because “they operate in an increasingly competitive and networked world,” says Gary Hayes, a leadership and succession specialist at the search firm. The experience “builds our networking further,” he adds.

More than 1.8 million such board seats turn over annually, estimates Cynthia Remec, executive director of nonprofit BoardAssist, which matches potential directors with nonprofits.

Charities, foundations and universities increasingly are looking for more than just “give and get”—money from board members' wallets and donors'. Many

nonprofits face [greater pressure to operate efficiently](#). So they want highly skilled directors willing to donate intellectual capital as well, Ms. Remec says.

Mr. Strobel, a veteran human-resources executive, brought extensive management know-how to Tuesday's Children. He was soon named a board vice chairman. He served as a key fundraiser for its annual gala and asked prior corporate donors to buy tables again.

During his first fundraising effort in 2014, Mr. Strobel got to know Tradeweb's Mr. Cahalane. Their bond deepened after Mr. Cahalane joined the charity's board. Mr. Strobel recollects that he previously "didn't really know people outside the Morgan Stanley world." His latest job, running HR for Tradeweb's U.S. operation, offered a chance "to get significantly different and broader experience," he says.

For Christopher Blunt, joining the board at YMCA of Greater New York in 2012 enhanced his effectiveness as investment group president at New York Life Insurance Co. The provider of life insurance, retail mutual funds and asset management already supported that YMCA's after-school program.

Mr. Blunt says he grew better at recruiting senior management for his employer after he assisted with the hunt for a new YMCA chief executive last year. He gained insights from a banker who served with him on the board search committee.

"She followed up on a candidate's initial answers to probe more deeply into their decision making," Mr. Blunt says. And she insisted that possible CEOs solve specific problems to see "how people think on their feet," he adds.

During job interviews for New York Life, Mr. Blunt now presses harder with prospects to get a sense of how they handle stressful situations, he says. He and fellow interviewers also spend more time discussing whether a contender would be a good cultural fit. In June, Mr. Blunt took command of the YMCA board.

Other busy executives must relinquish their nonprofit directorship because of lack of time. In the late 1990s, a Chicago colleague persuaded recruiter Ginny

Clarke to join the board of Youth Guidance, which counseled minority students at local schools.

Ms. Clarke traveled so much for work that she resigned after missing three of the group's next eight board meetings. She says she later devised ways to handle the chairmanship of a different nonprofit because she felt passionate about Chicago Sinfonietta, a professional orchestra that promotes diversity. Her two-year stint, which ended last year, helped her land a job as a Google recruitment executive this summer.

“Join a nonprofit board to learn to be a better leader,” Ms. Clarke recommends. “Don't do it as a résumé builder.”

Sometimes, an executive's board involvement with a nonprofit can serve as a springboard to full-time employment. But leaving the business world for a nonprofit arena can be difficult—as Fidel Vargas discovered.

The successful private-equity executive says he lost sleep debating whether he should pursue the top job at the Hispanic Scholarship Fund four years ago. Already a board member, he had received \$9,000 in fund scholarships while a Harvard undergraduate and M.B.A. student.

“I was conflicted,” Mr. Vargas recollects about his disrupted sleep. “You make a lot more money in the private sector,” he says. Still, money “wasn't the most important thing to me either.”

Mr. Vargas quit as a managing partner of Centinela Capital Partners and became the fund's president and CEO in January 2013. He says he found it difficult to take a 45% pay cut, and stopped treating family and friends to extravagant meals.

“The biggest adjustment was working harder than I was in my prior job,” the nonprofit leader says. “During the first few months, I was the first one here and the last one to leave”—usually 13 hours later.

Write to Joann S. Lublin at joann.lublin@wsj.com



What Makes a GOOD BOARD MEMBER?

While all effective board members understand and meet their basic responsibilities, truly exceptional board members do more. They go beyond the basics and pay attention to *how* they approach board service. These six characteristics build on straightforward board duties and focus on key traits of exceptional board members.



BOARD CHAIRS: CREATE A PARTNERSHIP WITH THE EXECUTIVE DIRECTOR OR CEO.

The partnership between a nonprofit's board chair and CEO is one of the most important elements of a strong board and a successful organization. However, developing this relationship takes work and commitment from both individuals.

The role of chief executive can be lonely, so having a trusted colleague in the board chair is invaluable. A good board chair ensures lines of communication are open and serves as a much-needed sounding board for the CEO.



Don't Do: Board chairs shouldn't shy away from, or overreact to, bad news. A strong board chair-CEO relationship is built on trust. The CEO should be just as comfortable sharing bad news as good.



FOCUS ON LISTENING, NOT JUST PARTICIPATING.

To encourage robust discussion during board meetings, board members must be prepared to listen as well as engage. Exceptional board members are careful not to dominate discussions and ensure that everyone, including quieter board members, have a chance to share their opinions. Additionally, it is important to understand the reasoning behind individuals' comments, even when board members do not agree. After listening carefully to others' views, the board can work together to build consensus.



Don't Do: Avoid creating a homogenous board in which consensus is based solely on similar experiences and opinions. Diversity enhances decision making, so incorporating a number of different perspectives in discussions helps the board arrive at the best result.



UNDERSTAND THE BALANCE BETWEEN GIVING THE CEO AMPLE ROOM TO MANAGE THE ORGANIZATION AND ENSURING THAT ETHICAL STANDARDS ARE MET.

Board members are overseers, not implementers. The chief executive is in charge of managing the day-to-day activities of the organization, and the board should be careful not to [micromanage](#). Instead, board members are responsible for bringing complex, big-picture questions and opportunities to the organization.

However, the board must also ensure adherence to legal standards and ethical norms. Adopting a “hands-off” management approach does not mean that board members can turn a blind eye to ethical improprieties. All board members should be familiar with the organization’s bylaws and understand how best to respond to any ethical issues that might arise.



Don't Do:

When introducing issues or programs for the board

to consider, board members should be careful not to push their personal agendas. The needs of the organization should always come before personal connections and pet projects.



ASK “NAÏVE” QUESTIONS THAT OTHERS WANT TO ASK BUT MAY SHY AWAY FROM.

One of the most important roles of nonprofit board members is to ask questions. The board should constantly assess current and proposed projects to ensure they serve the organization’s mission and are setting the organization up for success.

In addition to bigger picture questions, exceptional board members are not afraid to ask what may seem to some as simple, more straightforward questions as well. Oftentimes, a more nuanced organizational business practice can take time to understand, or a new board member might not be familiar with the organization’s history. Good board members are not afraid to ask naïve questions because they trust their own instincts and want to improve their knowledge of the organization.



Don't Do: While asking questions is beneficial, board members must be prepared for rigorous discourse by reading all the materials provided to them during new board member orientation and in advance of a board meeting. Posing a question that has been answered in the materials provided may show a lack of attention or interest.

WHAT MAKES A GOOD BOARD MEMBER?



SERVE AS AMBASSADORS FOR THEIR ORGANIZATIONS AND UNDERSTAND THE RESPONSIBILITY THAT COMES WITH THAT ROLE.

As ambassadors, board members represent the board outside the boardroom. This can range from talking with colleagues and friends about the good work the organization does to attending meetings with legislators. Board members serve as a link between the organization and its members, stakeholders, constituents, and clients and are responsible for educating influencers and the community about the importance of the organization's work. For more information on board members' roles as advocates, visit [the Stand for Your Mission campaign](#).



Don't Do: While it is important to discuss the organization's work outside of the boardroom, board members must be careful not to gossip about confidential matters. No matter how informal the situation might seem, internal matters of the organization should remain just that — internal.



Above all else, good board members enjoy their role. They are passionate about the work of the organization and interested in learning more about its mission and the community served. Board meetings should not be seen as a chore; instead, they can help board members connect with their peers and maintain enthusiasm for their important responsibilities.

REMAIN ENERGETIC IN LEARNING ABOUT AND HELPING THE ORGANIZATION.



Don't Do: Be wary of board members who have lost their excitement for board service. Occasionally, fatigued or irritable board members are a sign of problems with the staff or board processes, but a lack of enthusiasm might also mean it is time for certain members to roll off the board.

Adapted from a featured speech at the 2007 BoardSource Leadership Forum by Susan V. Berresford, then president and CEO, Ford Foundation.



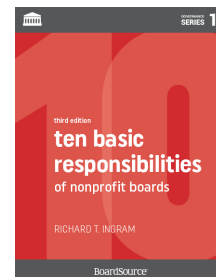
HELPFUL RESOURCES



[Board Fundamentals](#)



[Culture of Inquiry](#)



[Ten Basic Responsibilities of Nonprofit Boards](#)



[The Board Chair Handbook](#)

GuideStar **Blog**

Inside the Mind of a Board Candidate: Seven Questions for Which You Need Ready Answers

by **Kay Sprinkel Grace**, on 3/25/19 8:00 AM

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Anyone you hope to recruit to your board has questions, often unspoken, that you need to answer if you want their meaningful commitment. I'll focus on seven such questions here. In my book, [The Ultimate Board Member's Book](#), you'll find others, as well as the answers board candidates find most satisfying.

WHY WAS I RECRUITED?

Increasingly, board members are recruited according to a matrix. The existing board is analyzed to determine the areas where it needs strengthening. These criteria are drawn from your organizational plan, with the goal of building a board whose qualities will best support your vision and goals. Say you're attempting to recruit a marketing whiz for your board. Make it clear to him or her that he or she may well be asked to



Image by Anemone123 on Pixabay

chair the marketing committee and its planning process. The same with any financial or insurance professional.

WHAT DOES THE JOB ENTAIL?

Whether you enlist with a formal contract or simply a handshake, there's no escaping the fact that anyone joining your board is signing on for a wide-ranging set of responsibilities. They need to be told that at any given time, they may be called upon to be ambassador, compliance officer, policymaker, fundraiser, advocate, or manager. They also need to understand that good board members attend meetings, ensure appropriate financial, legal, tax, and personnel review procedures, and debate and formulate new policies when needed.

HOW MUCH OF MY TIME WILL YOU NEED?

Whether you're recruiting a new board member or someone to serve on a standing committee, be unequivocally clear about the time commitment. The number of meetings. The number of committees. The number of hours spent in fundraising training, cultivation sessions, and special events. Don't ask someone for a commitment until they know exactly what you expect from them.

WHAT EXACTLY IS YOUR ORGANIZATION'S MISSION?

A large part of a board member's responsibility is to be a "keeper of the mission." Therefore, it's imperative your candidate thoroughly understands your organization's mission. It is the message he or she will carry into the community. It will guide, inspire, energize, and describe the importance of what you're doing to those he or she will be recruiting for the board, soliciting for gifts, or involving as volunteers.

AM I LEGALLY LIABLE?

Each state in the United States has defined the legal responsibilities and liabilities for nonprofit organizations and their board members. Generally speaking, if as a result of your organization's activities, someone is injured, killed, or wrongfully dealt with, and if that person sues, a board member is liable. Don't sugarcoat this to your candidate. At the same time, let him or her know you have an insurance policy for officers and directors.

WHAT'S YOUR PLAN?

To effectively recruit board members, raise money, market your organization, or conduct any kind of programming, there has to be a comprehensive institutional plan that's strategic, inclusive, and realistic. It must be based on your organization's vision but framed by the realities of the financial resources available and the social and economic climate in which you're operating. Today, those on whom your organization depends for funding expect to see detailed blueprints. Let your board candidate know you have such a plan. Better yet, share it with him or her. If you don't have a plan, now is the time to start the process.

WILL I NEED TO RAISE MONEY?

A board member's first responsibility in helping your organization raise funds—whatever specific role you play—is to give. Long ago we buried the excuse that “my time is money” or “I give my time so I don't have to give money.” Board members sign up to take on all of philanthropy's tasks to the degree they can—joining, serving, giving, and asking. The job isn't multiple choice. As for your candidate's specific role in fundraising, ideally he or she will play one or more of three important ones—asker, cultivator, or steward.

Asker is self-evident. And if your candidate isn't comfortable with asking, he or she may want to be a relationship-builder or cultivator. Cultivators bring people into contact with the organization, listen for their interests, connect them with the people and programs that match their interests, and generally prepare to be asked. Lastly, stewards are there to keep the relationship flourishing after the gift is made.

CLOSING THOUGHTS

Being a board member in America's nonprofit sector is one of the most enriching experiences a person can have. It will be frustrating at times, and exhilarating at others; it will make demands, but give huge rewards; and it will connect people in a productive and noble way. Start your board candidates off on the right foot by clarifying everything they need to know to serve your organization with accomplishment.



Kay Sprinkel Grace is author of [The Ultimate Board Member's Book](#), from which this article is adapted. Her other books include [Over Goal!](#) and, most recently, [The Busy Volunteer's Guide to Fundraising](#).



How to Be on a Nonprofit Board Without Regretting It

www.thebalancesmb.com

7 mins read

Making the Right Match and Getting What You Need



...

Thomas Barwick / Getty Images

Serving on a volunteer board of directors can be a study in frustration or one of the great pleasures of your life. If you and the organization are not well matched, you may be bored at best and appalled at worst.

But when both volunteer board member and charity are well matched, serving on a board can be personally and professionally rewarding.

What to Ask Yourself Before Accepting or Looking for a Board Position

Although there is much to look for in an organization when you're approached for a board position, it's equally vital to cross-examine yourself before you open up to serving on a board.

[BoardSource, an excellent website for board members](#), suggests that before considering board service, you should ask yourself these questions:

Do you enjoy getting into the nitty-gritty of policy? Board members oversee a nonprofit, advising on finances, human resources policies, hiring the executive director, evaluating the director, fundraising, insurance matters, and strategic planning. If you'd rather be hands-on helping the people the nonprofit serves, you might be happier volunteering where you can interact directly with the people served.

Do you have enough time for board service? Being on a board entails great responsibility and time. Just going to the board meetings will not be enough. You'll be serving on one or more committees, reading financial documents, preparing for meetings, representing the organization at community affairs, and fundraising

Do you enjoy collaborating with others? As a board member, you'll need to work with others, come to mutual decisions, work out disagreements, and get along with everyone. If you are a loner, you might want to check out pro bono volunteer work where you can help on a particular project using your skill set. Or you might enjoy some other [volunteer](#) gig that doesn't require so much cooperation.

Are you comfortable with raising funds? As a board member, you'll be asked to contribute your own money and also ask others to donate. You may meet with donors to make a personal ask. You will most certainly be expected to provide contact information of prospective donors, especially those people likely to give quite a lot. You may help make thank you calls or write notes to donors. There will be no escape, so be sure you feel at ease with fundraising.

If you feel good answering those questions, you may make an outstanding board member.

What to Do If You're Approached for a Board Position

One of the best guides to nonprofit board service is by Doreen Pendgracs, a veteran board member. Pendgracs wrote [*Before You Say Yes...A Guide to the Pleasures and Pitfalls of Volunteer Boards*](#). Her ideas are as relevant as ever.

Expectations and Compatibility

Pendgracs says we should think about why we have been recruited for a board and then make sure that the reasons match what we can or want to provide.

Board members, Pendgracs says, are recruited for several reasons:

- **Their profession:** There is a range of expertise and talent that most boards need. That is why you're likely to find a lawyer or two, an accountant, a medical professional, or a former teacher, depending on what kind of organization it is.
- **Their contacts:** An organization might look for someone from a particular place, from a specific group or [political](#) party. An organization may need directors who represent particular groups of stakeholders.

- **Their bank account:** Nonprofits need money. They are likely to want people on the board who can become donors and, just as important, know people who can become donors.
- **Their age:** The charity may be looking for young people who bring a fresh perspective or people with experience.
- **Their reputation:** A nonprofit may be attracted to someone who has a unique history or is known for a particular ability or achievement. People who have a high public profile in the community can be especially valuable.
- **They know someone on the board:** This shouldn't be the only reason one might be recruited for a board, but many new board members are colleagues, close friends, or neighbors to someone who already serves on the board.

Try to figure out, or just ask, why the group is interested in you. Then make sure that you will be able and willing to fulfill those expectations.

What Should You Know Before Saying Yes?

Besides knowing why you are being recruited and thus the board's expectations of you, it is essential to find out other crucial information, such as:

- How and where do the meetings take place? Are they local? Across the country, or virtual? How often does the board meet? How is business conducted between meetings? How much time will I be expected to devote to board business?
- Is there a cost associated with attending meetings? Are board members reimbursed for travel expenses? [Is there an honorarium?](#) Most volunteer board members serve at their own expense. However, they may be able to take a [tax deduction for certain costs](#), such as travel.

- Will you be expected to donate a certain amount? How much fundraising will you have to do? Realize that [fundraising is part of a board member's duties](#). You may be asked to help persuade people to donate and to donate yourself.
- Is there adequate [Directors and Officers \(D&O\) insurance](#) to protect board members in case of a lawsuit or other disaster? A properly incorporated charity does enjoy some protection under its state's incorporation laws, but additional insurance should be in place as well.
- Does the organization have a good training program for new board members? Will there be an orientation? Is there a board manual? Will you receive additional training for your fundraising duties?
- How formal or informal is the board? Check that against your preferences and needs.

What Are Your Rights as a Board Member?

When you serve on a board, you have [legal obligations](#).

You could be liable if you and your fellow board members don't keep the organization out of trouble. Consequently, you also have rights, such as the right to be safe, well informed, and protected. Make sure that the organization can provide:

- Full and proper training
- Full disclosure before voting on any issue
- A safe and secure environment in which to conduct meetings
- Outside expertise when needed
- [Good insurance](#) such as general liability and directors and officer insurance.

What should you do if you feel uncomfortable or feel that your rights have been violated?

"Resign," says Pendgracs.

"If you find yourself on a board that is clearly not a good fit, resign -- or at the very least, do not renew your term. It's better than banging your head against the wall."

Essential Questions to Ask Before You Say Yes

Besides digging up all the information mentioned above, Jill and Daniel Welytok, authors of [*Nonprofit Law & Governance for Dummies*](#), suggest that you ask the following questions before accepting a board position:

- **Who is on the current board and how did they get there?**

Find out, tactfully, about the skills and experience of current board members. You'll get a good idea of just how reliable the board is. For instance, is there someone who has an accounting background or experience in reading financial statements? Is there a legal expert?

- **Who is the CEO or Executive Director?**

Find out as much as you can about the person leading the organization. Has she been there long? Has there been frequent turnover in this position? If so, that could indicate that there are internal problems, such as a cantankerous board or deep-seated financial problems.

- **How long do board members serve?**

Some boards have very long terms, such as five years. Can you be sure that you will be able to serve that long? If the

term is very short, say two years, will you have time to make a difference?

- **How many board members are needed to take action?**

The organization's [bylaws](#) specify how many board members there are, and how many members must be present to do business and vote.

- **What committees does the board have?**

Common committees include an audit, programming, fundraising, public relations, and nominating committee. Make sure that you get assigned to the committee that suits your skills. If you're a financial professional, you likely won't want to serve on the PR committee.

- **Can you see the books and records of the nonprofit?**

A nonprofit's [tax return is called the 990](#), and it has to be made available to the public. Even small nonprofits should have some accounting system for your inspection. If an organization balks at your request to see financial information, consider that to be a red flag.

- **How large is the overall budget?**

Look at how the organization uses its money. Although most revenue should go to programs, not administration, make sure the organization isn't starving for lack of infrastructure, equipment, and other tools to do its job well. Check out the [salaries for top executives](#). Do they seem reasonable?

- **What are the responsibilities of the directors?**

Is the board advisory only? Or is it a working board? Board members have legally defined duties such as determining the group's [mission](#) and purpose; selecting the executive director; overseeing strategic planning; and fundraising. [Conflicts of interest](#) on the part of board members can put

the entire organization in peril. Make sure that you have none before you agree to serve.

- **Are the payroll taxes of the organization up-to-date, or is it being sued?**

If a nonprofit [fails to pay its taxes](#), the IRS can impose harsh penalties or even take away its tax-exempt status.

Furthermore, board members could be sued for allowing such penalties to accumulate.

Is the board being sued or has it ever been sued? Being sued is not a reason to run from a nonprofit, but you should certainly know about and understand any lawsuits. It can indicate a tendency for the board to operate recklessly.

Board members are only protected from liability as long as their actions remain within legal boundaries.

If this sounds like overkill just because you were asked to serve on your homeowner's association board or that of the tiny nonprofit across town, think again. Being a nonprofit board member is a serious commitment with consequences should things go wrong.

Even if you only follow a few of these suggestions, you're likely to be ahead of most people who accept board positions.

