



Keys to Keep Your Board on Track

To avoid liability, every board member must take these edicts to heart.

BY ERIC H. ALTSTADTER

Board membership can pose serious liability to anyone who takes it too lightly or performs inadequately. Here are do's and don'ts to keep board members on the right track.

Do's for Board Members

- Set up the organization's rules and regulations, and include them in the Articles of Incorporation and Bylaws.
- Establish the organization's mission, and be sure it is carried out.
- Clarify roles and responsibilities of members of the organization.
- Establish the organization's goals, including:
 - * short-range goals—"Let's get a program running this year."
 - * mid-range goals—"Over the next five years, let's make sure everyone knows who we are and what we do."
 - * long-range goals—"Let's eliminate this problem in our lifetime."

- Protect the organization's assets by setting up and monitoring budgets and investment programs.
- Raise funds for the organization, and contribute your own money.
- Understand the financial risks the organization faces, and aggressively manage those risks, by purchasing liability insurance and setting up control systems.
- Hire, monitor, evaluate (and if necessary terminate) the executive director.
- Remember that you have the ultimate authority and responsibility for all actions and activities of the organization. You have a legal responsibility to act in the organization's best interests.

Don'ts for Board Members

- Don't engage in the organization's day-to-day operations. Leave this responsibility to the organization's employees. Be careful not to step on

the toes of the organization's operating personnel.

- Don't hire or fire employees (other than the executive director). Let those who are hired to do so perform that function. Don't manage the managers.

Do's in Recruiting Board Members

- Look to board members to bring "three Ws" to your organization: *wealth* (contributing personally and raising money through contacts), *work* (contributing skills to improve the organization), and *wisdom* (including business experience in finance or management, experience with other nonprofit boards, and ties to the community you serve).
- Make it clear that board members must be fundraisers and donors to your organization. The amount they contribute may vary, but make no mistake, you should expect board members to contribute. Other contributors will, and do, base their charitable decisions on what they see the organization's leaders contribute.
- Be sure your board possesses, at a minimum, these areas of expertise:



Look to board members to bring "three Ws" to your organization.



- * nonprofit organization governance
 - * accounting or finance
 - * legal
 - * fundraising
 - * management
 - * public relations
- Be sure all board members are clear about what you expect of them.

Don'ts in Recruiting Board Members

- Sometimes, a "name" board member can help your organization's reputation, but be careful that such a person isn't "dead wood." Deadwood members usually don't come to meetings, don't appear to do anything to help, and undermine the entire board.
- Don't recruit board members who attach conditions to their membership. Everyone must accept the same rules.
- Don't let the board get so big that it can't meet often and function as a close-knit team.
- Don't forget to give prospective board members detailed information so they can make an informed decision about serving on your board. ■

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