

PRINCIPLE RESPONSIBILITIES OF AN NGO BOARD AND ITS MEMBERS

By Joanna Moshman



The board of directors is crucial to an NGO and is responsible for many specific tasks. The board's main task is to govern and oversee the operations of the organization through acting as fiduciaries. In other words, the board is legally, financially, and morally responsible for the organization.¹ Each individual member of a board is significant and holds many responsibilities that help contribute to his/her work on the board as a whole. The five main tasks listed below outline crucial responsibilities of the board as a whole, focusing on how each individual member can effectively contribute to these tasks.

1. Mission and Purpose

A board of directors as a whole is responsible for creating and defining the mission of an organization. This is usually done so in the form of a mission statement. The statement must include:

- The purpose of the NGO
- The core values of the NGO
- What the NGO seeks to accomplish.²

The mission statement is not set in stone. The board of directors is responsible for reviewing it regularly in order to assess whether any revisions are necessary. One way in assessing whether this is necessary is to look at the programs, activities, and/or fundraisers of the NGO to make sure the organization has not drifted from its purpose.³

As a board member, you are individually responsible for:

- Knowing and understanding an organization's purpose and mission statement
- Being able to explain what the NGO does and what population it targets
- Being able to provide people with general information about the NGO's programs and activities
- Explaining your personal reasons for being a part of the board and what your individual goals are.⁴

2. Hire and Work With the Chief Executive

The responsibility that the board has of choosing and hiring a chief executive director is significant because he/she is essentially handling and managing the entire organization. Before selecting an executive director, the board of directors must wholly review the mission and purpose of the organization and then agree on what their expectations are. They must agree on what kind of person they are looking for and what kind of person would positively contribute to the NGO.⁵

In talking to and interviewing candidates, the board must:

- Be clear about the job description and what the job entails
- List both general and specific responsibilities
- Look for desirable personal attributes, strong communication skills, and

efficient management and organizational characteristics

- Be honest about any problems the NGO is currently experiencing.⁶

Lastly, the board is responsible for understanding what their tasks are and how they are different from those of the executive director. For example, they must be aware of the fact that their primary responsibility is governance of the NGO, while the chief executive is responsible for management and hiring all other staff. However, just as the chief executive is expected to support the board, the board must work well with and support the chief executive in his/her decisions.⁷

As a board member, you are individually responsible for:

- Counseling (when necessary) and supporting the chief executive
- Consulting the executive director and keeping him/her updated on your tasks and activities
- Working collectively with the board to appropriately evaluate the work of the executive director⁸
- Advising the chief executive about the advantages of partnerships if you are knowledgeable about and/or part of another organization.⁹

3. Financial Oversight

The board is unanimously responsible for the careful and prudent use of money within the organization. In order to meet this responsibly, the board should determine what the financial policies are.¹⁰ Most importantly, the board should help develop and approve the annual budget. This is a significant responsibility because approving the budget has a domino effect on all other priorities within the organization. It is important that the approval is done by no one else—not even the executive or finance committees.¹¹

In overseeing the budget, board members should receive financial and accounting balance sheets and reports. This ensures that everybody is up to date on the financial situation and changes can be made if necessary.¹² Lastly, board members as a whole should be insistent upon an annual audit. However, the board members should not

perform the audit, but should regularly meet with an independent auditor who should be assessing the financial situation.¹³

As a board member, you are individually responsible for:

- Maintaining confidentiality of the board's meetings and financial related issues
- Never accepting/offering bribes or favors with anyone who is associated business-wise with the organization
- Being cautious and careful with any controlling and transferring of funds
- Making sure you understand and are up to date with the NGO's financial statements and situation¹⁴
- Fulfilling your role of a fiduciary.¹⁵

4. Provide Adequate Resources

Providing resources for an NGO relies very much on individual board members and their ability to attract and influence large donors. However, there are some responsibilities of the board as a whole that need to occur first. The board of directors is responsible for:

- Ensuring that the NGO has enough human and financial resources to serve its mission and purpose
- Working with the chief executive, who is often times the chief fundraiser, in setting fundraising goals
- Formulating a fundraising strategy and approving a case statement that explains why the NGO needs money and what it will be used for¹⁶
- Working together as a group to monitor, oversee, and guide fundraising activities.¹⁷

As a board member, you are individually responsible for:

- Giving an annual contribution based on personal means
- Participating actively in fundraising (i.e. writing letters, soliciting, planning events)¹⁸
- Sharing with the community successful fundraising strategies and fundraising needs
- Sharing enthusiasm and commitment to/about the organization's fundraising activities¹⁹
- Using businesspeople and other prominent contacts in the community to provide financial resources to the NGO
- Planning lunches/events to provide financial contacts for the NGO²⁰

5. Communicate with the Community

The board of directors is responsible for acting as the voice of the NGO. They are responsible for articulating the goals, mission, and purpose of the organization in order to promote it and help the community understand what it is they do. They must ensure that they collectively listen to the needs of the community and make any necessary changes that will enable them to serve the community to the highest potential. Board members are also responsible

for making sure the NGO can support outreach to the community through a significant and successful public relations strategy. Along with this, they should help in developing strategies for community outreach.²¹

As a board member, you are individually responsible for:

- Suggesting nominees to the board who are achieved men/women you may know from the community
- Conveying to the community enthusiasm about the NGO²²
- Speaking to the community, friends, and other personal contacts about the NGO
- Providing publicity for the NGO at events/galas.²³

Much of the literature surrounding the role of the board of directors of an NGO focuses on the board responsibilities as a whole. The previous five points attempt to shed some light on the role of the individual and how important he/she is in contributing to the overall make-up of the board. Most importantly, individual members must perform their jobs competently and efficiently while being able to work well with other board members and establishing a healthy and responsible working relationship with them.

FOOTNOTES

- ¹ Hummel, Joan M. (1996). *Starting and Running a Nonprofit Organization* Minneapolis: University of Minnesota Press.
- ² Ingram, Richard T. (2003). *Ten Basic Responsibilities of Nonprofit Boards*. Washington DC: BroadSource.
- ³ U.S. Department of Labor. *Meeting the Challenge: An Orientation to Nonprofit Board Service*. Retrieved June 16, 2008 from http://www.dol.gov/cfbci/tlc/docs/SustainabilityLibrary_SectionD_3/Board_Service_Orientation.pdf.
- ⁴ Patterson, Sally J. (2006). *Generating Buzz: Strategic Communications for Nonprofit Boards*. Washington DC: BoardSource.
- ⁵ Wolf, Thomas. (1999). *Managing a Nonprofit Organization in the Twenty-First Century*. New York: Simon & Schuster.
- ⁶ Wolf, Thomas. (1999).
- ⁷ Ingram, Richard T. (2003).
- ⁸ Ingram, Richard T. (2003).
- ⁹ Patterson, Sally J. (2006).
- ¹⁰ Hummel, Joan M. (1996).
- ¹¹ Ingram, Richard T. (2003).
- ¹² Wolf, Thomas. (1999).
- ¹³ Ingram, Richard T. (2003).
- ¹⁴ Ingram, Richard T. (2003).
- ¹⁵ Hummel, Joan M. (1996).
- ¹⁶ U.S. Department of Labor.
- ¹⁷ Ingram, Richard T. (2003).
- ¹⁸ U.S. Department of Labor.
- ¹⁹ Patterson, Sally J. (2006).