

Benefits of nonprofit participation

We dynamically engage our supporters, board members, participants, and staff effectively so they can achieve their targets and increase their positive impact.

Save time and boost your impact

Managing all your different types of constituents can become really time consuming and inefficient without the proper tools.

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An engaged supporter base helps you achieve your goals. Turn volunteers into donors by finding out which ones are the most highly engaged. Prevent donors from lapsing by getting early warning signs. Easily collect online payments to ensure no one gets turned off by a complicated process.

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Data helps nonprofits know where to focus, what's working, and provide a quantitative foundation on which to set goals and measure progress.

Nonprofit organizations rely on their boards for many functions: governance and budgeting, guidance, community involvement and, of course, fundraising. Though some boards downplay the fundraising aspect, it is essential that each board member be an active participant in **ensuring the financial health of the institution.**

Create and manage your special events right within Hivebrite. Your events can help you build relationships, helping potential donors to feel a connection with your cause. They offer a place to meet and discuss around your cause with your various supporters. Create different ticket types with specific prices for specific constituencies and collect payments online. Identify potential future donors based on event engagement.

The Role of the Board of Directors

The board of directors, including the general manager or CEO (chief executive officer), has very defined roles and responsibilities within the business organization. Essentially, it is the role of the board of directors to hire the CEO or general manager of the business and assess the overall direction and strategy of the business. The CEO or general manager is responsible for hiring all of the other employees and overseeing the day-to-day operation of the business. Problems usually arise when these guidelines are not followed. Conflict occurs when the directors begin to meddle in the day-to-day operation of the business. Conversely, management is not responsible for the overall policy decisions of the business.

The board of directors selects officers for the board. The major office is the president or chair of the board. Next there is a vice-president or vice-chair who serves in the absence of the president. These positions are filled by board members. Next it usually has a secretary and treasurer or combined secretary/treasurer. These positions focus on very specific activities and may be filled by electing someone who is serving on the board of directors or appointing someone who is not a member of the board of directors. The selection process is often based on who is willing and who is the most qualified, although seniority may come into play. Each board may have their own ways of handling those issues.

The seven points below outline the major responsibilities of the board of directors.

1) Recruit, supervise, retain, evaluate and compensate the manager. Recruiting, supervising, retaining, evaluating, and compensating the CEO or general manager are probably the most important functions of the board of directors. Value-added business boards need to aggressively search for the best possible candidate for this position. Actively searching within an industry can lead to the identification of very capable people. Don't fall into the trap of hiring someone to manage the business because they are out of work and need a job. Another major error of value-added businesses is under-compensating the manager. Managerial compensation can provide a good financial payoff in terms

of attracting top candidates who will bring financial success to the value-added business.

2) Provide direction for the organization. The board has a strategic function in providing the vision, mission and goals of the organization. These are often determined in combination with the CEO or general manager of the business.

3) Establish a policy based governance system. The board has the responsibility of developing a governance system for the business. The articles of governance provide a framework, but the board develops a series of policies. This refers to the board as a group and focuses on defining the rules of the group and how it will function. In a sense, it's no different than a club. The rules that the board establishes for the company should be policy based. In other words, the board develops policies to guide its own actions and the actions of the manager. The policies should be broad and not rigidly defined as to allow the board and manager leeway in achieving the goals of the business.

4) Govern the organization and the relationship with the CEO. Another responsibility of the board is to develop a governance system. The governance system involves how the board interacts with the general manager or CEO. Periodically the board interacts with the CEO during meetings of the board of directors. Typically, that is done with a monthly board meeting, although some boards have switched to meetings three to four times a year, or maybe eight times a year. In the interim between these meetings, the board is kept informed through phone or video conferences or postal mail or e-mail.

5) Fiduciary duty to protect the organization's assets and member's investment. The board has a fiduciary responsibility to represent and protect the member's/investor's interest in the company. So the board has to make sure the assets of the company are kept in good order. This includes the company's plant, equipment and facilities, including the human capital (people who work for the company.)

6) Monitor and control function. The board of directors has a monitoring and control function. The board oversees the auditing process and hires the auditor. It oversees making sure the audit is done in a timely manner each year.

Governance Models

A board of directors is a collection of individuals trying to operate as a group. Functioning as a group is something many people are not comfortable with. So each board evolves with its own culture. Each culture is dictated by the backgrounds of the individuals on the board. However, there are several governance models of how a board of directors can function. Examining and

choosing the right model is important because it will impact the success of the value-added business.

Below are four governance models. The board of directors must decide which model is best for them.

1) Manager Focus – With this model, the manager dominates the board. We can all think of situations where we have had one dominant individual in a group. In this case the board functions as an advisory board and reacts to the views of the manager. It is essentially a “rubber stamp” for the CEO. This model often emerges when you have a charismatic CEO who is very dominant and proactive in running the organization. In most cases, this is not a good model for a value-added business.

2) Proactive Board – This model is of a proactive board that speaks as one voice. It speaks as one voice for the board and often has a proactive manager that also speaks with one combined voice for the organization. This is a good model because the manager and the board are on the same page and speak with a single voice. This model is proactive in taking advantage of emerging opportunities and is especially valuable for entrepreneurial businesses.

3) Geographic Representation – This model focuses on the members/investors whom the board member represents. With this model, the board member feels that they have been elected to the board to represent individuals in a geographic location or special interest group. To better understand this model, think of an individual running for a political office and then representing the interests of the individuals located in that geography. This is often found in large boards, typically of 24 to 50 individuals. With a large group like this there is a temptation for the directors to represent the interests of the members/investors in their geographic area or special interest group rather than the best interests of the company. This is not a model that works well for most value-added businesses.

4) Community Representation – In this situation the board member is representing the community rather than the organization. An example of this is a school board where an individual is elected to represent certain interests within the community.

These four models are ways in which the board and its organization function. Often there are directors who have previously been on boards where they have been chosen to represent a certain group or have been a rubber stamp for the manager. So, it is natural for a director to think that this is how all boards function. But it is a good practice for boards to actively investigate and discuss the models presented above and choose the right one for their situation. This is usually a model where the directors are all active and present a single voice of what is best for the organization. What is best for the organization will usually

also be good for the various members/investors and the stakeholders in the community.

Four Great Reasons to Join a Nonprofit Board

Why should you consider filling one of the 1.8 million nonprofit board seats that open up in the US every year? Most candidates come to us with an answer to this question before we even ask. We hear, “My wife is pregnant and I want to model ‘giving back’ for our children,” “I was always a leader in college and grad school but until now I’ve been too busy to give back,” and “I feel an obligation to share because I’ve been so fortunate” among many other great reasons.

Once the decision has been made to give back in a substantive way, the next question for many becomes what is the best way to do so? Most of our candidates feel as we do: there is no better return on your nonprofit time investment than through board service.

The impact our candidates have with two to three hours of board service a month is dramatically higher than what they could accomplish with two or three hours of direct service.

Consider this one example of many: a recent board placement reorganized her nonprofit’s services, so they were able to save \$450,000 a year, without cutting any employees’ jobs...with just a few hours of her time. The amount of direct service this \$450,000 will buy is staggering, and much greater than what this candidate’s direct service time would have accomplished. The “return on her time” was spectacular.

So, what rewards and opportunities can you expect from joining a nonprofit board?

Maximize Your Impact

For most of our candidates, although they would enjoy teaching computer skills to an elderly person or reading skills to a young child, the truth is that the unique skills they bring to their work on a nonprofit board, in areas such as creating a strategic plan or reorganizing their nonprofit’s marketing or finances, are the grease that oils the nonprofit’s engines. It allows for the critical direct services to be delivered at maximum capacity.

Develop New Leadership Skills

There are invaluable skills you’ll acquire serving on a board. In fact, several of the New York’s top companies send us their professionals for board matching because they believe board service is a powerful leadership training tool for their employees. Sitting on any board, whether it’s corporate or nonprofit, can teach you a tremendous amount.

Help Build a Business

Nonprofits have management, marketing, public relations/communications, financial, strategic planning, tech, human resources and governance issues. Diving into any of these areas – understanding the concerns and making decisions that will impact a nonprofit – offers you a chance to have a very different role than you may have in your professional life. It's a chance to develop new capabilities and grow a business (albeit a nonprofit one).

Grow Your Network

Serving on a board is also a wonderful way to meet people and expand your network. Whether it's making new friends (and our candidates do become very close to their board colleagues) or meeting new clients – board service exposes you to other high impact people who want to help the nonprofit community and be part of our nation's leadership.

Now that you have a stronger understanding of some of the reasons for joining a nonprofit board – what are you waiting for? Apply today to join our nonprofit board representing a cause you care about, or learn more about the primary considerations when selecting a board.

One of the ways to enhance your career is to serve on a board of directors of a business or nonprofit. Serving on a board brings with it the opportunities to gain influence over a corporation, earn industry recognition and contribute to your profession. It also comes with professional and legal responsibilities. Reading an organization's bylaws will help you determine the duties of specific board members and officers.

For-Profits and Nonprofits

You can serve on the board of directors of both for-profit and nonprofit organizations, with both carrying specific responsibilities and liabilities. Some people make the mistake of thinking they can lend their good name to a nonprofit or pad their resume by taking an appointment to a board without having any involvement. If fraud occurs at either a for-profit or nonprofit organization, you cannot claim ignorance if you did not meet your fiduciary responsibility of oversight. This does not mean you need to personally audit every department and transaction, but that you must at least review financial documents, contracts or budgets, or get reports from committee members who oversee those areas. If you agree to serve on a board and look at no reports or attend no meetings, you are willfully ignorant and might be held personally responsible, along with other board members, for the actions of the association.

Bylaws

The bylaws of an organization lay out how the organization will operate, including its governance procedures. Bylaws set the rules for appointing or electing board members and officers, their terms and how they can be removed. The bylaws state how board meetings should be conducted, including what constitutes a quorum for transacting business, and explain the roles and duties of key board members, such as the president, secretary, and treasurer. Bylaws often state who can run a board meeting in the event the president cannot attend the meeting.

Common Duties

Common duties of board members set forth in bylaws include attendance at meetings, voting on motions, abstaining from voting when there is a conflict of interest, disclosing actual or potential conflicts of interest and performing oversight of the organization's activities and operations. The president often makes special appointments and nominations for committee positions and signs contracts on behalf of the organization, including hiring an executive director or CEO. The secretary takes notes during all official meetings and submits minutes of each meeting for approval at subsequent meetings, amending the first draft as directed by the board. The treasurer either directly handles the financial affairs of the organization or oversees a financial staff member or contract company, submitting regular reports and budgets to the board.

Additional Duties

Many nonprofits have committees with written job descriptions for the committee chair, who is often an appointed board member. These duties are not included in the bylaws. To ascend to the presidency, some board members must follow a specific service path that includes terms as secretary, treasurer and first vice president. Some board members must chair specific committees, such as the annual meeting or membership committee, to ascend to the presidency.

The board of directors is the governing arm of a nonprofit organization or a company. A nonprofit is granted tax-exempt status because of its charitable purpose. The board can be elected, appointed, or consist of volunteers. Officers of the board oversee and direct the major aspects of the organization's operations. Board of directors' officers, including president, vice president, secretary and treasurer, fill specific leadership roles. Because the role of board officers is critical to proper governance, their duties and responsibilities should be detailed in the organization's articles of incorporation and bylaws.

President Roles 101

According to [BoardSource](#), the board president, who is also called the board chair, is the head of the board and of the organization. The president partners with the organization's leadership to promote the company or nonprofit. The president conducts board meetings and ensures that the board's directives are implemented and monitored.

The president calls and conducts meetings of the executive committee, which consists of board officers and the chief executive officer. He also creates committees and appoints committee chairs. The president collaborates with the chief executive officer, or CEO, to carry out the organization's mission and ensures the accomplishment of goals. The president reviews reports and records, and directs members in their roles. He is also instrumental in hiring and supervising the CEO.

Basic Vice President Responsibilities

A basic nonprofit board vice chair job description usually states that the vice chair is prepared, at all times, to assume the role of board president, if necessary. The vice president, whose knowledge and commitment mirrors that of the president, may serve in the president's place for board activities and in the spokesperson capacity. [Boardable](#) recommends thinking of the board's vice president as the future leader for your organization.

The president may delegate special assignments to the vice president, who also works closely with the organization's CEO to carry out the board president's vision and directives.

Board Secretary Duties

The board's secretary provides members with required meeting notices, prepares agendas and provides guidance on proper meeting procedures. The secretary takes minutes at board meetings, or designates a person for the task, and reviews and distributes the approved minutes.

The secretary prepares and maintains board records, such as minutes and committee reports, and ensures the accuracy and security of the records. The secretary is prepared to assume the leadership role when the president and vice president are unavailable.

Board Treasurer Tasks

The treasurer serves as the financial officer. If the organization has a finance committee, the treasurer is its chairperson. The treasurer applies his knowledge of accounting to monitor finances, while directing the preparation of financial reports and summarizing the reports for the board.

The treasurer works with other board officers and the CEO to develop financial plans and prepare the organization's budget. The treasurer reviews the annual audit and tax forms, and presents the financial material to the board.

What Are the Positions Under the Chairman of the Board?

A chairman of the board is the highest-ranking person at any corporation – at least in name. While a chairman holds the top spot in an organization, his fellow board of directors can remove him from the position and he rarely has a say in the day-to-day operations of the business, unless it's a very small corporation and the chairman is also the owner.

Board of Directors

A board of directors is a group of executives who steer, rather than manage, a company, including for-profit and nonprofit businesses. The board sets the general direction of the business, hires and oversees the person running company operations, makes strategic decisions regarding the future of the business and has ultimate responsibility for the organization's performance. A board might meet quarterly to review the performance of the business, with committee members more involved in their particular areas throughout the year.

Chairman of the Board

The chairman is the leader of the board of the directors, runs board meetings and is often the public face of the organization, according to [Director Institute](#). Depending on the bylaws – which will maintain a list of corporate positions and the CEO, CFO, COO hierarchy – a chairman does not have the authority to act without approval of the board. The bylaws might grant a chairman some limited authority to act on behalf of the corporation, such as issuing press statements, writing articles and making suggestions to the chief executive officer. In some cases, the chairman also takes the president title. If you take a chairmanship position on your board, the board can fire you, even if you own the company.

Board Officers

Many boards have multiple vice presidents who, particularly in the case of nonprofits, eventually ascend to the chairmanship or president positions. A first vice president or

vice chair is the person who is second to the chairman and acts on his behalf when he is not present at board meetings. Other officers who report to the chairman include the secretary and treasurer.

President Role

Some businesses have an on-site president who presides over the day-to-day operations of the company. This position often has no hands-on management responsibility in any one area, instead providing advice and counsel to a chief executive officer or executive director who does the actual management work as the lead executive. This type of president usually does considerable public relations work, representing the company in public, and is the liaison between management and the board.

Chief Executive Officer

The CEO is the person who manages the day-to-day operations of the business. This is the hands-on person who makes most of the hiring, firing, production, budgeting and marketing decisions, often approving the plans of his department heads. This person might be the position that works closest with the chairman of the board, since the board hires and oversees the CEO. At some companies, this person also takes the president title, particularly if he is the public face of the company.

Executive Director

Nonprofits and some for-profit organizations use the title "executive director" instead of CEO. If both roles are present in the same organization, as sometimes happens in large organizations, then the executive director answers to the CEO and board of directors, according to [Study.com](https://www.study.com). This position is, for all intents and purposes, similar to the CEO position and reports directly to the chairman of the board or president. Like a CEO, this person oversees the chief operating officer, chief financial officer and department heads.

The Roles & Responsibilities of Committee Officers & Directors

- Reasons for an Executive to Join a Board of Directors
-

Serving on a board of directors, especially on a trade association board, can help you increase your professional visibility and prepare you for executive positions. Starting with a volunteer committee position, you can learn what board members do, increasing your chances of earning a board seat and performing effectively once you do.

Boards of Directors

Before you attempt to advance your career with board service, it's important that you know what you're getting yourself into. Some organizations require board members to perform considerable hands-on work, while others will ask you to simply attend board meetings, discuss important matters with the organization and vote on these matters. In the latter scenario, the board assigns business work to the organization's office staff. In either case, board members must use reasonable care to manage the organization's affairs, including overseeing those to whom they delegate work.

Ask to see written board committee descriptions before you agree to serve on a board. Find out if your position receives support from the organization's staff or a committee. Determine if the organization carries director's and officer's liability insurance that provides board members some protection in the event of lawsuits.

Chairman and Vice Chair

The role of a board chairman centers on preparing and running board meetings reports the Institute of Directors. The chair sets meeting dates and locations, calls meetings to order, manages the agenda, takes votes and adjourns meetings. The chair works with other board and committee members and any organizational staff to ensure everything necessary to hold effective discussions is prepared before the meeting. If the chair is the public face of the organization, he might take the title of president and make speeches, write articles or give media interviews.

The vice chair, or first vice president, is second on the committee members list. He or she performs the duties of the president when he is not able and is often the next in line to take the chair position. The vice chair might take an important committee position to contribute more than just being a backup to the chair.

Treasury Committee Member Responsibilities

The treasurer keeps or oversees the person who manages the organization's financial records. At small organizations, you might be asked to keep the books. If the organization has a bookkeeper or other financial staff, you will review the organization's finances on a regular basis, sign checks and deliver treasurer's reports to the board at each meeting. Whether you work for a nonprofit or for-profit organization, you might be asked to sign the organization's annual tax returns.

Secretary Role

The secretary position is one of the easiest on a board and is also among the most important, suggests Process PA. The secretary takes notes during board meetings to create a permanent record of proceedings in the form of meeting minutes. Depending on the size of the organization, you might be asked to keep the physical copies of the organization's key documents, such as its articles of incorporation, bylaws and past meeting minutes.

Committee Officers

One way to break into board service is to volunteer to serve on a committee. Committee officers, or chairs, often don't need to be members of a board, and are often volunteers appointed by a board. New board members are often recruited from the ranks of committees. As a committee chair, you will either be asked to perform specific work with your committee members, such as publishing a newsletter, running an annual meeting, or holding a fundraising event, or managing office staff that does such work. To gain experience while aspiring to become a chair, serve on a committee.

A corporation, whether public or non-profit, is required to have a board of directors, according to the 2020 Women on Boards website. Although the board can take action, individual board members have no authority to act for the corporation, according to Stephen Bainbridge, author of "The New Corporate Governance in Theory and Practice."

Governance Goal

A board of directors is responsible for the governance of a company. This might include fiscal oversight, setting long-term strategy and the selection, hiring, supervision and -- if necessary -- discipline and termination of the company's chief executive officer. Failure to be prudent or to follow regulations and the law can result in severe penalties, including financial penalties. In the Enron scandal, for example, Enron directors had to pay out of pocket to investor plaintiffs after the company was found to have committed fraud, according to a March 2010 article in the "Journal of Economic Literature."

Board Roles

A board usually consists of a chair or president, a vice chair or vice president, a secretary and a treasurer, as well as board members. In a small board, positions such as the secretary and treasurer might be combined. Each of these individuals has a specific responsibility delegated by the board. The secretary, for example, ensures that minutes of meetings are kept and that other documents are also maintained. The treasurer is typically responsible for financial issues related to the organization's governance. The chair of the board facilitates meetings and may provide direction to the chief executive officer.

Delegation

A board of directors must delegate responsibilities to individual officers and board members, as none are authorized to act on their own. The treasurer, for example, might be charged with the responsibility to select a financial auditor. The board chair might be responsible for winnowing candidates for a CEO position. These activities

are performed “at the pleasure of the board,” and the relevant officer or board member must take only those actions she is specifically authorized to take. She must report her findings or conclusions to the board as a whole, who will take any necessary actions.

Collective Action

The board takes action collectively, according to Bainbridge. Decisions are typically made by voting on a particular issue, with the majority carrying the vote. Some boards are large enough to have committees for certain activities, such as finance or personnel selection. In that case, the committee performs its work as a group and brings its recommendations back to the full board for a decision. An individual board member might also be given authority to research a particular issue. She would then return to the board with her information and the matter is put to a vote. Should an individual act unilaterally, without direction from the board, she could be removed from the board.

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Types of Decisions That Require a Board of Directors Involvement

By [Steve Milano](#)



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Even if you volunteer your time to serve on a board of directors and have no involvement with the day-to-day activities of the business or nonprofit, you are still legally responsible for providing your best efforts when overseeing the organization. For this reason, even when boards take a hands-off approach to the management side of business operations, they control certain activities that affect the direction of the organization.

Board Responsibilities

During your career, you might have the opportunity to serve on a professional association within your industry, donate your time to a nonprofit or be a board member of a for-profit business. No matter what your level of involvement, you have a fiduciary responsibility to exercise reasonable care when acting on behalf of the organization, including keeping yourself informed about its activities. This includes receiving regular financial reports and other business updates. When you serve on a board of directors, you tell the public you are participating in managing the organization at the highest levels; claiming ignorance of problems at an organization because you didn't keep up with its core activities won't let you avoid potential personal liability and embarrassment if the organization is sued, fined or otherwise sanctioned.

Bylaws Issues

Some decisions made on behalf of an organization can only be made by its board of directors. These matters are set out in the organization's bylaws, the rules that govern the organization. Typical board-only duties include appointing new board or committee members, nominating an official slate for board positions that members vote on, hiring one or more core employees and amending the bylaws.

Personnel Issues

The larger an organization, the more likely it will be managed by paid staff, including an executive director or chief executive officer. A board of directors typically interviews and hires the top manager, allowing that person to hire and manage office employees. A board might ask to review hires before they are made, holding veto powers over a paid executive's decisions.

Finances

The board of directors approves annual budgets and often approves departmental and activity budgets based on the recommendations of its committees or its paid management. For example, the annual meeting committee might present a budget to the board for approval, or the executive director might present a budget for upgrading the association's website. Boards often approve large purchases or long-term contracts. Board members typically rely on their treasurer to oversee the organization's finances, receiving quarterly financial reports, reviewing end-of-year financial performance and approving new annual budgets. Board meetings usually feature a treasurer's report toward the beginning of the meeting.

Strategic Direction

The board is ultimately responsible for helping an organization achieve its core mission and decides on the big-picture strategies the organization pursues. For example, a for-profit board might decide to diversify the company's core business by acquiring another business. It might investigate and approve a merger. A nonprofit board might set up a scholarship fund, approve an annual fundraiser or amend the bylaws to allow the organization to lobby legislatures.

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Job Description for a Nonprofit Corporate Secretary

By [Laurie Brenner](#) Updated January 04, 2022

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Each state defines the organizational requirements of not-for-profit corporations structured within the state. Nonprofit organizations operate by a set of bylaws that define the roles of their officers and directors, the board's size and the manner of its election, how and when meetings are called and by whom, and the board's internal functions along with how it obtains and uses its funds, as noted by Digital Media Law.

A nonprofit corporate secretary might be a member of the board, or she might be hired to work specifically for the organization's board of directors and its executive director. Administrative duties of a full-time secretary of a nonprofit association might include scheduling meetings, drafting correspondence,

Core Competencies

Fulfilling nonprofit board secretary roles and responsibilities requires understanding and knowledge of the not-for-profit corporation's thrust and purpose. The individual in his position needs a background in nonprofit organizational law and an understanding of how such a corporation functions internally, as most have a tax-exempt status under the law. The nonprofit corporate secretary must have excellent communication skills, both verbal and written, and the ability to interact with board officials, directors and the organization's membership, all of whom come from multiple business or cultural backgrounds.

Board Meetings and Minutes

The secretary's duties include managing all the organization's internal communications and preparing or keeping track of board meeting dates, meeting agendas and minutes from the meeting. The not-for-profit corporate secretary might attend all board meetings to keep a detailed record of the board's actions. The board's actions during the meeting are later typed up and sent to the organization's entire membership as a recap of the events and the votes or decisions that transpired during the meeting.

Key Role

The nonprofit corporate secretary operates as the custodian of the corporation's records. This duty involves ensuring the organizational records are maintained according to law and are available upon request by authorized board members or executive management. This includes updating the organization's bylaws and maintaining its articles of incorporation along with keeping accurate and up-to-date records of its membership, board minutes, financial reports and other important documents.

The nonprofit corporate secretary manages the administrative and general communications of the organization's board of directors and its executive management staff. Typical duties in a nonprofit board secretary job description may

include arranging conference calls, answering phone calls, scheduling meetings, compiling data and preparing reports for the board.

Salary and Growth Trend

When the nonprofit corporate secretary is an officer of the board, the position does not receive a salary. Most nonprofit board officers and directors volunteer their efforts to the nonprofit organization. When the position does not involve an official position on the board, the person in this role receives a salary equal to that of an executive secretary in a for-profit organization.

The U.S. Bureau of Labor Statistics, or [BLS](#), listed the mean annual wage for executive secretaries and administrative assistants in May, 2020, at **\$65,230**. Administrative support professionals in the lower 10 percent of the group earned no more than **\$39,350** per year, while those in the upper 90 percent earned at least **\$94,830**.

Demand for these professionals is expected to decline by 1 percent between 2020 and 2030, as reported by [ONET](#). Advances in technology allow busy executives to easily manage many administrative functions previously delegated to support staff.

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What Is the Job Description of a Treasurer in a 501C-3 Company?

By [Steve Milano](#) Updated June 08, 2021

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Serving on a board of directors is an excellent way to advance your career, especially if you're looking to move into executive management. One of the first jobs you might get at a small nonprofit is treasurer. Depending on the size of a 501(c)(3) and whether it's all-volunteer or has paid staff, the duties of a treasurer will vary greatly.

One of the main responsibilities of any nonprofit treasurer is to provide board members with timely reports about the organization's financial status. Understanding the nonprofit treasurer job description and the treasurer duties in a nonprofit organization will help you decide if this is a role you're ready to take and how to prepare for it.

Nonprofit Board Roles

Some nonprofit organizations have a board of directors that steers the organization, with a paid staff that runs the day-to-day operations. Small nonprofits often don't have paid staff and the volunteer board and committee members do the work of the association, points out nonprofit advice website [Blue Avocado](#).

Board roles include a president (who is the chairman of the board), secretary, treasurer, vice president and board members. Many nonprofits combine the secretary/treasurer role because of the light workload. In many cases, a secretary simply takes notes during board meetings, prepares the minutes of the meeting and distributes them to the board.

What is a Treasurer?

Businesses use bookkeepers, accountants, chief financial officers, controllers and treasurers to handle their financial needs. Controllers at for-profit companies focus on bookkeeping and accounting, while treasurers focus on finance, such as growing investments, explains [Studybay](#).

At most nonprofit organizations, the role of a treasurer focuses on bookkeeping and accounting, along with overseeing a financial advisor to the organization.

Large Nonprofit Treasurer

If a nonprofit has staff that handles the organization's hands-on bookkeeping, accounting and finance duties, the treasurer is a board member who oversees the staff. This can be as simple as receiving monthly financial reports. In many cases, the treasurer approves all major expenditures and might sign large checks.

The office staff might have the authority to pay regular bills, such as phone, insurance, rent and internet fees. To prevent fraud, some nonprofits require two signatures on checks over a certain amount, with one signer being the treasurer.

One of the key responsibilities of a nonprofit treasurer is to prepare, distribute and make regular financial reports to the board of directors. A nonprofit board meeting often features the treasurer's report near the start of the meeting. Board members usually receive a copy of the treasurer's report in advance, which allows them to ask more informed questions during the meeting.

After the treasurer gives her report, a board member makes a motion to accept the report as-is or with changes. Another board member can second the motion. If the motion is seconded, the president (or whoever is running the meeting in his absence) opens the discussion. At this point, board members can ask questions of the treasurer. If there is no discussion, the president asks for a vote to accept the motion. The secretary records the results.

It's rare that no board member will make a motion to accept the treasurer's report and that no one will second the motion, or that the report will not be accepted. At most, board members will ask that the report is accepted with corrections or changes.

Small Nonprofit Treasurer

At small nonprofits, the treasurer acts as the bookkeeper. A youth baseball league, for example, might have a bank balance of only \$3,000. It accepts money from sponsors, collects registration fees before the start of each season and pays for some printing, postage, a website and pizza for board meetings.

The treasurer deposits money received into the organization's bank account. In many cases, nonprofits do all or most of their banking electronically, with the accounts already set up.

If the nonprofit is larger (but not very large), the treasurer will handle more financial transactions and keep the association's general ledger up to date. At any time, the treasurer should be able to tell a board member how much money is in the bank, bank balances at the beginning and end of the month or quarter and what certain payments covered.

At small nonprofits, a treasurer's verbal report at a board meeting might be as simple as reading the organization's bank balance at the time of the last board meeting and the balance as of the current meeting and the statement, "The finances of the organization are sound."

Because the board members have already received a written report, the treasurer doesn't need to verbally repeat the contents. This is often the case when things are slow for the organization and little or no money has been received or spent.

Providing Financial Oversight

One of the nonprofit treasurer's duties is to make sure the organization's money is safe and that the nonprofit is following all necessary laws. If the nonprofit has a paid staff, the treasurer not only gets regular financial reports but will also examine the organization's bank statements and other documents (either on paper or online).

The treasurer works with the nonprofit's tax preparer to provide her with all of the information she needs to file the organization's annual tax returns. A 501(c)(3) files a Form 990, which is available to the public.

A nonprofit treasurer should be familiar with basic nonprofit tax laws, but a tax professional usually provides guidance. For example, it's OK for a nonprofit to make a profit, as long as that isn't the nonprofit's goal and the excess at the end of the year isn't too large. This helps nonprofits build a cash cushion to help keep operating during lean times. The [IRS](#) provides guidelines at its website explaining 501(c)(3) exemption requirements.

Training A Successor

Especially at small nonprofits that don't have paid staff, part of the nonprofit treasurer job description is to train the next treasurer. Nonprofit board members often move into the presidency via a defined path. This often starts with serving as a board member at large, then the secretary, then the treasurer, then the first vice president.

Because nonprofits often know who the next treasurer will be (if they change positions every year, two or three), the current treasurer takes time to familiarize his successor with the job duties.

At very small nonprofits, this can be done in one meeting, with the current treasurer giving the incoming treasurer the physical books, the check endorsement stamp, online passwords, copies of previous tax returns and any other necessary documents.

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What Are the Duties of Corporate Secretaries?

By [Chron Contributor](#) Updated June 22, 2020

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A corporate secretary has a far more complex role compared to the typical office administrative assistant who performs tasks such as scheduling meetings, taking minutes and providing other secretarial support. Corporate secretaries are legally required by all states for every corporation, according to the [Society for Corporate Governance](#).

Although each corporation defines specific duties of a corporate secretary in the corporation bylaws, there are some general responsibilities all corporate secretaries are expected to carry out.

Corporate Secretary Job Responsibilities

One of the primary responsibilities of a corporate secretary is to ensure a board of directors has the proper advice and resources to fulfill their duties to shareholders according to state law. The corporate secretary is indispensable to the board of directors and has a significant impact on corporate governance. A good corporate secretary ensures the board is operating effectively and legally.

Successful corporate secretaries must be effective communicators to clearly and accurately present and interpret laws and legal rulings to CEOs, members of the board and stakeholders. Discretion is essential in handling sensitive data and confidential information.

Maintaining Corporate Records

The [Veaco Group](#) emphasizes that record keeping is an important responsibility for all corporate secretaries. Although the actual minutes may be taken by a secretarial staff member, the corporate secretary is ultimately responsible for their content and must ensure that they reflect the decisions of the board.

The corporate secretary also has the ultimate responsibility to maintain important corporate documents and records, such as disclosure information, compliance with state laws, and Securities and Exchange Commission reporting and compliance. Corporate secretaries also oversee stockholder relations and maintain records related to stockholder correspondence, stock issues, and transfers or proxy statements.

Managing Board Activities

Board meetings take preparation and planning to be effective, and the corporate secretary is charged with that work. Corporate secretaries manage all aspects of board of director and committee meetings, including everything from developing an agenda to arranging meeting logistics. They attend the meetings and ensure minutes are recorded.

Corporate secretaries also manage annual shareholders' meetings. They are also responsible for developing meeting schedules up to two years in advance and must make sure that adequate time is allotted for these meetings.

Advising Board Members

In addition to his primary duties, a corporate secretary must advise the board of directors on subjects such as its roles and responsibilities or subsidiary management and governance. Corporate secretaries provide orientation, education and training to new directors, facilitate board evaluations and ensure succession planning.

Other duties within the job description of a corporate secretary include conducting an annual strategic planning session and preparing informational meeting packets for the directors at least one week ahead of a meeting. In addition to performing these duties for the entire board, the corporate secretary performs them for committees such as the audit and financial committees.

Becoming a Corporate Secretary

Corporate secretaries are often lawyers or business professionals with extensive training in governance responsibilities. Successful execution of duties requires in-depth knowledge of corporate governance and Securities and Exchange Commissions laws and regulations, according to the Law.com website. Often a corporate attorney serves in this capacity or a seasoned board member assumes the position. A background in accounting and business administration is also useful in carrying out the duties of the role.

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How to Request to Join a Board of Directors

By [Chron Contributor](#) Updated September 23, 2020

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Joining a board of directors can help boost your career in many of ways. In addition to raising your personal profile, board service can help increase your company's visibility and help you develop potential clients. Whether you serve on a local nonprofit's board, join a trade association board or serve on the board of a for-profit corporation, using the right steps to request joining a board will help you improve your chances of getting an invitation.

Do Your Homework

The first step in approaching a board is to research the organization and find out as much as you can about its purpose, history, rules and activities. Visit the organization's website and look for its mission statement, an "About Us" page, minutes of board meetings, press releases, its annual calendar and the organization's bylaws. Visit the website of [Guidestar](#) or [Candid](#) to find, download and review the organization's annual tax return if it's a nonprofit, or get a hold of annual reports if the organization is a for-profit. Find out who the board members are and look up their backgrounds on LinkedIn or at their business websites.

Network With Board Members First

Before sending a letter or email asking to join the board, meet with members of the organization, any committee or board members you might know, or anyone who might have some involvement with the organization. Check your professional network to find out if any of your peers are involved with the organization. Learn what you can about the board, its key members and any politics. You might learn that serving on the board of a for-profit business might require significant equity ownership or the backing of a large shareholder or equity group.

Make Your Request

Contact the organization and volunteer to serve on the board of directors when an opening becomes available. Smaller, local nonprofits might be glad to have you and

have an immediate opening. Trade associations might have a succession plan that includes interviewing, training and preparing future board members.

An easier entry might be to ask to serve on a committee, such as the newsletter, annual meeting or annual golf tournament committee. Because it's a smaller request, you'll be more likely to get accepted, move up to a committee chair position, then make it onto the board of directors.

If possible, make an informal offer during a meeting with a board member if you can set up a private meeting. This will help you gauge whether or not the board will consider you as a candidate. If the board member encourages you to proceed, he'll either request information so he can make a recommendation or tell you how to join the board of directors.

When writing your request letter, include your reasons for wanting to join the board, your qualifications to serve, specific areas where you'd like to be involved, any references associated with the organization and any other committee or board service you've had.

Be Prepared to Wait

Depending on when board seats will be coming open and what type of succession planning a board has, you might be asked to wait and possibly work your way onto the board. This might start with volunteer work on a committee, attending board meetings and other organizational events and working your way up to a committee chair position. If you think you might need to wait a year or more to get on a board, consider serving on the board of a local nonprofit, such as a youth sports organization or professional association, to gain board experience.

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Structure of Board of Directors

By[Eric Strauss](#)Updated December 07, 2021

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If the chief executive officer is the public face of a company, the board of directors could be thought of as the power behind the throne. These corporate leaders do not necessarily deal with day-to-day decisions; they are tasked with oversight of the "big picture," such as business plans, company vision and the organizational budget. How a board is structured can affect its role in shaping these policies as well as its impact on the company as a whole.

Know Your Role

A board consists of a certain number of directors, usually led by officers such as a chairman and/or president. The person who runs the day-to-day operations of the company or nonprofit is often the executive director or chief executive officers.

[Alley Watch](#) suggests constructing a board with both a manageable number of directors – the better to have strong attendance at meetings – and an odd number to avoid voting ties. One key to creating the structure of the board is to [create a hierarchy](#) that provides enough experience and expertise among the board members to adequately lead the company.

The Chairman and the Board

The board chairman is the leader of the board. He may also be the chief executive, or the board may prefer to have a non-executive chairman. After all, the board may be called upon to determine the CEO's pay, or even hire and fire her. The chairman has a lot of power: he usually sets the agenda for meetings and leads the discussion at them.

Other board members may fill traditional "officer" roles, such as secretary or treasurer; or they may be divided into executive directors, who perform other company jobs, and non-executive directors, who are independent "outsiders" not directly affiliated with the company. Even if the CEO is not the chairman, she may be given a seat on the board -- sometimes with voting rights, sometimes without.

Building a Board

How seats on the board are allocated, and for how long, can vary by company. However, some boards of publicly traded companies allocate seats according to a person's investment. Following this approach, a 20 percent shareholder should control one-fifth of the board's seats. Likewise, some boards may limit directors to two consecutive terms, with a mandated hiatus after the second one before they can serve again.

Putting Knowledge to Use

Board members may be asked to serve on board committees or subcommittees, comprised of smaller numbers of directors and specializing in topics such as governance or finance. Often, these directors are tapped for a job based on their personal knowledge – such as the leader of an IT company serving on the technology committee.

It is important to understand that federal regulations may require certain committees are comprised entirely of independent directors, including the audit, compensation and nominating committees.

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Duties of a Church Treasurer

By [Scott Thompson](#) Updated June 29, 2018



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Along with financial expertise, the church treasurer must have faith, integrity and impeccable character. Members of the congregation trust the church treasurer to exercise good stewardship in managing their hard earned contributions. Typical duties include collecting the tithe offerings from the congregation, recording donations, and depositing funds into the correct account. Serving in the role of church treasurer is a special honor and privilege.

Weekly Duties

Each week the treasurer rounds up donation envelopes left by parishoners in church pews and deposits the money in the church bank account. Churchgoers usually write their name on the envelopes along with the dollar amount of the donation during Sunday services. The church treasurer checks the amounts to make sure they match, preparing receipts for the donors and keeping records of the funds. Churches usually require the treasurer to perform all of these duties in the presence of a deacon or some other responsible person to guard against any improper use of the donation money. The treasurer is also responsible for paying employees and covering other expenses.

Monthly Duties

On a monthly basis, the church treasurer carefully compares the church ledger to the bank statement to ensure everything matches. The treasurer also attends vestry and church administration meetings to present a monthly financial report, including details of all funds used for operating expenses and miscellaneous expenditures. If the church has investments, the church treasurer explains how the funds are performing in the present market. Further, the treasurer prepares a financial update for the church's monthly newsletter if that is customary.

Quarterly and Yearly Duties

Donors count on the church treasurer to provide them with quarterly financial statements so they can claim the tax-deductible donations they made during that quarter. The treasurer must also be on top of submitting statements to the Internal Revenue Service in a timely manner. On an annual basis, the treasurer makes arrangements needed for an external audit of the church's finances. Other annual duties include the preparation of 1099 or W-2 forms for church employees, and the church's proposed budget for the upcoming year.

Best Practices

A church treasurer's position carries a potentially heavy burden of trust and responsibility. Any inconsistency in the church's financial statements invites suspicion of wrongdoing by the treasurer even if it was simply an honest mistake. To avoid any

chance of such a misunderstanding, church treasurers must use sound accounting practices such as keeping personal funds and church funds strictly separate. Also, funds used for church operating expenses should never mingle with funds used for other projects or for any national organizations affiliated with the church.

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Duties & Responsibilities of a Secretary in a Corporation

By [Chron Contributor](#) Updated October 15, 2020

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A corporate secretary holds considerable responsibility in the operation of a company governed by a board of directors. Having a board is optional for small businesses, unless they've been funded with venture capital or structured as an S corporation to be taxed like a partnership. As the official record keeper, the corporate secretary plays a major role in leading a board of directors' compliance with the legal side of business government and its communication with shareholders and regulatory agencies.

Company Secretary Qualifications

According to the [Society of Corporate Secretaries and Governance Professionals](#), having a law degree helps, but it's not necessary for corporate secretaries. Competencies the secretaries should have include written and oral communication skills, an ability to anticipate compliance developments that affect the business and a respect for confidentiality. Whether appointed or elected, corporate secretaries must know their company well, be detail oriented and have a solid understanding of the requirements imposed by securities regulations. An effective corporate secretary builds working relationships with the executive team and board members.

Minutes and Records

Corporate secretaries consider taking minutes for a historical record of board meetings among their prime responsibilities. What they write carries legal ramifications, making accuracy and prompt distribution to members of the board important. Minutes become evidence when legal action is taken against a company or the Internal Revenue Service conducts an audit. A corporate secretary's administrative duties include maintaining records of shareholder meetings and shares owned.

Compliance Duties

Company secretary roles and responsibilities include compliance, and alternative titles given to corporate secretaries include corporate governance officer or chief governance officer. These titles recognize the secretary's role in following disclosure requirements and ensuring that the board's decision-making process meets them. The corporate secretary oversees the company's adherence to state and federal laws related to stock, securities and dividend listings. The board may give its corporate secretary signature authorization to sign related legal documents. Making sure the board follows company bylaws and its charter also falls to the corporate secretary.

Other Secretary and Treasurer Duties

Depending on the corporate bylaws, the secretary may report to the chief executive officer or general counsel in addition to the board and appointing officers in a corporation, suggests the corporate governance website [Board Effect](#). Board members rely on the corporate secretary to keep them informed about changes in regulations that affect how companies should govern themselves, to prepare all-encompassing meeting agendas and to act as their liaison with shareholders. They delegate the organization of the annual meeting to the corporate secretary, who guides the election of board members and other decisions presented to shareholders at the meeting. This responsibility makes the corporate secretary a point of contact for shareholders and their proxies.

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CEO Vs. Board of Directors



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A company's chief executive officer is the top dog, the ultimate authority in making management decisions. Even so, the CEO answers to the board of directors representing the stockholders and owners. The board sets long-term goals and oversees the company. It has the power to fire the CEO and approve a replacement.

Differing Responsibilities

Boards and CEOs both make high-level decisions. The exact difference between their roles is not set in stone but decided by company policy. At some corporations, for example, the CEO sits on the board, even serving as chair. Board responsibilities include choosing and firing the CEO, approving major policies and making major decisions. The board also oversees CEO and corporate performance with an eye to the company's profitability and its long-term health.

The board usually only meets a few times a year, reviewing the company's performance and planning for the future. The CEO makes decisions daily, carrying out the board's directives. CEOs make operational decisions and sets company policies. They keep the board informed about corporate activities and make recommendations to the board.

The Board/CEO Relationship

Even a capable CEO is not really a solo act. CEOs get direction from the board and give feedback, so having a good relationship with the board is essential. The board chair, if they are not the CEO, should be ready to provide guidance if the CEO is unclear about the board's wishes. A good chair may roll up their sleeves and assist the CEO if there is a crisis.

If the CEO does not connect with the board or have a good rapport with the chair that can cause problems. Board members are busy people, but when recruiting a new CEO, it may be worth meeting them in person rather than just reviewing their CV. That gives the board a sense of whether they can build a partnership with the candidate. The ability for both sides to communicate honestly and openly is essential.

Blurring Boundaries

The dividing line between big, board-level decisions and day-to-day, CEO-level decisions and between drawing up plans and carrying them out, is not always clear. The board may feel a need to get more involved when problems arise. Ordinary legal problems, for instance, are a matter for the CEO; a state-attorney-general investigation into the company might require the board to take action. Board members must walk a line. They must ensure the CEO and other managers are addressing key issues, but they should not micromanage the company.

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How to Draw the Line Between a CEO's & Board of Directors' Responsibility

By [Steve Milano](#) Updated July 29, 2021

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A CEO's worst nightmare is a board of directors that tries to manage the business, rather than steer it. In this scenario, the chief executive becomes a glorified secretary, often at the mercy of one or two board members who might threaten the CEO if he doesn't follow their exact orders.

One of the ways to avoid this scenario is for a board to have a frank discussion of their role and then write a detailed job description for their CEO.

If you find yourself in a situation as a CEO with an overly hands-on board, understanding how the most successful businesses and nonprofits with boards delegate duties between the board and office staff will help you make your life easier.

Steering vs. Managing an Organization

Board members are often appointed to for-profit corporations for their general business expertise, and/or their expertise in certain functional areas (such as marketing or IT). They are also recruited for their "name" or reputation, which gives stockholders and others more confidence in the company.

With nonprofits, board members are usually volunteers who bring expertise that can help the organization, including contacts who can help bring in donations and other funding.

For these reasons, boards of directors often steer an organization strategically, rather than trying to manage the day-to-day operations. This means that the board gives the CEO and his staff goals and objectives, but leaves it up to the expert management team to figure out how to reach the goals and objectives.

The board gets and approves action plans from the CEO and his team, but doesn't micromanage the expert they've hired, according to Washington State University's Carson College of Business.

How to Set Roles and Limits

One way to deal with CEO delegation of authority is to have the board discuss among themselves their role. Do they see themselves as macro-managers who give big-picture strategic goals and objectives, or will they be more hands-on because they feel they have more expertise than their CEO? Boards should start by setting their strategic goals and then asking the CEO for a detailed action plan they can approve.

If the board is confident with a new CEO's plans, the board can let the executive begin managing the organization, providing frequent status updates to the board. Once the board is satisfied with the CEO's performance, it won't need as many updates.

In some cases, a CEO functions as the president and CEO of a business. This means that the CEO not only runs the operations, but also serves as the public face of the organization. In other cases, the president of a company or nonprofit organization is the chairman of the board, who is the public face of the company. In some cases (such as Warren Buffet and Mark Zuckerberg), the CEO and chairman roles are combined.

Provide Liaisons to the CEO

Another way to draw the line between a CEO's and board of director's responsibilities is to provide liaisons and committee members to work with different department heads. For example, the chairman of the board might have weekly meetings with the CEO, while the treasurer works closely with the chief financial officer.

In the case of nonprofits, board members who are committee members might work with their contacts on the management team. For example, the magazine or newsletter chairman would work closely with the communications manager, while the annual meetings chair would work closely with the organization's meetings department director.

Using Reasonable Care

Board members can't just lend their names and goodwill to an organization and then claim ignorance when something goes wrong (such as embezzlement). Board members must use reasonable care in the execution of their duties. For this reason, the board hires and monitors the CEO, requiring detailed reports of the goings on at the company. This doesn't mean the board should be commenting on every action the CEO takes – it means that the boards should make sure the CEO has things like financial safety procedures, harassment and discrimination rules and safety protocols in place for the company.

Managing Board Members

A key skill of a successful CEO is the ability to manage her board members. She will be successful if she develops personal relationships with each board and committee member. It's easier to explain and sell your ideas to one person than it is to try and convince a room full of board members.

If the CEO can get a committee member to make a recommendation to the board, it might be more difficult for a board member to contradict a peer (who is supposed to be the expert in this area – hence the committee appointment).

Smart CEOs who last for many years with an organization also keep an eye out for potential board members who might serve the organization and, quite frankly, be less of a pain for the CEO. CEOs often reach out to industry people and invite them to get

involved with the organization, grooming them for a future board appointment, according to the [Nonprofit Leadership Center of Tampa Bay](#). This is easier to do at smaller businesses and nonprofits, but most boards aren't running Apple or Amazon, so this strategy is a common one for many CEOs.

Create Meaningful Board Work

Another way to allow boards to contribute in their areas of expertise while the CEO and his staff runs the business is to identify specific tasks for the board, recommends [BoardEffect](#).

For example, one of the key roles of the board of directors is to ensure that the organization is fulfilling its mission. This means the board should be extremely familiar with the organization's bylaws, mission statement and values. This will guide the board as it sets its strategic goals.

Board must also understand their legal responsibilities. Corporations must work to improve shareholder value. If the board manages a publicly traded company, it must be familiar with U.S. Securities and Exchange Commission laws. Nonprofit boards must be familiar with IRS tax codes regarding nonprofits.

The CEO should work closely with her chairman of the board and the organization's general counsel to make sure that the organization is meeting all of its legal responsibilities.

A CEO should create a list of the legal and operational responsibilities for a board of directors – but without overstepping her bounds. This strategy is not a good idea if the board members are successful business people with years of running boards. One way a CEO can help do this for less-experienced board members is by creating board member packets that all new members receive.

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How to Resign From a Nonprofit Board of Directors

By [Danielle Smyth](#) Updated May 17, 2021

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Many people get involved with nonprofit organizations because they hope to make a difference in the world and drive changes; in this light, it can be quite an honor to be asked to serve on a nonprofit's board of directors. Since members of the board serve as volunteers, there's technically no contract, but members are expected by the board and the nonprofit organization to serve out their entire term. There are some legitimate reasons for a board member to resign, and normally, the rules and bylaws of the nonprofit contain guidelines on resignation that should be easy to follow.

Reasons to Resign

While working to direct a nonprofit organization can be rewarding and fulfilling, it also can eat up a lot of time and resources, especially since it is a volunteer position. Often, through no fault of their own, board members may find that they can no longer commit to attending board meetings or working on their own projects; most charters expect the board members of a nonprofit to place the organization's interest above their own, and if changes in your life situation mean you can no longer do so, a resignation is an option. In these cases, it's best to be honest and straightforward, and most of these kinds of separations end on a positive note.

Board members also resign when they cannot personally support the operations of the rest of the board of directors or of the nonprofit. Sometimes board members will resign in protest of actions they view as either illegal or unethical, to separate themselves from these activities. In other cases, board members may feel overshadowed by other board members, or like they aren't being useful, says the team at [Board Effect](#). A nonprofit board of directors is as subject to personality clashes as any other organization, and in cases where there are major conflicts, a member may decide to resign rather than taking it out on the nonprofit organization.

Writing a Resignation Letter

When it comes to the procedure to resign from a Board of Directors, you should always resign using a formal letter. It's the most appropriate way to provide all the information needed in a written document, and it can be appended to board notes and meeting minutes so that any members not in attendance can read it as well. Make your letter professional, with proper formatting and an expression of gratitude for what the experience has given you, say the experts at [Indeed](#).

If you're leaving for reasons more related to your personal life than the nonprofit, and things are ending on a good note between you and the organization, you can discuss how much you've enjoyed serving and your wishes for the board's future. Consider the board's schedule when choosing the date of your resignation; if your board meets once a month, you may want to give them more than 30 days notice, so that you can leave your projects in a good state and they can have a head start finding interested candidates.

Honesty is the Best Policy

In cases where you're leaving the board of directors due to irreconcilable differences or as a protest, it's best to be honest without being cruel. If you feel like you aren't meshing with the rest of the board or that your voice is continuously ignored, try to say so in a professional way. It's likely you aren't the only one, and equally likely that other members may not have noticed these problems; bringing them up in a resignation letter gives the board a chance to look at their internal processes and make improvements for the next member. If other board members resign, they may follow your good explanation.

If you're comfortable doing so, try to talk to the board chair and/or executive director first, so that they aren't caught completely off-guard. In some cases, your complaints may be reasonable ones the board is willing to commit to solving before you resign completely.

REFERENCES

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Hiring Procedures for an Executive Director

By [Tracey Sandilands](#)



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Nonprofit organizations are typically managed by an executive director or chief executive officer who reports to a board of volunteer directors. The executive director carries tremendous responsibility for the operation of the organization, its fiscal health, and how well it achieves the mission, vision and values set by the board. Most nonprofits follow common, well-established hiring procedures to ensure that they identify the right person for the job of executive director.

Forming a Hiring Committee

A hiring committee is responsible for compiling the executive director's job description and selecting the criteria against which to rate candidates for the position. The nonprofit forms a hiring committee consisting of board members and other stakeholders who have an understanding of the position's requirements, such as community leaders or long-term volunteers. The group usually includes an odd number of members, in the event that members can't reach consensus on issues and need to resort to voting. The draft job description is approved at a full board meeting before finalizing and commonly includes the deadline date for applying.

Developing a Candidate Pool

The hiring committee advertises the vacancy in appropriate online and print venues, targeting websites and magazines specific to the industry or work of the organization. The committee may post the job description on the organization's website and share it on social media profiles, as well as sending it to volunteers and others on the group's mailing list. The committee members share and read through all the applications they

receive and discard those that don't meet the core criteria for the position. They select between five and 10 of the most suitable applications to contact by telephone for an initial conversation, after which they short-list three to five candidates to interview in person.

Processing Applications

The committee schedules interviews with each of the final candidates. These interviews often take place outside business hours, for the convenience of the volunteer board members who may have full-time jobs elsewhere. Board members may share the tasks of obtaining references and conducting background checks. Often, candidates for executive director positions are subject to a criminal background check, particularly if the organization works with money or a vulnerable population. The final one or two candidates may be required to attend an interview with the full board of directors, which makes the decision on who to hire.

Finalizing the Appointment

When a candidate has been selected, the hiring committee compiles a letter of offer and a draft employment agreement. The committee chair contacts the successful applicant and makes the offer. If the candidate agrees, the board sets a start date, and the agreement is signed. Both parties retain a copy of the contract, which includes the agreed compensation and other benefits, probation period and provision for termination. It also includes standard conditions such as confidentiality and, in some cases, goals or targets that the executive director must fulfill within a certain time frame.

How do nonprofits account for in kind donations?

The accepted way to record in-kind donations is to **set up a separate revenue account but the expense side of the transaction should be recorded in its functional expense account**. For example, revenue would be recorded as Gifts In-Kind – Services, and the expense would be recorded as Professional Services.

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Qualifications to Serve on a Board of Directors

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Organizations of all types from small nonprofits to mega corporations are governed by a board of directors that appoints the agency head. Serving on a board of directors requires strong leadership, commitment to the mission of the organization and impeccable credentials.

Board of director responsibilities may include fiscal oversight, fundraising, strategic planning and personnel actions. Those who meet board member qualifications may find the experience challenging, but deeply rewarding.

Board of Directors Responsibilities

Individuals appointed to a board of directors meet regularly to review budgets, operations, strategic plans, and personnel matters. Advice and guidance are given to the organization's management team. Board members may take the lead in fundraising activities for nonprofit organizations and may have been selected for their ties to community resources.

Many board members are chosen at the late stage of their careers and bring decades of experience and business acumen, according to Forbes. Others are younger and ambitious with forward thinking ideas that can grow the organization. Honesty, integrity, independent decision-making and objectivity are personal qualities that Forbes considers necessary for board members to possess in order to properly fulfill their responsibilities.

Serving on a board of directors is a major commitment that should not be undertaken lightly. In fact, bank board director Charles J. Thayer writing in Directors & Boards suggests that the potential risks of serving on a community bank board of directors can outweigh the rewards. Bank board of directors qualifications include understanding of banking laws because directors are expected to know and follow 800 rules of the American Association of Bank Directors to avoid the perception or reality of financial mismanagement.

Board Member Qualifications and Disqualifications

Board member qualifications include basic eligibility criteria that must be met for further consideration. Those who do not meet basic requirements are eliminated early in the selection process. Directors must be carefully vetted to ensure they have the ethics and integrity to serve in this capacity. Qualifications for serving on the board are typically outlined in the organization's bylaws and vary from one organization to the next.

Commitment to Diversity

Board member qualifications typically include commitment to diversity. Members of a board of directors from diverse backgrounds offer unique perspectives and ideas for

reaching underserved populations and untapped markets. Commitment to diversity and inclusion is essential to innovation and an organization's long-term viability and expansion.

The Council of Nonprofits suggests that charitable and philanthropic organizations should be doing more to increase diversity on the boards. Instead of limiting qualifications to CEOs who may be predominantly white males, board membership could be open to millennials, for example. Asking for nominations from communities served by the organization may also result in a more diverse pool of qualified director applicants.

REFERENCES

Role of a CEO in Nonprofit Management

Because the board of directors of a nonprofit steers the organization in regard to fulfilling its mission, the CEO of a nonprofit takes a hands-on, business-oriented role. Understanding the duties of a nonprofit CEO, commonly known as an executive director, will help you determine if a top management role in the not-for-profit arena is right for you.

Strategic Management

Unlike a corporate CEO, a nonprofit executive has a smaller role in planning the strategic direction of the organization. Working with the board, which sets the course of the nonprofit, the CEO provides advice on the practicality of the board's vision and individual wish-list items, based on the CEO's knowledge of the organization's budget, resources and staff expertise.

Executive Management

The CEO is the liaison between the board of directors and any managers or directors of the nonprofit. This means communicating to the chief financial officer and department heads the goals of the board and developing strategies and tactics to achieve these goals. At large nonprofits, especially trade associations, the CEO might be the public face of the organization, delegating management responsibilities to the chief operating officer, CFO, development director and department heads. A nonprofit CEO also often helps with board development, suggesting, recruiting and training volunteer board members.

Finance

Because of the public scrutiny of a nonprofit's finances and the special legal aspects of nonprofit accounting, the CEO takes an active role in the finances of the

organization. The CEO is closely involved in the creation of the annual budget and reviews each financial report the organization's treasurer presents at board meetings. The CEO might be responsible for working with the board to let it know what initiatives the organization can realistically pursue, as well as what needs the organization has that board members can communicate to their donor contacts.

Marketing

A nonprofit CEO works closely with the organization's marketing or development director, relying on public relations, advertising, promotions, fundraising and communications staff. Although the CEO doesn't need to be a marketing expert, the CEO should know the image the board of directors wants to communicate to the public, and the CEO reviews and approves key external messages to ensure that they maintain the brand of the organization.

Human Resources

Boards of directors hire, direct, and terminate their CEO usually has direct responsibility for all other human resources duties. The CEO might need approval to hire high-level employees at large nonprofits, or approval for all employee and contractor decisions if the organization is smaller.

Day-to-Day Management

Unless a nonprofit is run by a board that micromanages its CEO, the CEO oversees the day-to-day operations of the organization once the board approves annual plans, budgets, and other macro strategies. The CEO might need to get a second signature on checks or send all checks to the treasurer for review, approval, and signature. Like a for-profit CEO, a nonprofit CEO provides "how-to" business management expertise, while the board of directors provides "what to do" guidance.

The Pros and Cons of Nonprofit Board Membership

It's a great honor to be asked to join a nonprofit board of directors. Most people get asked either because they have specific skills to contribute to the organization or because they have a personal interest or passion in the cause. While it's flattering to be considered for nonprofit board membership, there are a lot of pros and cons to consider before accepting a position.

Nonprofit organizations are regulated by state laws. It's important for all board directors to be familiar with laws and regulations that pertain to nonprofits. All board directors are responsible for legal compliance. It's not enough to assume that another board director has it covered or to assume that everything is being done correctly. Board directors must also be aware of their duties and responsibilities for board directorship. Not

knowing your responsibilities doesn't absolve you from the liability of not knowing and it's important that all nonprofit board directors are aware of this.

Pros of Nonprofit Board Membership

The number of pros for serving on a nonprofit board are numerous and will benefit you for a lifetime.

First, to have a nonprofit board directorship on your resume will enhance it nicely. Employers will give you credit for doing such noble work. They'll likely want to know more about your involvement, especially as it pertains to the knowledge and skills that you acquired during your board service.

Serving on a nonprofit board is a fantastic learning opportunity. It's a chance to learn more about the field that the nonprofit is in. It's also a valuable opportunity for learning more about governance and leadership. Those experiences will help you to advance in your career and in life.

Nonprofit board membership also offers you new opportunities to expand your network which can be very beneficial in other areas of your life.

Finally, serving on a nonprofit board offer you an opportunity to contribute to your community and change lives in a palpable way.

Cons of Nonprofit Board Membership

If you're looking to serve on a nonprofit board for the pay, you'll most likely be disappointed because nonprofit board directorship isn't usually a paid position. There are a host of other cons to nonprofit board directorship as well.

If you're considering serving on a nonprofit board, be sure to ask many questions about the board's expectations for your time commitment. It usually ends up being more than most people expect. You'll be expected to attend all board meetings so be sure to find out how often they meet and how long they last. At some point, you will probably be asked to serve as an officer or as part of a committee which will entail more of a time commitment. You will be expected to attend events and fundraisers for the group, so it's wise to ask what kinds of events they hold and how often they hold them.

It's common for nonprofit boards to recruit board members who can make a strong financial commitment to the organization or who have strong connections of people who could do the same. Either way, best practices for good governance suggest that all board members give some type of donation to the organization annually. The reason for this is because grantmakers look for assurance that board directors are invested

enough in the cause that they're willing to donate their own money. Some donors ask for the dollar amount that board directors donated and others ask for the percentage of donations that board members donated. Even if all board directors donate a small amount, grantmakers would see that there are 100% donations from the board.

Other than the time commitment, candidates for nonprofit board directorship should be aware that they could be held liable for their speech, actions, or inactions in certain situations.

Nonprofit board directors are required to act with reason and prudence, always acting in the best interests of the nonprofit. Board directors who fail to fulfill their duties could be personally sued for wrongful actions. Board directors should know their state laws for compliance. For example, most states have limitations on lobbying and political involvement for nonprofits.

Be sure to ask the board if the organization has anything in their articles of incorporation that helps to limit the personal liability for board directors. The articles of incorporation may state that your liability is only limited to intentional wrongful action, which greatly decreases your chances of being sued for that reason. Another way that nonprofits typically protect their board directors is by purchasing a Directors and Officers liability policy, which most nonprofits will have done. Be careful to read the policy as it will surely contain certain conditions and exclusions.

Another area of legitimate concern over joining a board of directors is that it can limit your ability to conduct business with the organization as it creates a conflict of interest. Conflicts of interest would also apply to others who are related to you unless the organization has a written policy that states otherwise.

Along the lines of conflicts of interest, board directors should know how to recognize one and be willing to address it if it occurs. It's important to be able to consider alternatives that don't create a conflict of interest. In addition, board members who are alleged to have a conflict of interest should abstain from voting on such matters and their vote should be reflected as such in the minutes.

Making the Decision to Serve as a Nonprofit Board Director

Before making the important decision to serve as a nonprofit board director, it's wise to cover as many bases as you can.

Learn as much as you can about the board's expectation for your time commitment and be sure that you can meet it.

Board directors have special responsibilities called fiduciary duties that require them to act with good faith, due care, and loyalty. Bad deeds and behavior by other nonprofit board directors have caused increased scrutiny by legislators, regulators, donors, and the media and it's important to keep this in mind during your term.

Your role on a nonprofit board will require you to be an independent thinker who doesn't give in to groupthink. You'll need to be aware that your votes should be informed and not just rubber-stamp the opinions of your peers. Be willing to tackle the hard questions and do proper research to support your votes.

Nonprofit board directors should also be aware that their main duties are oversight. Certain situations may call for delegating tasks to board committees or calling in third-party experts.

Part of your responsibility as a nonprofit board director is to be fiscally responsible. You should know how to read and interpret financial statements or be willing to learn.

It's the modern governance solution to assisting new and old board directors to serve as responsibly as possible.

This is Why Joining a Board is Great for Your Career

- Strengthen your professional credibility. ...
- Grow your professional network. ...
- Sharpen your professional skills. ...
- Gain exposure and insight. ...
- Reinvigorate your career. ...
- Increased visibility.

You've heard that a board role can be highly beneficial for your career. You've been told that whether it's for a non-profit organization or corporate entity, serving on a board can provide professional growth opportunities and strengthen your personal brand. However, since pursuing a board role may require a considerable investment of time and effort, is the payoff worth it? Yes, because a board position enables professional development and personal growth, ultimately fueling career advancement. Here are some ways a board position can help you:

Strengthen your professional credibility.

Selection for a board position shows that an organization is entrusting you with a vital, visible and high-impact role. It is a public endorsement of your expertise and value. This affiliation is one you can communicate and promote, and it can raise your professional profile among your peers, within your organization and across your industry. Your board affiliation can also enhance the brand and reputation of the organization for which you work. All of these things can help strengthen your candidacy for a promotion or new role and can increase your value in the workplace.

Grow your professional network.

Board roles provide you with an incredible opportunity to meet influential, intelligent and well-connected people. You may meet an organization's strategic partners, its clients and investors, as well as colleagues and leaders across industries and government. As you meet new people, be sure to connect in meaningful ways; relationships are not built on a single conversation. Cultivate them by setting up calls/meetings, sharing resources, making plans to meet at another event, and of course, connecting on LinkedIn. These relationships can be quite valuable when you are ready to pursue the next step in your career.

Sharpen your professional skills.

Serving on a board will enable you to strengthen a variety of professional skills, which are highly beneficial for career advancement. Key among them is collaboration, particularly how you work and interact with other board members and organizational leaders across business and functional areas that may be newer to you.

You also may hone your ability to contribute to an organization's strategic direction, rather than managing day-to-day operations. Boards help to guide an organization broadly, such as improving its financial health or market competitiveness. You may be involved in organizational investments, performance evaluation, program funding and policy creation. This is a great step up if your career-to-date has been focused on overseeing a single functional area like finance, marketing or operations.

Serving on a board will also strengthen leadership skills, especially if you are heading a committee of other executives, which is quite different than leading a team of direct reports or a cross-functional project team. And, if the committee meets remotely, directing them can also sharpen remote team management skills.

A board position may also provide you with an opportunity to coach and mentor others, including members of the organization's management team or junior board colleagues. In addition, specific training or certifications may be required as part of your board commitment. This will add to your professional wheelhouse and can be beneficial as you advance your career in any capacity.

Reinvigorate your career.

You can use your expertise and skills as a board member to make a difference in a company, industry, community, and possibly, in a lot of individual lives – especially if you work with a non-profit organization. And collaborating with and mentoring passionate and motivated people can also be invigorating. The resulting inspiration, connection and engagement can motivate and propel you to take your career to the next level.

Increased visibility.

Exhibiting solid performance on a board and utilizing your expertise to contribute meaningfully to its mission and goals will elevate your professional reputation. You will be seen as a dedicated, strategic, go-to person with great insight who gets things done.

Your visibility and value within the organization and with stakeholders and other business leaders will grow. These leaders, as well as your board colleagues, will know the benefits of working with you firsthand, which can be to your advantage as you pursue future board roles or employment opportunities.

Serving on a board is a great way to expand your career experience, whether you're helping a non-profit organization or a corporate entity. It will provide you with opportunities to broaden and sharpen skills, grow your professional network and gain exposure to new industries and areas of business that will drive professional growth. Joining a board will help you elevate your reputation and strengthen your personal brand, which are key elements to fuel career advancement.

Serving on a nonprofit board is a fantastic learning opportunity. It's a chance to learn more about the field that the nonprofit is in.

More benefits of being a board member? Why Joining a Board is Great for Your Career

- Strengthen your professional credibility. ...
- Grow your professional network. ...
- Sharpen your professional skills. ...
- Gain exposure and insight. ...
- Reinvigorate your career. ...
- Increased visibility. Maximize Your Impact. ...
- Develop New Leadership Skills. ...
- Help Build a Business. ...
- Grow Your Network.

Let's consider some other benefits of being on a board.

- Develop your own leadership skills by learning from others.
- Establish and grow your network.
- Learn about how other businesses operate.
- Make a real difference.

This is Why Joining a Board is Great for Your Career - Ellevate Network

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What is the role of a board member in a non profit?

Do you make money being on the board of a nonprofit?

Is it good to be on a nonprofit board?

Provide your research to your board and ask that they consider making an annual donation, with a specified dollar amount. Again, always provide the option to members to raise that amount in other ways if they cannot make the personal commitment.

It indicates that the board member has a commitment to the organization and its mission. It encourages other donors to give and impresses institutions that provide grants or other support. Indeed, many major donors and foundations will not support a charity unless the board achieves 100 percent giving.

Serving on the Board of Directors of an organization that I admire may be one of the most rewarding and valuable decisions I've made. Here's why.

Some cultural organizations are doing the hard work of challenging themselves to embrace new perspectives. Let's make sure that there are helpful perspectives to embrace!

I'm talking to you, fellow millennials! You folks who feel a rush of excitement when you walk through the door of a museum, get goosebumps at the symphony, or know the names of more than three types of dinosaurs and secretly hope that you can work that knowledge into casual conversation. I'm talking to you folks who smile like a fool through live science demonstrations, choose musical theater selections at karaoke night, and set up green rooms in your homes. I'm talking to art aficionados, teachers, musicians, animal lovers, history geeks, and people who carry their own straws around to help save the environment.

The primary reason to serve on a board is to meaningfully contribute to serving an organization and its mission. That's common sense. But to open up the conversation and encourage consideration among my peers, I'd like to examine the decision to serve from another perspective. **I'd like to share four, major benefits to me of serving on the board of a visitor-serving organization, in the hopes that it will encourage others to look into board service.** I image that some of these will depend upon the board and the organization. For me, these are likely the four biggest benefits I've found to joining the Board of Directors of an organization that I care about.

1) You get a valuable seat behind the wheel of a major organization, and you play a key role in strategizing.

From financials to operations to board governance to philanthropy to mission work to marketing to education programs to access opportunities – nothing screams, “Everything is connected in a successful organization” like serving on the board. This lesson runs deep, and it’s echoed in much of the data that I share on this site. I find this perspective particularly valuable because it seems contradictory to the siloed way in which several organizations run from the inside. I don’t know that I would truly understand how everything works together if I only had experience working within an individual department within an organization. **When you serve on the board, you have the honor, challenge, and responsibility of understanding how everything needs to work together for an organization to accomplish its goals.** It’s invigorating.

2) Becoming a major donor feels good – and has taught me more about fundraising than any course in graduate school on nonprofit management

The National Aquarium has a giving board. This means that we all contribute financially to the aquarium. Not all boards are giving boards, and, in my experience, the topic of giving may be one of the most contentious topics around board service among millennials (and non-millennials). I’ll say this: Giving is really important, but I also think that it’s incredibly rewarding.

Listen, I get that it would be excellent if we could all dictate the decisions of major institutions without putting anything of our own on the line...but many organizations **need financial support from the board** to keep running. Not only that, **who is on the board and how much they give** is a big determinate of if someone will make a major gift. And perhaps it should be! If an organization’s own board members don’t care about it enough to support it meaningfully, *then why the heck should anyone else?*

But here’s the thing: **I think there’s incredible pride in saving up and giving meaningfully to something that I care about.** Remember how good it felt to save up your first babysitting dollars and buy that Spice Girls CD? (Just me?) Saving up and giving to an organization that you believe in (at an amount that works for you) feels like that...times one thousand. And you’ll still feel good about the impact of your contribution for longer than “Wannabe” was top song. Studies show that **giving to charity has serious health benefits.**

Consider what you can and are willing to give, and ask current members of the board about expected contributions. But please, don’t let this turn you off to board service. For me, it meaningfully contributes to my pride in serving the organization.

Moreover, I've **learned more about fundraising as a donor** than I ever learned in any fundraising or nonprofit management course while pursuing my graduate degree. It's only when you (in my case, work hard to) get on the other side of the "ask" that you become glaringly aware of careless but meaningful missteps that countless organizations make. For one, you may begin to notice as the New Year rolls around each year how few organizations ever even say "please" in their asks. (Now you'll always notice and feel a tad irked. You're welcome, friends!)

3) Your voice is likely to be heard – and it has impact. You'll hear the impactful voices of others, too.

I'm not the person at the board meeting talking legalese or providing insight on optimal animal care – there are other board members and staff experts who are far, *far* more qualified to do that than I am! But I try to bring my talents to the table. For me, that's my knowledge of public perceptions of visitor-serving organizations, trend data, marketing, and engaging audiences. And, if you join a board, you'll likely bring your own valuable talents, passions, and areas of expertise. You'll open eyes and your eyes will be opened.

Professionally, I work predominately with Baby Boomers. I am grateful for this, as **it reminds me to stay in a learning mindset**. This gift keeps my eyes open and it keeps me humble. (I believe it to be a gift, even though it means that most of my joking references to Internet memes get confused stares.) I serve on the board alongside incredible individuals who are not of my generation, and it keeps me going. Not only that, I've found incredible mentors and I get to observe thought leaders in action.

4) You'll care more than you thought you could

Like nearly everything in life, I find that you get what you give when it comes to board service.

I'm certainly not the most involved person on the Board by any means, and I'm not the least. I don't mean to give the impression that I am the first person there as the doors open or heading up every committee – far from it! Like most, I have a busy schedule to juggle, and I live in Chicago rather than Baltimore. But I can say that I've noticed that the more attention and effort I put in, the more I get out of it. **The more I care and contribute, the more I grow.**

The first reason to serve on a Board of Directors on a more conventional list might be, "To contribute to something meaningful." I wonder if the first reason might be stated differently: *To allow something meaningful to contribute to you.*

It works both ways. At least, in my experience it does.

To fellow folks under the age of 40 who feel alive when they visit cultural organizations: Please consider learning more about joining a Board of Directors and contributing your support and service. The perspective is needed, and it is valuable.

Curious and want to learn more? If the Board is not the right fit, a forward-facing organization will have other paths to continue engagement with the institution.

Nonprofit organizations – and cultural entities in particular – may be in need of new perspectives to aid in their evolution. For those willing, let's lend them.