

A photograph of a traditional windmill in a rural, arid landscape. The windmill has a wooden lattice tower and a large, multi-bladed metal wheel. To the left of the tower is a large, cylindrical, rusted metal water tank. The ground is covered in dry, yellowish grass. The sky is a clear, deep blue. The text "Board Member Responsibilities" is overlaid on the right side of the image in a white, serif font.

# Board Member Responsibilities

# So you're on a Board of Directors...

- Lie #1: You really won't have to do anything on the board
- Lie #2: You'll only be on the board for one term

# Serving on a Board

- Is an important responsibility
- Requires management of risk
- Can be very rewarding
- Is easier with common sense

# Why do Boards Exist?

- Most systems are “owned” by the members & operated for the public good
- The board of directors represents the interests of the community
- The board acts as governors or trustees to protect the public purpose, and to ensure funds are used responsibly & effectively



# 3 Legal Duties of Board Members

- Duty of Care
- Duty of Loyalty
- Duty of Obedience

# Duty of Care

To act with the same care as a “reasonably prudent person” would exercise under similar circumstances, in good faith, and in a manner reasonably believed to be in the best interests of the organization. Board members are expected to pay attention!

# Duty of Loyalty

To not engage in any activities which would injure or take advantage of the organization, and avoid conflicts of interest. Act in the best interest of members, and place their interest above your own.


# Duty of Obedience

To ensure the organization operates in keeping with all laws and rules governing its formation and in accordance with its own bylaws and mission. Abide by decisions made by the board.



# The 3 Fiduciary Duties

The essence of these duties is that board members work exclusively for the benefit of the organization and its mission, consistently excluding any and all other considerations.




# Board Members – Keep in Mind:

- Board members have no individual authority separate of the board
- Board members should not act independently of the board unless authorized to do so\*
- Board members are expected to support decisions of the board, regardless of personal desires and/or opinions
- Vote your conscience and speak your mind in the meeting!

# Ten Jobs for the Board of Directors

1. Handle money & file forms
2. Keep it legal & safe
3. Make the big decisions
4. Ensure accountability
5. Get help when you need it

# Ten Jobs for the Board of Directors

6. Plan for new board members
  7. Get the work done
  8. Support other volunteers
  9. Be ambassadors
  10. Pass along the message
- 



Volunteerism is an enormous economic force, yet it is never mentioned in business school or in economics departments.

— *Charles Hoadley, former Chief Economist, Bank of America*



# Step 1: Handle Money & File Forms



- Don't treat finances casually
- All board members are responsible to protect the money & credibility
- Know applicable laws
- File forms on time

# Handling the Money

- The board is responsible for making sure that:
  - The system has sufficient funds for operation, maintenance and future improvements
  - The money is handled wisely, carefully, and in a way that's accountable to funding agencies and the community
  - Federal & state filing requirements are met
- Audits and internal controls are critical components to this job

# Step 2: Keep it Legal & Safe



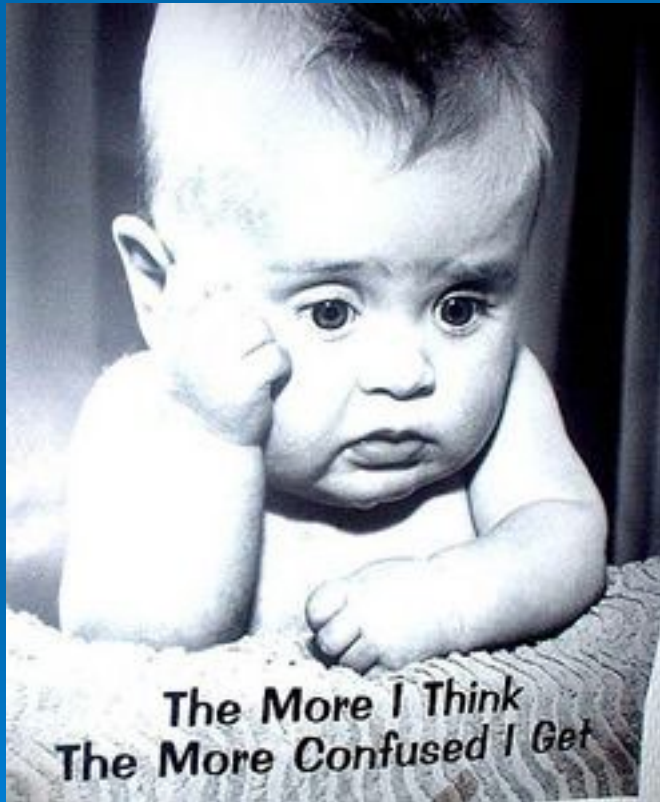
- Ensure it is legal and safe for all – including yourselves
- Volunteers must also comply
- Consider appointing a member to monitor compliance



# Keep it Legal & Safe

- The board should have a full understanding of the system's major contractual obligations, especially to funders, and monitor the system's compliance with them
- Policies are too often created in hindsight:
  - Personnel Management
  - Financial Management
  - Conflict of Interest and Ethics
  - Safety of Staff, Volunteers & Customers

# Step 3: Make Big Decisions for the Future



- Someone has to make the big decisions
- The board leads, the staff manages
- Focus on the Future – Strategic Planning
- Planning is how systems survive and thrive

# The Big Decisions

- The board must ensure effective organization planning.
- As stewards of the organization, the board must actively participate with staff in an overall planning process, and assist in implementing the plan's goals.
- The board should help management to develop business plans, system objectives, business strategies, and priorities.

# Step 4: Ensure Accountability & Protect the Reputation



DAVE COVERLY

"MISS WILCOX, SEND IN SOMEONE TO BLAME."

- Ensure accountability to the community – they placed their trust in you
- Bad news travels fast
- Small lapses lead to larger ones
- Create a culture of stewardship
- Reputation is an asset

# Accountability

- The board is ultimately responsible for ensuring adherence to legal standards and ethical norms.
- The board must establish pertinent policies and procedures (e.g., personnel policies, grievance procedures), and adhere to provisions of the organization's bylaws and articles of incorporation.

# Accountability

- If something does go wrong, the board must be prepared to answer:
  - How did this happen?
  - What are you going to do to make sure it never happens again?
- Taking responsibility is better than taking cover!
- Never forget you are ultimately responsible



# Promoting Accountability

- Websites are a great tool
  - Indicate organizational status, volunteer board members and staff contact
  - Post your core values, vision & mission statement
- Annual Reports communicate progress and challenges over the past year
- Strategic plans can also be distributed

# Step 5: Get Help When Needed



- Volunteers cannot be experts at everything
- Know when help is needed
- When in doubt – ask
- Many sources of help exist

# Step 6: Plan for New Board Members



- Ensure smooth transition of leadership
- Board members should recruit their replacement
- May be the most overlooked board responsibility

# Selecting Board Members

Because the Board of Directors plays such an important role in your organization, you must apply stringent standards and look for board members who:

- Can bring a variety of skills, experience, and diversity to the organization
- Have backgrounds and contacts that differ from – but complement – other directors

# Selecting Board Members

- Have true concern for your system's development, and are willing to learn
- Are prepared to set aside any potential conflict of their personal interests to support the well-being of the system
- Have a developed sense of values and personal integrity
- Are sensitive to and tolerant of views and opinions different from their own

# Selecting Board Members

- Are friendly, responsive, and patient, and have a sense of humor
- Work well with individuals and groups
- Can listen, analyze, and think clearly and creatively
- Are not hesitant to ask questions
- Are willing to prepare for and attend board and committee meetings



# Selecting Board Members

- Will take responsibility and follow through on assignments
- Are willing to contribute personal and financial resources to the system
- Can open doors in the community
- Can recruit board members and volunteers
- Are willing to develop skills they need in order to be effective board members

	<b>Weak</b>	<b>OK</b>	<b>Good</b>	<b>Great</b>
<b>What they say</b>	“It’ll look great on my resume!”	“What do I have to do?”	“How may I help?”	“Thanks for the opportunity.”
<b>What they add</b>	Dead weight	Basics	Dedication	Passion
<b>What they take</b>	Valuable Spot	Instruction	Their Role Seriously	Time to Care
<b>Whom they serve</b>	Themselves	Their Obligation	The System	The Community

# Step 7: Get the Work Done



- Hire staff if possible
- Implementing the mission is ultimately the board's responsibility
- Remember recognition is the only reward volunteers get

# Step 8: Support Other Volunteers



- Effective leaders seek involvement from a wide range of people
- Support training and other professional development
- Shift responsibilities as warranted
- Remember to say *Thank You!*

# Step 9: Be Ambassadors to the Community & Lend Credibility



- Connect to partner organizations
- You are the public relations firm
- Personal relationships are important assets
- Your public actions reflect on the system
- Passion for your mission will inspire

# Be an Ambassador

- Enhance the system's public standing
- The board is the system's primary link to the community
- Clearly articulating the system's mission, accomplishments, and goals to the public, as well as garnering support from members of the community, are important elements of a comprehensive public relations strategy

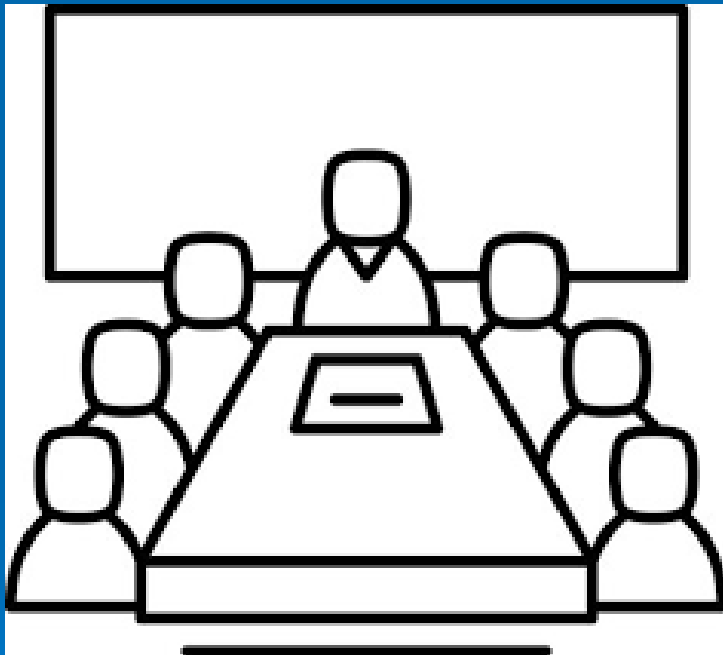


# Step 10: Pass Along the Message



- Provide leadership in spirit
- Establish a beneficial working climate
- Demonstrate a commitment to doing things right

# Any Questions?



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