Board Roles and Responsibilities

Is your center fulfilling its mission? Do you have enough varied sources of revenue to be financially sustainable? Are your policies in compliance with local and state regulations? How is the center planning to adapt to changing community needs?

In the midst of day-to-day operations, it’s critical for a specific group of people to keep a pulse on these big picture questions. If your center is incorporated as a nonprofit organization, the board of directors fills this role.

Legally, your board’s responsibilities are defined by the state in which you are incorporated (see below). Broadly speaking, though, nonprofit boards are accountable for ensuring that an organization survives and thrives in a way that honors the public trust.

To be effective, your board of directors must wear many hats:

- Hire, support, and evaluate the performance of the center’s director or senior staff person;
- Monitor the center’s financial health;
- Participate in and approve long-range planning for the center;
- Establish overarching policies for the center;
- Help secure funding for the center;
- Evaluate the effectiveness of the center in fulfilling its mission and meeting community needs;
- Ensure that the center acts in accordance with its articles of incorporation and bylaws, as well as applicable laws;
- Provide general oversight for the center;
- Represent the center within the broader community; and
- Provide for the regular recruitment and orientation of new board members.

Governance is not an easy task. Micro-managing? Rubber-stamping? An effective board works hard to achieve an appropriate balance and avoid either extreme.
For specifics on legal obligations of your board, contact your state’s nonprofit regulatory office (typically the Attorney General or Secretary of State):

IOWA: Iowa’s Secretary of State/Business Services Division
http://www.sos.state.ia.us/business/nonprofits/index.html

MICHIGAN: Michigan’s Department of Energy, Labor & Economic Growth/Bureau of Commercial Services/Corporation Division
http://www.michigan.gov/som/0,1607,7-192-29943_31466_31388-81461--,00.html

MINNESOTA: Minnesota’s Office of Attorney General/Charities Division
http://www.ag.state.mn.us/Charities/FiduciaryDuties.asp

NORTH DAKOTA: North Dakota’s Secretary of State, Nonprofit Corporations Division
http://www.nd.gov/sos/nonprofit/registration/corporation/index.html

SOUTH DAKOTA: South Dakota’s Secretary of State, Business Services Division
http://www.sdsos.gov/buseservices/corporations_forms.shtm#nonprofitforms

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