

What are the legal responsibilities of nonprofit board members?

Under well-established principles of nonprofit corporation law, a board member must meet certain standards of conduct and attention in carrying out his or her responsibilities to the organization. Several states have statutes adopting some variation of these duties that would be used in court to determine whether a board member acted improperly. These standards are usually described as the duty of care, the duty of loyalty, and the duty of obedience.

- **Duty of Care**

The duty of care describes the level of competence that is expected of a board member and is commonly expressed as the duty of “care that an ordinarily prudent person would exercise in a like position and under similar circumstances.” This means that a board member owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.

- **Duty of Loyalty**

The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain, but must act in the best interests of the organization.

- **Duty of Obedience**

The duty of obedience requires board members to be faithful to the organization’s mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public’s trust that the organization will manage donated funds to fulfill the organization’s mission. This duty also requires board members to obey the law and the organization’s internal rules and regulations.

What are the responsibilities of individual board members?

- Attend all board and committee meetings and functions, such as special events.
- Be informed about the organization’s mission, services, policies, and programs.
- Review agenda and supporting materials prior to board and committee meetings.
- Serve on committees or task forces and offer to take on special assignments.
- Make a personal financial contribution to the organization.

- Inform others about the organization. Advocate for the organization.
- Suggest possible nominees to the board who can make significant contributions to the work of the board and the organization.
- Keep up-to-date on developments in the organization’s field.

- Follow conflict-of-interest and confidentiality policies.
- Refrain from making special requests of the staff.
- Assist the board in carrying out its fiduciary responsibilities, such as reviewing the organization's financial statements.
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What are the board chair's responsibilities?

- Oversee board and executive committee meetings.
- Work in partnership with the chief executive to make sure board resolutions are carried out.
- Call special meetings if necessary.
- Appoint all committee chairs and, with the chief executive, recommend who will serve on committees.
- Assist chief executive in preparing board meeting agendas.
- Assist chief executive in conducting new board member orientation.

- Oversee searches for a new chief executive.
- Coordinate chief executive's annual performance evaluation.
- Work with the governance committee to recruit new board members.
- Act as an alternate spokesperson for the organization.
- Periodically consult with board members on their roles and help them assess their performance.