

Ten Basic Responsibilities of Fiduciary Boards

In your effort of practicing Good Governance - whether you are a fiduciary or a non-fiduciary board - a critical first step is to understand what your role is as lay leaders, how it is different from the day-to-day roles of your staff, and where you overlap and partner.

1. **Determine the organization's mission and purposes.** A statement of mission and purpose should articulate the organization's goals, means, and primary constituents served. It is the board's responsibility to create the mission statement and review it periodically for accuracy and validity. Each individual board member should fully understand and support it.
2. **Select the chief executive.** Boards must reach consensus on the chief executive's job and undertake a careful search to find the most qualified individual for the position.
3. **Support and evaluate the chief executive.** The board should ensure that the chief executive has the moral and professional support he or she needs to further the goals of the organization. The chief executive, in partnership with the entire board, should decide upon a periodic evaluation of his or her performance.
4. **Ensure effective planning.** As stewards of the organization, boards must actively participate with the staff in an overall planning process and oversee implementation of the plan's goals.
5. **Monitor and strengthen the organization's programs and services.** The board's role in this area is to determine which programs are the most consistent with the organization's mission and to monitor their effectiveness.
6. **Ensure adequate financial resources.** One of the board's foremost responsibilities is to provide adequate funding for the organization to fulfill its mission. The board should work in partnership with the chief executive and development staff, if any, to raise funds from the community.
7. **Protect assets and provide proper financial oversight.** The board, in order to remain accountable to its donors and the public, and to safeguard its tax-exempt status, must assist in developing the annual budget and ensuring that proper financial controls are in place.
8. **Build a competent board.** All boards have a responsibility to articulate and make known their needs in terms of member experience, skills, and many other considerations that define a balanced board composition. Boards must also orient new members to their responsibilities and the organization's history, needs, and challenges. By evaluating its performance in fulfilling its responsibilities, the board can recognize its achievements and reach consensus on which areas need to be improved.
9. **Ensure legal and ethical integrity.** The board is ultimately responsible for ensuring adherence to legal standards and ethical norms. Solid personnel policies, grievance procedures, and a clear delegation to the chief executive of hiring and managing employees will help ensure proper decorum in this area. The board must establish pertinent policies and adhere to provisions of the organization's bylaws and articles of incorporation.
10. **Enhance the organization's public standing.** An organization's primary link to the community, including constituents, the public, and the media, is the board. Clearly articulating the organization's mission, accomplishments, and goals to the public, as well as garnering support from important members of the community, are important elements of a comprehensive public relations strategy.