

Board Governance: A Board Member's Perspective

By Laurie De Armond, CPA

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A nonprofit's governing body is integral to the success and effectiveness of the organization. Boards play an instrumental role in setting strategy and overseeing the use of an organization's assets to carry out its mission. The overall strength of a nonprofit board depends on the contributions of each individual board and committee member. That said, what exactly does it take to excel as a board member?

In a recent BDO KNOWLEDGE Nonprofit & Education [webinar](#), I moderated a discussion on board governance with panelists Michael Forster, CFO of The Woodrow Wilson International Center for Scholars, and Thomas Waite, CFO of The Humane Society of the United States. Over the course of our conversation, Mike and Tom drew upon their in-depth experiences with nonprofit boards—serving as board members themselves and as liaisons in a management role.

This article highlights insights from the panelists into board member responsibilities and how nonprofits can position their boards for success.

First Timers: Preparing Board Members for Success

Nonprofit boards are often comprised of professionals from diverse career backgrounds and varying levels of experience in the nonprofit sector. When individuals first join the board, there is a dual responsibility for both the organization and the individual to bridge the initial knowledge gap and get board members quickly acquainted with their new role. What should organizations do to prepare incoming board members?

It's critical to create a formal onboarding process that all new board members follow:

- **Distribute a strategic plan.** Developing a clear strategy for your organization and providing an up-to-date document to all current and incoming board members will give the board a clear sense of where you're headed as an organization, what defines

success for your programs and what goals you've outlined for the future.

- **Hold your organization accountable.** Once a clear strategy is established, it's important to execute on that strategy and track your organization's progress. Developing a "scorecard" and making that information available to your board will help individual board members stay in tune with the organization and identify how they can best calibrate their skills to benefit the organization.
- **Provide a holistic view.** Committee chairs should make sure all board members are well-versed in all the key issues impacting the organization, regardless of their specific expertise. Providing regular updates on the activities of each committee will help board members make fully informed decisions.

Off Script: Navigating a Crisis

Preparing for a Crisis

Whether it's a breakdown of mission, a financial squeeze or alleged fraud, crises carry serious implications for board members. When nonprofits find themselves in the midst of a crisis, it's often too late to implement a management and response program.

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What practices can nonprofit boards put in place to prepare for a crisis—before one takes place?

- **Establish a Risk Assessment Committee.** Organizations with a formal committee dedicated to identifying and assessing risks will be better positioned to handle a crisis. Taking the time to understand what risks your organization could face, developing a clear plan to mitigate and address those risks, and communicating those risks with stakeholders will reduce the likelihood that the board is blindsided by a crisis.
- **Develop a clear protocol and a communications infrastructure.** Organizations should proactively identify which individuals will serve as the official spokespeople in times of crisis and provide the necessary training for those individuals.
- **Institute a transparency policy.** The organization has an obligation to maintain transparency with the board throughout a crisis and to communicate any issues with incoming board members during the recruitment process.

Navigating Crises as a New Board Member

In times of crises—particularly heavily-publicized crises—organizations may have difficulty recruiting members. By the same token, boards may not always maintain full transparency about crises and challenges during the recruiting process.

How can incoming board members prepare for surprises that may not have been readily disclosed by the board?

- **Do your homework.** Before making the decision to join a board, individuals need to perform a thorough due diligence to get a deep understanding of the organization's mission, finances and core challenges. Incoming board members should review all publicly available materials, such as the organization's Form 990, website, mission statement and chartering information. Oftentimes, any financial challenges the organization is experiencing would be evident on the Form 990.
- **Take a deep dive.** When individuals are invited to join a nonprofit's board, in many instances they already have some level of familiarity with the organization and its mission. But once they accept a board seat, they take on a fiduciary responsibility that requires a much deeper dive into the organization. It's imperative that incoming board members take the time to thoroughly research the role and identify how they can add value.

- **Ask for resources.** If an organization does not readily provide preparatory materials or have a formal onboarding process, incoming board members should ask for minutes from recent board meetings and standing committee meetings, as well as any formal reports on operations and outcomes. These documents will provide valuable insights into any large issues the organization is dealing with, and what steps the management team is taking to resolve them.

This article touches on only a few vital considerations for nonprofit organizations and board members. For the complete discussion, including a conversation around the traits of successful boards, board members and board chairs, access the archived BDO KNOWLEDGE Nonprofit & Education webinar [here](#).

For more information, contact Laurie De Armond, partner, at ldearmond@bdo.com, or email CapinCrouse at info@capincrouse.com

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