



KAHN, LITWIN, RENZA & CO., LTD.

Certified Public Accountants & Business Consultants

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Client Information Bulletin

BEFORE YOU BECOME A BOARD MEMBER

What should I know before joining the Board?

Serving as a Board member is one of the most challenging and rewarding of volunteer assignments. While appointment or election to a Board is an honor, Board members have important legal and fiduciary responsibilities that require a commitment of time, skill, and resources. Prospective Board members do themselves a service and show that they are serious about the commitments they make by asking some basic questions before joining an organization's Board. You can find the answers from the Board member who issues the invitation to join; the chief executive of the organization; the Board chairperson; other Board members, current and former; or written materials. Long-time Board members might also benefit from an organization review that answers these questions.

Ask questions about the organization's programs

- What is the organization's mission?
- How do its current programs relate to the mission?
- Can I visit the organization to observe a program firsthand?
- Does the organization have a strategic plan that is reviewed and evaluated on a regular basis?

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Ask questions about the organization's financial status

- Is the financial condition of the organization sound?
- Does the Board discuss and approve the annual budget?
- How often do Board members receive financial reports?

Ask questions about the organization's clients or constituencies

- Whom does the organization serve?
- Are the organization's clients or constituencies satisfied with the organization?

Ask questions about the structure of the Board

- How is the Board structured?
- Are there descriptions of the responsibilities of the Board as a whole and of individual Board members?
- Are there descriptions of Board committee functions and responsibilities?
- Who are the other Board members?
- Is there a system of checks and balances to prevent conflicts of interest between Board members and the organization?
- Does the organization have directors and officers liability coverage?

Ask questions about individual Board members' responsibilities

- What are the ways that you think I can contribute as a Board member?
- How much of my time will be required for meetings and special events?
- How are committee assignments made?
- What orientation will I receive to the organization and to the responsibilities of Board service?
- Does the organization provide opportunities for Board development and education?
- What is the Board's role (if any) in fund-raising?
- Will I be expected to make a specific annual financial contribution?
- What role will I play (if any) in soliciting donors?

Ask questions about the Board's relationship to the staff

- Is the Board satisfied with the performance of the executive staff?
- How do Board members and senior staff typically work with each other?

Evaluate Your Interest in Serving on the Board

Once you are satisfied with the information you have received, it is time to evaluate your own interest in serving on the Board. Ask yourself the following questions:

- Am I committed to the mission of the organization?
- Can I contribute the time necessary to be an effective Board member?
- Am I comfortable with the approach and tone of the organization's fund-raising efforts?

- Can I contribute financial support consistent with the organization's expectations of Board members and with my own means and priorities?
- Can I place the organization's purposes and interests above my own professional and personal interests when making decisions as a Board member?

Background Materials to request

Selected background information can provide a useful overview of the organization, the Board's work, and the responsibilities of Board members. Helpful material includes:

- The organization's annual report
- The most recent audited financial statement
- The long-range program and financial plan
- A list of current Board members, titles, and all affiliations
- A description of Board members' responsibilities
- A Board organization chart
- A staff organization chart
- The organization's newsletter, brochure, or other publications
- Newspaper or magazine articles about the organization
- A brief biography of the chief executive.

ABOUT OUR FIRM

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