



# Board Roles and Responsibilities

© 2001 Minneapolis NRP-All Rights Reserved

## **INTERNET RESOURCES!**

<b>Resource</b>	<b>URL</b>	<b>Notes</b>
Internet Nonprofit Center	<a href="http://www.nonprofit-info.org">www.nonprofit-info.org</a>	Check out the great "Frequently Asked Questions" link, with links to hundreds of resources on the internet to answer your nonprofit questions.
MAP for Nonprofits	<a href="http://www.mapnp.org">www.mapnp.org</a>	A great local resource (MAP is based in St. Paul). The Management Assistance Project has a great web site with many resources. Especially useful is the Free Management Library, with hundreds of documents on nonprofit issues.
Minnesota Council of Nonprofits	<a href="http://www.mncn.org">www.mncn.org</a>	Another great local resource. MNCN has great links, including Management, Legal and Fundraising; How to Start a Nonprofit; and Job Openings.
BoardSource (formerly National Center for Nonprofit Boards)	<a href="http://www.boardsource.org">www.boardsource.org</a>	Great resource for books and publications on nonprofit boards, plus answers to common questions about boards.
Minneapolis Neighborhood Revitalization Program	<a href="http://www.nrp.org">www.nrp.org</a>	Check out the new NRP web site, with new resources, including virtual project tours, training manuals, and other resources.



# 1. What is the Role of the Board?

**The Board of an organization is responsible for ensuring that organizational resources are used as effectively as possible in achieving the mission of the organization.** To accomplish this, planning, evaluation, and problem solving should be a regular part of the Board's work. Planning should focus on goal setting, prioritizing and directing the organization's work to achieve the mission as effectively as possible. Evaluation can be conducted at several levels, from review of financial statements to extensive reviews of programs to determine their effectiveness. Problem solving should be proactive in nature, for example having clear grievance procedures in place to provide clear process for resolving disputes which can erode organizational effectiveness. Effective Board oversight is important to maintaining public trust in the organization.

The Board achieves this by:

- determining the organization's mission and purpose;
- planning and evaluating the organization's work;
- establishing policies to guide that work;
- ensuring adequate resources and support for that work; and
- troubleshooting.

## A. Understand your organization's Mission and Purpose:

- **Make sure everyone in your organization is clear on the Mission and Purpose of your organization.** Knowing your mission statement can help provide and maintain focus for your organization's work and direction, so that you can focus energy and resources as effectively as possible.
- **Take every opportunity to publicize and promote your mission statement.** Place it in newsletters, letterhead, business cards, pass it out at meetings, print it on poster board and display it in your office and at meetings.



- When evaluating new projects, or reviewing ongoing proposals, the first question should always be: **“how does this support our mission and purpose?”**

## **B. Set aside time for planning and evaluation:**

- You can't do everything at once! **Take time to review and prioritize your work.** Determine in advance what you will and won't do this year, or (even better) over the next two or three years. Be aware of what resources you have, or what resources can be leveraged by your campaigns and projects. Be sure to involve as many members of your organization as possible in this work.
- **Evaluate and document your projects and programs at regular intervals,** and when you finish. For example, when preparing a payment request for your neighborhood's implementation contract, take time to prepare a narrative summary of what you have accomplished since the last payment request. Ask vendors and committees to do the same. Compile this information, along with financial reports, in an Annual Report.
- **Regularly review your work plan** to make sure it still fits your community's priorities. If your organization is regularly doing plan modifications when implementing strategies, it is probably time to step back and review your Action Plan!

## **C. Establish reasonable risk management policies**



- **Effective Risk Management Policies can help your organization move forward** with confidence and energy. Nightmare scenarios rarely occur, but when they do, your organization can and should be prepared.
- **Make sure the organization is appropriately insured** for the activities you carry out. NRP requires that your organization carry Directors and Officers insurance, as well as General Liability insurance. However, not all policies are the same, and your policy may have some restrictions and limitations (i.e. does your policy cover your organization if your recruit volunteers to drive kids to a summer program?). When in doubt, call your

insurance agent and ask whether particular activities or projects will be covered.

- **Develop clear personnel policies and job descriptions** for paid staff and volunteers. Your policies should include a process for screening and hiring. You may not always have to screen volunteers, but there are times when it is appropriate and necessary (e.g. screening volunteer bus drivers for past driving offenses such as reckless driving or DWI offenses).
- **Develop sound financial policies to protect the organization's assets and public confidence** in the organization. Good financial policies will cover basics, such as how payments are approved, who writes checks, segregation of duties, but may also cover issues such as investment practices.
- **Have effective Board practices and policies in place.** The board should enact policies to provide for effective keeping of Board minutes and other records, clear expectations for board members (attendance at meetings, keeping informed, participation in committees, etc), and Conflicts of Interest.
- **Provide regular training for board, staff and volunteers.** Effective training can help your organizations most valuable assets (its people!) keep on top of current trends and practices and make the best use of their time. Training may include taking time at board meetings for briefings, setting aside time for board retreats, participating in workshops and classes, and attending conferences.

**D. Establish policies that let committees and staff know what you expect:**

- **When a proposal comes to the board, what questions need to be answered?** The Lyndale Neighborhood Association actually limits the questions that the board can ask of any proposal brought to the board to a simple set of basic questions. What are the basic expectations you have for proposals that come to you?
- **How will committees select chairs and identify members?** Will you have rotating chairs, and are they appointed or elected? How do they run their committees? How do they share information? Are they fair? Will the board evaluate their work?

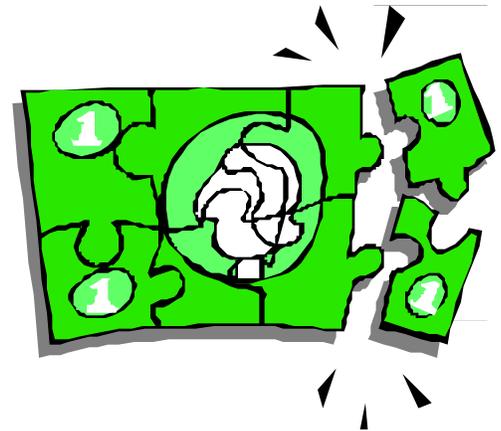


The Board needs to understand the role of committee chairs, and determine how they will work with staff and the board. Additionally, the board should identify how community members can become involved in the committees in order to ensure continuity and participation.

- **What is their role in planning?** The board should determine how committees and staff will be involved in the process of planning and evaluation. Citizens for a Loring Park Community required committees to develop a mission statement and annual plan for Board approval.
- **What is their role in fundraising?** The board should be clear on when and where committees are involved in fundraising, and how the money will be used. Care should be taken to avoid conflicts or competition between committees while providing the maximum opportunities for fundraising.
- **How will the community be involved?** The board should let committees know about any expectations they have for involving members of the community, or at least stakeholders in their work. The Committees may also be responsible for recruiting new people and ensuring rotating leadership to prevent entrenchment and “founder’s syndrome.”

#### E. Ensure adequate resources

- **Develop a fundraising plan.** The Board should take time to determine what resources the organization will need and should develop an appropriate plan to meet those needs. The fundraising work may be carried out by the Board itself, by staff, or by an outside consultant. But the Board should be closely involved in that work to help guide and monitor the fundraising efforts.
- **Know why people are engaged in your organization.** People join organizations such as neighborhood groups for many different reasons. Some join because they want to be actively engaged in improving the neighborhood. Just as many may join because they want to learn more about the community, or want to meet their neighbors. For some it may be a social activity, for others a learning opportunity. For all there is some self-interest in joining and becoming active, and they are all legitimate.



- **Identify ways to meet the needs of individuals serving on the board or committees.** Effective organizations provide training opportunities for board and staff. It is equally important to provide social engagement. Learning and social activities can help build stronger bonds within the board, and create greater opportunities for common understanding.
- **Identify partners to help carry out your work plan.** No organization exists in a vacuum. Organizations frequently will identify partners who have similar goals to work with temporarily to achieve their ends. The Board should be aware of what it gets out of the partnership, what it brings to the table, and what expectations it has for working together. The Board should also recognize that partnerships have a limited lifecycle-there are no permanent allies.
- **Identify volunteers to take on the work of the organization.** The Board should know what its volunteer needs are, and should develop a plan for involving people in the organization. If increasing participation is a major goal for the organization, then the Board should be actively engaged in developing and carrying out a long-term plan for increasing participation.

## 2. Basic Board Member Roles and Responsibilities

Board members serve two important functions. They govern the organization, which means that they establish organizational policy, set goals, and most importantly, solve problems and troubleshoot. They also serve as volunteer staff who will carry out the organizational work-plan, guided by the mission statement and organizational policy, and supervised by paid staff. In their role as the governing body, they oversee the work they carry out as individuals, by sharing information, and providing support. Effective boards respect the decisions of the group, while utilizing the individual expertise of board members to provide multiple viewpoints when analyzing problems.

### A. Understanding Fiduciary Duties

- **Duty of Care** is the responsibility of Board members to ensure that the organization uses available resources in a manner which most effectively achieves its mission. According to state law (Section 317A.251) so long as directors of an organization perform their duties in good faith, and with the care an ordinarily prudent person would exercise, they are not liable by reason of being a board member of the organization. Also, Board members are entitled to rely on the opinions of others whom they deem reliable and competent in their fields.
- **Duty of Loyalty** is the responsibility of Board members to put the organization's interests ahead of their own. This means that the Board should have clear policies to deal with conflicts of interest. Directors should also avoid taking advantage of privileged information for personal gain.
- **Duty of Obedience** is the responsibility of board members to follow their organizations Mission and bylaws, and to obey local, state and federal law.



### B. Be clear on your expectations:

- **What are your expectations for each other as board members?** The board should have explicit discussions about its values and its expectations for its members. Many organizations develop a Board Contract. After each election, the board should discuss the existing contract, and alter it if

necessary so that all board members agree with the expectations of the board.



- **What are your expectations for committees and committee chairs?** Establish policies in advance that will let them know how to work with the Board of Directors and how to implement Action Plan strategies. You may want to require committees to develop a mission statement and/or an annual plan. You may also establish a regular schedule for committees to report to the board.
- **What are your expectations for staff and volunteers?** Your organization should prepare reasonable job descriptions and policies for staff and volunteers, which includes minimum qualifications, time commitments, and desired outcomes.

### C. The Role of the Chair:

The Chair of a meeting is ultimately responsible for ensuring that the work of the group gets done in an effective and timely manner. The Chair may undertake the work themselves, or preferably will delegate the work to staff, other board or committee members, volunteers, and committees or task forces. However, when delegating work, the Chair is still responsible for the progress of the group, and should follow up with those who are actually conducting the work.



- The Chair should remember to **be fair and objective**, and not to allow personal feelings to sway how the group is operating or moving forward on a decision. In this capacity, the chair should strive to be impartial, and not advocate for one position or another, unless all others have had an opportunity to speak up or volunteer.
- The Chair should first and foremost **determine what the goals and objectives are for each meeting held**, and design the agenda and meeting rules to help achieve those objectives. If there is no clear purpose for the meeting, the Chair should consider canceling the meeting. Objectives shouldn't be focused on achieving a particular outcome (i.e. trying to force

- the group to make on choice over another), but should focus on agreeing to an outcome.
- The Chair should **solicit input from others** while determining the objectives and the agenda, by calling other members in advance or seeking input at the previous meeting. The Chair is ultimately responsible for determining whether items are appropriate for the agenda.
  - The Chair should also make sure **materials are sent out prior to the meeting**, and that members are otherwise informed; that the space is arranged for and set up in advance; and that those who have time on the agenda are reminded and prepared for the meeting. Again, the Chair may delegate, but should follow up to ensure that these tasks are done.
  - Finally, the Chair should **be familiar with the mission, goals, and policies of the organization**. When the organization is considering new proposals or evaluating ongoing projects, the Chair should analyze them with the purpose of determining how they support or may interfere with the organization's work.

#### D. The Role of the Secretary

Generally, the secretary is responsible for recording and keeping the minutes, but larger organizations may assign some of these duties to staff. The minutes are the official record of the actions of the board, and should be kept in such a way as to be both easily accessible and preserved. Ideally information, such as summaries of financial reports or committee reports should be included within the text of the minutes rather than as attachments (attachments can become detachments, and lost or separated from originals). Alternatively, you may want to store supporting documents such as financial reports and committee reports as attachments with the minutes.



- The Secretary should **be familiar with the organization's record keeping policies and practices**. When the Board is considering new proposals or evaluating past programs, the Secretary should play a role in determining how they impact organizational record keeping practices.
- Minutes are the official record of the board's decisions and activities. They help serve as the organization's memory, and inform board and staff about important decisions and policies. They can also help prospective new board members learn about the policies and actions of the board over the last year

or two. **Minutes should stand on their own**, so the minutes themselves should include significant financial issues, such as approved checks (e.g. “approved all checks issued in the month of May, 2001, in the range 2538 to 2555”).

- **What should you record in minutes?**

Date, location, time of meeting;

Who was in attendance or absent;

Additions to or removals from board;

Additions to or removals from staff;

When meetings are open or closed (you may want to hold closed meetings for decisions on staff or legal issues);

Approval of staff time to make application for new funding sources;

Motions on financial issues (approval of budgets or financial reports, pay raises, new funding sources, etc);

Purchases of any fixed assets which exceed capitalization policy;

Motions on legal issues (approving contracts, leases, pending lawsuits, etc.);

Motions on policy (to carry out, change or end a program or activity);

Any pro-bono services, materials, or facilities, etc. received;

Abstentions and why abstaining (particularly if due to conflict of interest, otherwise abstentions are considered as voting with the prevailing side).

- **How do you handle minutes?**

Review at following board meeting, make corrections, and approve;

Have preparer and approved board member sign and date a corrected original immediately after approval by board;

Store official, signed minutes in three ring binder along with supporting documentation (such as financial reports).

## **E. The Role of the Treasurer**

Generally, the treasurer is responsible for compiling and keeping the financial records. However, care should be taken to segregate duties among as many people as possible, to prevent misuse of funds and to ensure adequate oversight. Larger organizations may delegate some of these duties to staff.



- Good financial records result in better reporting, which will lead to better decision making and greater public trust. The organization will also be better managed through better use of time, and the organization's assets will be safer from loss or theft.
- The Treasurer should be thoroughly familiar with the organization's accounting policies, and should analyze new initiatives by the organization with an eye on how they will impact or be impacted by the accounting policies.
- The Treasurer should chair the organization's Finance Committee.
- For more information, see the NRP training document *Financial Record Keeping*.

## F. Other Board Members

Every Board member has a role in making meetings work and keeping the organization operating. The concept of shared leadership is the idea that each board member brings unique skills, ideas, relationships, and history to the board, and should be prepared to share with the whole board. Boards are most effective when board members are willing to share their unique skills, and trust in the knowledge and abilities of others, and in the wisdom of the group. Some examples of shared leadership positions are:

- **Facilitators** watch the group to ensure that no one is dominating a discussion, and that everybody has a chance to speak at least once. They may intervene if discussion becomes too personal or heated, and providing solutions, such as taking a break or having some food;
- **Timekeepers** are responsible for monitoring the time to ensure that all items on the agenda get fair discussion;
- **Hosts** will work to ensure that the meeting and the environment are comfortable and welcoming. Hosts greet people as they come in and orient them, provide refreshments, are attentive to room temperature and noise, etc.
- **Mentors** are experienced Board members who will spend time with newcomers to provide background, provide opportunities for involvement, and encourage participation.

## G. Provide Opportunities for Celebration and Fun:

- Invite guest speakers (police chief, head of planning, etc.)
- Provide special reports and updates: what is happening with the park, or what is the safety committee doing?
- Provide "open mic nights" which are open sessions for community members to raise issues.



- At annual meetings to elect the board, provide financial reports, have vendor tables or booths (housing programs, local police, inspections, fire department), entertainment and food.
- Host holiday celebrations: have a party with refreshments, music, magician, etc. Ask people to bring bags of food for a food shelf, or blankets and clothing for a shelter.
- Appoint "greeters" from the board who are responsible for greeting new attendees and making them feel welcome and comfortable, and who will encourage them to participate.
- Appoint "facilitators" from the board who are responsible for looking for people who may not have gotten a chance to speak, or who are talking too much, and making sure everybody gets a chance to speak.
- Let's have a social night: forget conducting business and just break bread together and bond.
- Provide volunteer recognition opportunities: appreciate one person each month, or several at a special occasion (whether or not they volunteer for your organization).
- Identify special contributors to the neighborhood. "Here are Frank and Betty Smith who renovated the historic house at 123 Bountiful Street."
- Host a "Donor Appreciation Night."
- Roast and toast the outgoing Chair or Executive Director.
- Boast and brag: what has the organization done recently? Let's celebrate!
- Appoint "fun monitors" who are responsible for keeping the meeting upbeat and energetic. Remember, a lot of what we are doing should be fun and exciting.

### 3. The Role of the Board In Financial Management



The Board of Directors of the organization should provide adequate policies to guide the Treasurer and staff in handling of the organization's finances; should ensure that there are sufficient internal controls in place; and should regularly review financial reports and records. Policies that the board may consider include an accounting (or fiscal) policy, investment policy, and an audit policy. The board may wish to establish committees to carry out this work, including a Finance Committee and an Audit Committee.

In addition, the Board should provide clarity on the organization's mission, goals, structure, and programs. Effective planning includes financial management, and the budget and chart of accounts should reflect organizational priorities and programs. Ultimately, budgeting is part of the organization's overall planning process, and regular reporting is part of the evaluation process that the Board is ultimately responsible for. The board should regularly review internally prepared financial statements, and should annually review the audited financial statements.

#### A. Planning

The Board should take responsibility for developing a reasonable strategic plan for the organization, and this plan should include a financial plan. The organizational plan could span anywhere from one year to several years. When developing a plan, the Board should consider:

- What is the current cost of our programs and management of the organization?
- What resources are available to continue our programs?
- Are our programs as efficient as they could be, or could there be more effective ways of delivering our programs?
- What environmental changes could occur which might affect our funding (e.g. NRP going away, foundations changing strategic focus, etc.)?

The Board should also review its current programs to ensure that they meet the guidelines and requirements of funders. For example, what are NRP requirements for hiring, bidding, or purchasing equipment?

## B. Committees

The Board should also consider putting in place appropriate committees to help oversee organizational finances. In smaller organization's some of these tasks might be undertaken by the Executive Committee. With more board members and volunteers, the Board may establish a Finance Committee, an Audit Committee, and a Budget Committee. The Finance Committee would be primarily responsible for financial oversight and reporting to the Board. The Audit Committee would be a committee independent from the Finance Committee, and would select and work with an auditor to review the organization's finances and management practices. A Budget Committee would be responsible for financial planning for the organization, looking ahead to determine future needs for the organization, and evaluating and reviewing budgets and financial reports to analyze how effective the organization has been at carrying out its work.



In most cases, however, all of this work would be done by the Finance Committee. Specifically the Finance Committee would be responsible for:

- **Maintaining accurate and complete financial records**  
The Finance Committee should develop and maintain appropriate practices for maintaining the organizations financial records. How will records be kept and where? What processes should be followed? What records are important to keep?
- **Providing appropriate reports for the board;**  
The Finance Committee should consider what kinds of reports will be most appropriate for the board, as well as what level of detail is necessary. Does the board really need to know what the organization spends on paper clips, or do they just want to know how much is spent on office supplies? Does the board want to know how much it spends on programs? Does the board even know what programs it runs? The committee may also want to

consider providing a “narrative” summary for the board as an addition to strictly financial reports.

- **Budgeting, and anticipating problems;**

The Finance Committee should develop annual budgets for the Board in a timely manner. The two primary budgets which will be prepared are Line Item budgets, and Functional (or Program) budgets. A consolidated Line Item Budget would show how the organization will earn or spend money on specific income or expense items (Salaries, supplies, rent and utilities, printing, etc.) for the overall program. Program budgets will show how income and expense will be related to specific services that the organization delivers. Line item budgets may also be divided up by program, and specific line item budgets should be developed for each program. The Finance Committee should be sure to involve the Board, staff, and appropriate committees in the budget development process.



- **Safeguarding the organization’s assets;**

The Finance Committee should ensure that appropriate policies and practices are in place to protect the organization’s assets. Is the organization insured? Are adequate internal controls in place? Has the Board approved appropriate accounting and employee policies?

- **Complying with Federal, State and other reporting requirements;**

The Finance Committee should stay abreast of current Federal, State and other requirements. The committee may want to engage an accountant to help provide information on what current requirements are and how appropriate reports can be prepared.

- **Helping the Board understand the organizations Finances;**

The Finance Committee should carefully analyze and sort information to determine what information will be most useful. As above, this may include providing a regular narrative summary which condenses in plain english the financial condition of the organization. The committee may consider methods for focusing the Board’s time and energy on financial issues. For example, while monthly financial reports may be required by the bylaws, the Finance Committee may want to ask the board to set aside time on a quarterly or semi-annual basis to more thoroughly review the finances.

The Finance Committee may be composed of all board members, but you may want to consider bringing in individuals from outside the organization, as well as the

bookkeeper and an accountant. By having a mix of experience on the Finance Committee, you can improve your likelihood of meeting the needs of Board members and outsider reviewers who are either very experienced with financial reports, or who have no experience at all.

### C. Policies and Procedures

The Board is responsible for developing and adopting appropriate policies for the organization, as well as for regularly reviewing these policies. These policies could include accounting (or financial) policies, audit policies, personnel policies, and others. A sound Financial Policy might contain:



- **The Fiscal Year of the organization**  
The Fiscal Year of the organization might be the calendar year, but you may wish to select another month to begin your fiscal year.

- **The type of accounting system used to record transactions**  
Transactions may be recorded using either a “cash” basis or an “accrual” basis. Cash accounting means that transactions are recorded as income when you actually receive a payment, and as expense when you actually make a payment. Accrual accounting

means that you record income when you earn it, and record expenses as you incur obligations. If NRP has the State Auditors conduct your audit, they will convert your financial statements from cash to accrual.

- **Manual or automated accounting system**  
You may want to require that your books are kept by hand, in a check register or general ledger, or that they are kept in an automated system, on the computer.
- **Capitalization Policy**  
A capitalization policy covers the acquisition of durable equipment, such as computers, copiers, or vehicles, or of buildings. A capitalization policy would provide a minimum dollar amount for purchase of equipment at which point it would be “capitalized” or listed as a fixed asset of the organization. The policy should say also over what period of time the equipment will be depreciated (for example, a computer is generally considered to have a life of three years). The expense for that purchase

would be divided out over the lifetime of the equipment, as opposed to being recorded entirely at the time it was purchased.

- **Accounts or chart of accounts**

The accounting policy should include a chart of accounts which shows the code numbers for both the line item and the functional expenses of the organization.

- **Budgets**

You may wish to include guidelines on the development of budgets and how they will be reviewed. For example, will the organization plan over a one year or three year period of time? When should budget development begin and end? Who will be included?



- **Petty Cash**

A petty cash policy will detail the amount to be kept in a petty cash drawer, and the process for handling petty cash. The Board should approve a custodian for petty cash on an annual basis.

- **Internal Controls**

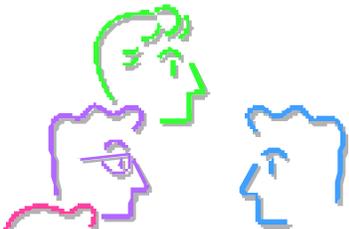
The policy should explain the details for internal controls to prevent loss. Internal controls should help to protect the organization as well as to ensure efficient management. If policies are too onerous, it may interfere with timely payment of bills or deposits. The policy may determine how duties are segregated among two, three or more people. The may also determine additional oversight, such as establishment of an independent Audit Committee.

- **Audits**

Most Minneapolis neighborhoods will have audits conducted by the Minnesota Attorney General's Office. However, the Board should still have a policy in place determining how often full audits should be done.

#### **D. Clear Expectations and Direction**

The Board of Directors should be careful to develop clear expectations for committees and staff. For example, the Board should be clear with Committees what role



they play within the organization, how they will be involved in planning and evaluating the organization's work, and what the financial responsibilities the committees might have.

When proposals are brought to the board from committees, staff, or other agencies, the board should consider the following:

- How does this proposal support or help to achieve the mission?
- Has an appropriate process been followed in developing the proposal?
- Do we have the resources to carry out this proposal, or can we develop or get the resources needed?
- How does this proposal fit within our long range plan, particularly our financial plan?
- Is there a more efficient or effective way of achieving this same objective?

## **E. Fundraising**

One of the major responsibilities of the Board is to ensure that adequate resources are available to carry out achieve the mission of the organization. There are two elements. First is to focus the organizations programs and services to most effectively carry out the work of the organization. This means prioritizing and selectively identifying the organization's work.

The second component is getting more resources to meet the needs. The Board should take primary responsibility for developing a plan for raising the funds needed, identifying the sources of funding, and actively going out and getting the funds.

The responsibilities in this area are numerous, but all board members should expect to be involved in one or more of the following activities:

- **Making a significant contribution to the organization**  
Every Board member should be asked, and should expect to be asked, to make a significant contribution to the organization, with the goal of having 100% participation from the board. “Significant” is a relative term, and may mean \$5 from one board member, and \$1,000 from another.
- **Serving on the fundraising committee**  
The Board should consider establishing a Fundraising Committee which is charged with the responsibility of raising money for the organization’s needs.
- **Promoting the organization**  
Every Board member has a responsibility for promoting the organization and enhancing its public image. This means that board members will work to maintain integrity within the organization, and also will present a positive face to the outside world. 90% of fundraising is in “development” which means developing relationships with past, current, and especially future donors.
- **Identifying potential donors**  
Every board member can help identify potential donors. Generally a good plan is to start from the inside out: start with board members, then go to family members and friends, go to members, etc. And always take an opportunity to ask a donor if they know of someone else who may be willing to donate.
- **Assisting with development of materials for requests**  
Board members should carefully consider fundraising materials that are being delivered on the organization’s behalf. Fundraising is also an outreach tool, and fundraising packages and materials should be carefully designed to achieve the maximum impact.
- **Assisting with preparations for mailings and events**  
Board members should also serve as volunteers who may help with folding materials and stuffing and stamping envelopes. They may also help with design or development of the materials as well.
- **Calling, or calling on, prospective donors**  
Not everyone is good at asking for money, but it is a skill that can be learned. The board should identify its members who are most willing to ask directly for contributions, either over the phone, or in person.
- **Identifying opportunities for generating new revenues for the organization**

Board members, and the Board as a whole, should always be alert to the changing landscape of fundraising. New methods of delivering mailings, standards for writing request letters, internet techniques, and fundraising events are popping up all of the time.

## F. Regular review and evaluations



The Board should be involved on a regular basis in reviewing financial reports and other information. As noted above, the Board may want to consider setting aside time on a quarterly basis or semi-annually for a more thorough review of the organization's financial reports. It should also regularly review organizational policies and procedures.

The board should also review and approve required reports such as annual filings with State and Federal Agencies, as well as the organization's annual audit. These reports include:

- Minnesota Annual Report
- Minnesota Annual Registration
- Federal 990's.

The Board should also regularly inquire in to the status of legal obligations and receivables. Questions the board should ask at least on a quarterly basis, and that you may want to include in a narrative summary for the Board:

- Have payroll taxes been paid, and are they up to date?
- Have quarterly tax reports been filed (Federal 941, MW3)?
- Have salaries been paid and benefits maintained and recorded?
- Have payment requests been made in a timely fashion?
- What is the status of aging receivables (i.e. who owes us what)?
- What is the status of payables (i.e. what do we owe others)?
- What liabilities does the organization have?