

Roles and Responsibilities-Solutions of North Texas Board of Directors

Nonprofit Boards of Directors in the United States share certain legal and practical responsibilities. Regardless of the size or type of nonprofit, the Board is legally the governing body, with responsibility for setting organizational directions and providing fiscal oversight. However, Boards differ greatly in their focus and priorities. Boards of national and community-based nonprofits often best fit one of the three major categories: programmatic, policy, and fundraising. Sometimes-perhaps ideally-they are a combination of all three.

Fundraising Board

A fundraising Board recognizes that helping the organization obtain needed resources is one of its principal functions, and works hard to carry out that role. The Board as a whole and Board members individually play an active role in fundraising.

A fundraising Board usually has the following characteristics:

1. Helping to raise money for the organization is viewed as a responsibility of the Board as a whole; not merely a few individual members.
2. All Board members make a personal contribution to the organization each year.
3. A Board committee (usually called the Development, Resource Development, or Fundraising Committee) takes a lead role in planning and coordinating the Board's involvement in resource development.
4. The Board views fundraising and financial oversight as related but separate functions, and fundraising is led by the Development Committee, not made part of the responsibility of the Finance Committee.
5. Board members receive regular training in various aspects of resource development.
6. The Board has specific annual fundraising objectives and responsibilities. For example, it may take primary responsibility for one or more special events, take the lead in an annual campaign to raise funds from individuals, assist with an endowment or capital campaign, and/or help to identify and establish contacts with new institutional donors. Often an annual resource development plan is developed with Board involvement, approved by the Board, and used to guide overall resource development, including Board roles and responsibilities.
7. Board members play many different resource development roles consistent with their capacities, contacts, and interests. For example, grassroots members who can attest to the value of the organization are active participants in meetings with donors, while members with appropriate contacts arrange entrée to such donors.
8. Board members are able to state the organization's mission and priorities and describe its activities accurately to a potential donor.
9. Prospective Board members are made aware of member fundraising responsibilities before they are elected, and are asked when they join to sign a Board agreement that clearly states their resource development responsibilities.

Given the fundraising challenges facing nonprofits, from smaller community-based organizations to national entities, most need fundraising Boards. This does not mean that the Board fails to carry out responsibilities for setting policy and direction. Many policy Boards and some programmatic Boards are also fundraising Boards. It does mean that Board members not only oversee and review resource development, but also do some fundraising. Because fundraising is also a staff function, they usually do it under the supervision of the Development Director or Executive Director.

The need for active Board involvement in resource development demonstrates that it is an oversimplification to say that "Boards set policy; staff implement." Sometimes Board members also implement; serving as active volunteers for the organization but in non-program-specific ways.