



From Courtship to Board Service: The Top 10 Questions to Ask before Accepting an Invitation to Serve on a Nonprofit Board (Part Two)

Written by Theresa B. Kiernan

As I discussed in Part One of this article, becoming a board member for a nonprofit organization can be a rewarding and meaningful experience. However, often people are so excited about the invitation that not enough time is spent making sure that their interests and those of the nonprofit align to create the opportunity for a long and beneficial relationship. So to be sure the decision to accept such a wonderful invitation is right for you, let's take a look at the final 5 questions to ask before choosing to serve on a nonprofit board.

Are there board vacancies and are you filling one with this invitation? When asking about board vacancies, if you find that indeed it is the reason you are being invited to join the board, inquire why. A vacancy creates a specific loss of skill or experience that plays a role in the overall effectiveness of the board. If you are filling a vacancy, take the time to assess if your set of skills and experiences can fill the void. A vacancy also means you will be stepping in to complete the remainder of the term left for the board seat. The terms can vary, but most often they are 3 year terms and a vacancy can exist anytime during the term. And be sure to ask the lengths of service remaining for the other board members. It is important for you to have some seasoned board members to support you while you become more knowledgeable and comfortable in your new role.

Another question to consider is *what is the financial status of the nonprofit?* Fiscal oversight as a board member is a key responsibility. It is important for you to know and thoroughly understand that the buck stops in the boardroom. As a board member you will have oversight of everything from

fundraising and budget concerns to the actions of staff and management. If thinking about this kind of responsibility makes you break out in a sweat, then board service is not for you. If, on the other hand, you are comfortable with this level of responsibility, then perform your due diligence and review the form 990's along with other financial statements. Check the liquidity of the organization's assets and review the sources of revenue that fund the activities of the nonprofit. All of this information will help you to determine financial stability. It is important that you know how to read a balance sheet, a profit and loss statement, and a budget report. During board meetings it will be your fiscal responsibility to ask questions for clarification and understanding. You are responsible for the financial oversight of the nonprofit organization.

To continue with this theme of fiscal responsibility, another question to ask is *how the nonprofit expects you to contribute your "treasure" to the organization?* All nonprofit organizations depend on the personal financial commitments of each board member to give money and to ask for contributions. Nonprofits refer to this as their "give and/or get" policy. It is extremely important that you know the expected specific level of contribution per board member and the expectations for participation in fundraising. If the nonprofit has a "give **or** get" policy that means you donate "or" you ask others to support your favorite charity by writing checks. If, on the other hand, it is a "give **and** get" policy then you are responsible for making a specific donation by writing your own check "and" you will also be asking your family, friends, business acquaintances, etc. to make a donation to the organization, usually done



Article Highlights

- Understanding fiscal responsibility as a non-profit board member is vital to successful service.
- Ensuring that there are shared expectations between yourself and the organization you serve is important.
- There is certainly a need for genuinely interested individuals to support public sector organizations in fulfilling their missions.



"Nonprofits are very serious about a board member's financial support and fundraising involvement for the organization."

when the nonprofit conducts an annual campaign drive. In addition, ask if there are any plans on the horizon for an upcoming capital campaign designed to raise large sums of money. Capital campaigns are very labor intensive and every board member has an even greater financial responsibility. And finally, sometimes you are considered for a board position because you represent a certain organization or constituency. Will the nonprofit expect donations from your other affiliations because you have a seat in the boardroom? I suggest, if this kind of activity, asking for donations and participating actively to raise money, is very uncomfortable for you, look for other ways to give back to your community. Nonprofits are very serious about a board member's financial support and fundraising involvement for the organization.

There is reason to continue to exhaust the question about financial support for the nonprofit and to ask, *how else might the nonprofit see you contributing to the cause?* Perhaps you own a beautiful home that would be the perfect venue for an event, or you own an envious piece of vacation property that the nonprofit would love to have as an auction item for its next annual gala. Just by listing these very specific and focused examples, you can imagine the unnecessary discomfort that could exist if indeed all angles of financial support are not explored. Wouldn't it be awful if you have a policy of not using your vacation property for auctions and it was never discussed prior to you accepting the board seat? Now, I am not suggesting this could be a deal breaker, but simply something to be sure you have discussed with the nonprofit representatives that are courting you to join the board. If they don't bring it up, then it would be helpful if you did. Simply state how others have asked you about donating your vacation home for various causes and state your policy. No surprises and sharing expectations are very important.

And finally, the last question that definitely deserves your attention is: *Why do YOU want to serve on a nonprofit board?* Give this some serious thought. There are many reasons individuals have for wanting to join a

nonprofit board. Some of them are very noble and others not so much. The most important thing is to serve for all the right reasons. If your only motivation lies in believing that such an involvement will enhance your resume, then please be sure to assess whether or not that is in the best interest of the nonprofit. Nonprofits are in real need of genuinely engaged individuals to support them in their efforts to fulfill their mission.

You've been invited to serve on a nonprofit board and it is an honor to be asked. If both parties approach the relationship with the goal of ultimate success for the nonprofit, then the board service will be personally and professionally rewarding. When there is a good fit between how you wish to be involved and what the nonprofit believes it needs and wants from you as a board member, then a win-win exists for you, the nonprofit, and the community who relies on the nonprofit to fulfill its mission. So do your homework, ask your questions and when you decide to accept the nonprofit's invitation, let me be the first to welcome you to the wonderful world of nonprofit board service!

C.E.O.

About the Author



Theresa B. Kiernan
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Ms. Kiernan brings over 20 years of experience in various management and training roles in the non-profit and for-profit sectors to her role as the non-profit board governance and board leadership development programs director for XCEO. As the Program Director, she provides consultative guidance to advance non-profit board and board member effectiveness in critical functions such as board leadership, risk oversight and succession planning responsibilities.

Theresa has over 10 years of hands-on experience working for non-profits in a variety of roles, including as executive director, development director, program director and volunteer coordinator, to name a few. Her experience includes work for entities with multiple missions, including education, economic and leadership development, and community enhancement and support. Some organizations she represented include: The San Benito County Chamber of Commerce, Morgan Hill Downtown Association, Leadership Gilroy, the San Benito County Adult Literacy Program, and St. Catherine's School.

In addition to her work experience for various non-profits, she has, and continues to serve on various non-profit boards in the role of member, officer and/or president. These boards represent a cross-section of non-profit purposes such as San Juan Bautista Rotary Club, Rotary District 5170, Mt. Madonna YMCA, Morgan Hill Rotary Club and Leadership Morgan Hill.

Ms. Kiernan also brings valuable experience and lessons learned in her 10 years as a corporate trainer specializing in communication, management and leadership skills for many financial institutions, technology and service sector companies, including Eastman Kodak Company, Xerox, Moody's Investors Service and Chase.

She brings this distinctive blend of hands on experience working in for-profit and non-profit entities, and her extensive background as a board member to her role and assists non-profit boards and board members in becoming more successful in fulfilling their own unique missions.

Theresa earned her BS in Business Administration from Keuka College in Keuka Park, NY, and lives with her husband in Morgan Hill, California. She has two college age children, who she hopes will move back to the area, and enjoys walking, spending time with her family and friends and following her local hockey team, the San Jose Sharks.

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