

Non-Profit and Tax Exempt

GOVERNANCE CHECKLIST FOR NEW NON-PROFIT BOARD CHAIRS



Following best practices for effective governance helps non-profits fulfill their missions while minimizing reputational and financial risks. New board chairs usually come to the table with a passion for the mission, but they also need a playbook to work effectively with other board members and the executive director. Below is a checklist for new board chairs to consider in support of mission-driven, responsible governance.

Meet one-on-one with current board members and past board chairs.

In the first weeks of their term, board chairs often have open, candid conversations to discuss what other board members perceive as the organization's strengths and weaknesses. Also learn the skillset of individual board members and what they bring to the table.

Identify a partner.

Who will step in for you when you have a scheduling conflict? Do you have a reliable vice chair? How will you keep that person apprised of important matters? Will they be a trustworthy sounding board?

Study the bylaws and other governing documents.

Understand the organizational governance structure, including the role of the executive and governance committees. Spot areas where the organization may not be complying with some provisions. Look for the need for amendments. What are the specific board chair duties? Does the board chair appoint committee chairs and members? Review and update, if needed, the conflicts of interest policy, whistleblower policy, and other governing documents.

Schedule an insurance audit.

Ask for a list of insurance policies in place. Decide what team should review this list and decide whether additional policies should be added, such as a cyber security policy, or employment practices liability policy.

Schedule a business meeting with the executive director.

Ask the executive director to meet with you and come with important documents in hand, including the board orientation packet, the employee handbook, crisis communication plan, and the emergency succession plan. Create an agenda for that first meeting, which may include:

- **Gaining clarity on your respective roles and goals.** What are your respective leadership styles? How will the executive director interact with the board this year?
- **Reviewing past organizational successes and pending challenges.** What were last year's successes and challenges, and what was learned? Are there potential issues on the horizon?
- **Understanding the budget including multi-year budgets to identify potential threats.** Is the budget presented to the board in a comprehensible way at a regular cadence? Can improvements be made? When and how are the finances audited?
- **Establishing the processes for the executive director's annual performance review including ideas for process improvements.** Against what metrics will the executive director be measured? Who will have input? How and when will feedback be given? Does the director have an employment agreement or job description that serves a role in this process?
- **Discussing staff dynamics.** Who are the key personnel? What are the staffing challenges? Is retention a problem? Are staff shortages an issue?
- **Reviewing the strategic plan.** How are key goals being met? Does the plan need to be updated?
- **Supporting major donors.** What is the executive director doing to cultivate new major donors?
- **Mapping a crisis communication plan.** How will you respond to an internal or external crisis to protect the organization, including donor relations?
 - Getting out your calendars to schedule important events:
 - Establish a cadence for one-on-one meetings.
 - Schedule board and committee meetings for the year.
 - If the board envisions having an annual retreat, pick a date and explore locations and themes.
 - Schedule the executive director's annual review consistent with timing for expected compensation adjustments.
 - Set up introductions to key staff members, including anyone responsible for finance and development.
- **Discuss when the use of outside counsel is warranted and identify trusted counsel.** Competent counsel can partner with the non-profit to help protect the organization by giving advice on sensitive issues including labor and employment, cyber security, crisis management, immigration, and tax issues. Counsel should know the organization, respect its mission, and be on board for supporting the organization's best interests.

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