

# Norwich Community Development Corporation

## The Role of the Board

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### Duties

The duties of the board of directors of a nonprofit organization are the duty of care, duty of loyalty, and duty of obedience; each of which is more fully described below.

The duty of care requires that directors of a nonprofit organization be reasonably informed about the organization's activities, participate in decisions, and do so in good faith and with the care of an ordinarily prudent person in similar circumstances.

The duty of loyalty requires board members to exercise their power in the interest of the organization and not in their own interest or the interest of another entity, particularly one with which they have a formal relationship.

The duty of obedience requires that directors of a nonprofit organization comply with applicable federal, state, and local laws; adhere to the organization's bylaws; and remain the guardians of the mission.

### Responsibilities of the Board

#### Establish Organizational Identity and Strategic Direction

1. Play a meaningful role in defining NCDC's strategic direction and ensure that plans are developed for how to reach its goals.
2. Ensure that annual operational plans are developed, and that program plans and budgets are closely related and follow the strategic direction approved by the board.

#### Ensure Necessary Resources

1. **Select the Executive Director.** The board must reach consensus on the Executive Director's job description and undertake a careful search to find the most qualified individual for the position.
2. **Support the Executive Director and review performance.** The board should ensure that the Executive Director has the moral and professional support needed to further the mission and goals of NCDC. The Executive Director, in partnership with the entire board, should decide upon a process for periodic evaluation of performance.
3. **Recruit and help orient new board members and assess board performance.** The board has a responsibility to articulate and make known its needs in terms of member experience, skills, and many other considerations that define a "balanced" board composition. The board must orient new members to their responsibilities and the organization's history, needs, and challenges. By evaluating its performance in fulfilling its responsibilities, the board can recognize its achievements and reach consensus on which areas need to be improved.
4. **Ensure adequate financial resources.** Adopt policies and plans to carry out the organization's work and ensure a diversified funding base for both the immediate and long-term futures. Establish goals for financial reserves and consider the possibility of endowment. Ensure that funds are invested according to NCDC's values and strategies.

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5. **Ensure that organizational stakeholders and the public are kept informed of successes, issues, progress, and challenges.**

**Provide Legal and Fiduciary Oversight on behalf of the people served, the organization's members and supporters, and the public-**

1. Adopt and monitor the annual budget.
2. Ensure that an outside auditor performs an annual audit.
3. Safeguard the organization's mission and future by establishing policies that guard against loss of resources.
4. Monitor and evaluate programs.
5. Provide legal and ethical oversight.

**In fulfilling the responsibilities of the board, each board member shall:**

Treat his/her board service as a priority and devote an adequate amount of time to his/her work as a board member, including-

- Preparing for and attending regular and special meetings of the board;
- Serving as a member of one or more standing and ad hoc committees as assigned and attending and preparing for the meetings of such committee(s);
- Attending NCDC functions;
- Faithfully reading and understanding the organization's financial statements.

### **Meetings**

Participate openly and honestly in board discussions and decision-making.

Ask timely and substantive questions.

Ensure the confidentiality of board and committee discussions.

Disclose any real or perceived potential conflicts of interest in a timely manner.

Suggest agenda items to ensure that significant policy-related and strategic matters are discussed.

Follow and support decisions of the board.

### **Fundraising**

Facilitate annual operating support from the Municipality of Norwich.

Facilitate annual operating support from the Norwich Public Utilities.

Facilitate annual support from your own organization.

Identify potential opportunities for revenue, funding, and other resources.

Introduce staff to potential sources of funding and other resources, and participate in meetings with staff and potential supporters.

### **Ambassadorial Service**

Promote NCDC within your centers of influence

Work with staff to build and maintain relationships with key contacts, decision-makers, and the media.

### **Board Development**

Identify and educate new board members to help maintain a knowledgeable, engaged, and diverse board.