

Checklist to Evaluate a nonprofit Board of Directors

(certain sections of the following may be specific to the U.S.)

Edited by [Carter McNamara, MBA, PhD](#)

(Be sure to read [How to Use this Tool](#) and [Disclaimers](#) before using information in this document.)

Also see

[Related Library Topics](#)

Rating *	Indicator	Met	Needs Work	N/A
E	1. The roles of the Board and the Executive Director are defined and respected, with the Executive Director delegated as the manager of the organization's operations and the board focused on policy and planning.			
R	2. The Executive Director is recruited, selected, and employed by the Board of Directors. The board provides clearly written expectations and qualifications for the position, as well as reasonable compensation.			
R	3. The Board of Directors acts a governing trustee of the organization on behalf of the community at large and contributors while carrying out the organization's mission and goals. To fully meet this goal, the Board of Directors must actively participate in the planning process as outlined in planning sections of this checklist.			
R	4. The board's nominating process ensures the board remains appropriately diverse with respect to gender, ethnicity, culture, economic status, disabilities, and skills and/or expertise.			
E	5. The board members receive regular training and information about their responsibilities.			
E	6. New board members are oriented to the organization, including the organization's mission, by laws, policies, and programs, as well as their roles and responsibilities as board members.			
A	7. Board organization is documented with a description of the board and board committee responsibilities.			
A	8. Each board has a board operations manual.			
E	9. If the organization has any related party transactions between board members or their family, they are disclosed to the board of directors, the Internal Revenue Service and the auditor.			
E	10. The organization has at least the minimum number of members on the Board of Directors as required by their by laws or state statute.			
R	11. If the organization has adopted by laws, they conform to state statute and have been reviewed by legal counsel.			
R	12. The by laws should include: a) how and when notices for board meetings are made; b) how members are elected/appointed by the board; c) what the terms of office are for officers/members; d) how board members are rotated; e) how ineffective board members are removed from the board; f) a stated number of board members to make up a quorum which is required for all policy decisions.			
R	13. The board of directors review the by-laws.			

A	14. The board has a process for handling urgent matters between meetings.			
E	15. Board members serve without payment unless the agency has a policy identifying reimbursable out-of-pocket expenses.			
R	16. The organization maintains a conflict-of-interest policy and all board members and executive staff review and/or sign to acknowledge and comply with the policy			
R	17. The board has an annual calendar of meetings. The board also has an attendance policy such that a quorum of the organization's board meets at least quarterly.			
A	18. Meetings have written agendas and materials relating to significant decisions are given to the board in advance of the meeting.			
A	19. The board has a written policy prohibiting employees and members of employees' immediate families from serving as board chair or treasurer.			
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities				

This information may be copied. Please cite credit to the Greater Twin Cities United Way.

How to Use the Tool

The checklist indicators represent what is needed to have a healthy, well-managed organization. Since it is a self-assessment tool, organizations should evaluate themselves honestly against each issue and use the response to change or strengthen its administrative operations.

Ratings:

Each indicator is rated based on its importance to the operation and effectiveness of any nonprofit organization. The ratings are:

E: Indicators with an "E" are essential or basic requirements to the operations of *all* nonprofit organizations. Organizations which do not meet the requirements of these indicators could place their organizations in jeopardy.

R: An "R" rating signifies that these indicators are recommended as standard practice for effective nonprofit organizations.

A: Additional indicators which organizations can implement to enhance and strengthen their management operations and activities are rated with an "A".

Checklist Responses:

Organizations can respond in one of three ways to each indicator used:

- Needs work-** An indicator that is marked as "Needs Work" implies that work has been done towards achieving this goal. The organization is aware of the need for this indicator and is working towards attaining it.
- Met-** All indicators marked as "Met" demonstrate the organization has fulfilled an essential management need. However, the organization should review these indicators in the future to be sure their management remains healthy in view of the many internal and external changes which constantly occur in all organizations.
- N/A-** Indicators marked as "N/A" can mean several things, including:
 - the indicator is not applicable to the management operations of this organization
 - the organization is not sure of the need to meet the requirements of this indicator
 - the organization has not met, nor is working on this indicator presently, but may address it in the future

All organizations should take note: All responses to indicators should be reviewed carefully to see if they could improve management operations. Indicators checked “N/A” due to uncertain applicability to the organization must be further reviewed to determine if they should become a part of “doing business.” If the assessors simply do not know what the indicator means, further information may be needed to accurately assess the feasibility of its application. Indicators marked “N/A” because they have not been met but that apply to the organization, may require immediate attention. Technical assistance, consulting, or training may be required to implement these indicators.

The indicators in this checklist should be informative and thought provoking. The checklist can be used to achieve not only a beginning level of good management but improve existing management to provide the organization with greater stability, reliability and success in the nonprofit community. It is also a useful tool if an organization is experiencing management problems, to help pinpoint any weaknesses so action can be taken, or assistance sought to improve the organization’s health. All organizations should use the checklist to re-assess themselves periodically to ensure compliance with established rules and regulations, and to continue improving administrative health through the indicator’s helpful suggestions.

Disclaimer

This checklist is designed to provide accurate and authoritative information regarding the topics covered. Legal requirements and non-legal administrative practice standards reflected herein are capable of change due to new legislation, regulatory and judicial pronouncements, and updated and evolving guidelines. All stated legal requirements are in effect as of September 1, 1995. The same are utilized with the understanding that the provision of this checklist does not constitute the rendering of legal, tax or other professional services.

If the organization requires professional assistance on these or other nonprofit tax, management, or accounting issues, please contact your own professional advisors.

This information may be copied. Please cite credit to the Greater Twin Cities United Way.

INDIVIDUAL BOARD MEMBER SELF-EVALUATION FORM

Use the following questions for individual board member evaluation. Board members answering yes to these questions are likely to be fulfilling their responsibilities as board members.

		Yes	No	Not Sure
1.	Do I understand and support the mission of the organization?			
2.	Am I sufficiently knowledgeable about the organization's programs and services.			
3.	Do I follow trends and important developments related to this organization?			
4.	Do I assist with fundraising and/or give a significant annual gift to the organization?			
5.	Do I stay informed about the organization's financial health?			
6.	Do I have a good working relationship with the chief executive?			
7.	Do I recommend individuals for service to this board?			
8.	Do I prepare for and participate in board meetings and committee meetings?			
9.	Do I act as a good-will ambassador for the organization?			
10.	Do I find serving on the board to be a satisfying and rewarding experience?			
11.	Do I attend at least 75% of board meetings during the year?			