

Joining a Nonprofit Board of Directors

An Overview for Donors

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Introduction

“People should consider serving on a nonprofit board of directors if they want to engage in the community and play a role in serving the common good. There are so many challenges in our society – the environment, polarized politics, criminal justice, health, education, racial injustice, the list goes on and on. Serving on a board gives you the opportunity to bring your lived experience in service of a worthy purpose.

Jim Taylor,
Vice President of Leadership Initiatives
BoardSource

Imagine you are going to make a major financial gift to a nonprofit organization and how you might identify, evaluate, and select an organization that can generate the most impact from your investment.¹ Prior to making this kind of donation, most donors would perform a fair amount of due diligence on the organization and the proposed project. The approach you take to joining a board of directors should be even more rigorous. When you join a board, in addition to making financial contributions, you are assuming legal responsibilities for the organization and committing to make a significant donation of your time, talent, and heart.

BoardSource, the recognized leader in nonprofit board leadership research and education, estimates that there are more than 20 million nonprofit board seats in the U.S., a significant portion of which need to be filled each year. Nearly a third of nonprofit executives and more than half of board chairs report that it’s difficult to find people to serve on the board.² At the same time, a survey found that over three-fourths of working professionals would like to join a nonprofit board of directors³. Clearly, there is an opportunity to connect those who want to serve on a nonprofit board of directors with organizations that need committed, talented board members.

The purpose of this overview is to assist individuals with the process behind identifying and ultimately joining the board of a nonprofit organization. This publication addresses eight key questions to help you evaluate a potential nonprofit board leadership role:

1. Why should I consider serving as a board member of a nonprofit organization?

2. How are nonprofit boards different from for-profit boards of directors?
3. Are there different kinds of nonprofit boards?
4. What are the responsibilities of a nonprofit board of directors?
5. What are the responsibilities of a nonprofit board member?
6. How do I find the right nonprofit board opportunity?
7. What questions should I ask myself before I agree to be on a board of directors?
8. What questions should I ask the organization before I agree to be on their board of directors?

While these questions and accompanying answers are targeted at the first-time board member, they can also be useful and valuable to revisit as you consider existing and future board service opportunities.

¹ See the Goldman Sachs Philanthropy Fund publication [“Finding and Funding Effective Nonprofit Organizations: An Overview for Donors”](#) for more details.

² BoardSource. Leading with Intent: BoardSource Index of Nonprofit Board Practices. 2021.

³ Taproot Foundation Research, 2011.

1. Why should I consider serving as a board member of a nonprofit organization?

"In joining a nonprofit board of directors, you contribute your time, energy, and skills and become a part of something larger in your community. You get to give something back, feel good about what you do, learn from and work with interesting people, and make a meaningful contribution. Your attention and support will make a difference."

Robin Krause, Partner
Patterson Belknap Webb & Tyler LLP

Over the past two decades, the nonprofit sector has grown significantly. There are now roughly 1.8 million nonprofit organizations in the United States and virtually all of these organizations are required to have boards of directors to govern their work and represent the public's interest in ensuring the financial contributions to the organization are used wisely.⁴ With millions of vacancies, nonprofit organizations throughout the country are in desperate need of qualified, thoughtful, committed board members.

Experts point to the many benefits that accrue to individual board members while serving, including opportunities to:

- Build your professional network
- Make personal connections with others who share your values and passions
- Develop new skills
- Learn about a new issue area or constituency
- Broaden your exposure to a new community
- Rekindle a previous passion or interest
- Experience a sense of purpose and impact in an area that matters to you

Certainly, you can benefit in these ways by simply volunteering with a nonprofit organization but serving on a board of directors also allows you to be a part of the organization's decision-making and direction-setting, which are valuable ways to contribute to the organization's success and impact beyond financial support.

Being a member of a nonprofit board of directors can also present challenges and occasional disappointments. For example, an organization may not decide to go in the strategic direction an individual board member believes it should; or there can be professional disagreements and/or personality conflicts on the board or between board and staff. And there are circumstances when nonprofit board members may find themselves overseeing an organization in a crisis due to an unexpected leadership change or downturn in the economy.

Ideally, individuals join boards because they are passionate about the mission of the organization and are committed to helping the organization reach that mission despite the sometimes significant bumps along the way. Krause notes that all nonprofit organizations need skilled volunteers. But, she adds, they "especially need smart and committed people who are willing to take their board roles seriously to oversee the activities of the organization and get their mission out to the world."

⁴https://www.urban.org/sites/default/files/publication/104889/non-profit-trends-and-impacts-2021_3.pdf

2. How are nonprofit boards different from for-profit boards of directors?

"The governance of nonprofits can differ dramatically from the governance of businesses. Even the best intentions can prove disastrous when new board members fail to understand that their traditional business experience can carry them only so far."

F. Warren McFarlan
"Working on Nonprofit Boards:
Don't Assume the Shoe Fits"⁵

On the surface, there are similarities between the role of the board of directors in the nonprofit and for-profit sectors. For example, in both cases the boards are responsible for setting the organization's mission, recruiting and evaluating top management, and monitoring the organization's progress toward achieving its mission.

However, according to experts on nonprofit boards, there are several critical areas where nonprofit governance is different from for-profit governance. For example:

- **Mission and measurement:** In their book *Joining a Nonprofit Board*, authors Epstein and McFarlan write: "In the for-profit world, an economist would argue that the main objective and mission of an organization is through the provision of goods and services to earn an appropriate return on invested capital for its shareholders."⁶ In contrast, according to Taylor, "the things nonprofit boards should focus on are centered around the organization's mission, vision, and values – and how to support the organization to achieve the purpose for which it exists."
- **CEO authority:** McFarlan notes that "a for-profit CEO is given relatively free reign to set and implement strategy, which is then reviewed by the board of directors." The reason for this, he explains, is that in the United States most corporate CEOs are also the board chair. In contrast, in the nonprofit world "it's completely normal for a CEO to report to a

nonexecutive chair. Indeed, managing this extraordinarily important and sensitive relationship over a long period of time is the greatest leadership challenge a nonprofit CEO faces."⁷

- **Board composition:** Experts note that nonprofit boards tend to be larger and composed of more heterogeneous members than for-profit boards.⁸ Whereas for-profit boards "generally keep board numbers to between eight and 14 directors, chiefly to stimulate candid debate,"⁹ nonprofit boards must fundraise and represent their many constituencies (e.g., clients, program beneficiaries, donors, the government), which "can lead to very large boards of 25 to 30, or even as many as...130 members..."¹⁰
- **Compensation for board service:** Epstein and McFarlan observe that the motivations and responsibilities of nonprofit board members and for-profit board members could not be more different. For-profit board members are compensated well for their service: receiving retainers, board meeting attendance fees, and sometimes stock in the company. Nonprofit board members, instead of receiving remuneration, are typically expected to donate money to the organization.¹¹

It is especially important for individuals with previous experience serving on for-profit boards to understand these similarities and differences to effectively participate as a nonprofit board member.

⁵ McFarlan, F. Warren. "Working on Nonprofit Boards: Don't Assume the Shoe Fits." *Harvard Business Review*. November-December, 1999.

⁶ Epstein, Marc J. and F. Warren McFarlan. *Joining a Nonprofit Board: What You Need To Know*. Introduction. San Francisco: Jossey-Bass, 2011. P.6.

⁷ McFarlan. p.6.

⁸ Epstein and McFarlan. p.17.

⁹ McFarlan. p.7.

¹⁰ Epstein and McFarlan. p.17.

¹¹ According to *Leading with Intent, the BoardSource Nonprofit Governance Index 2021*, only 1% of nonprofits pay board members an honorarium for their service.

3. Are there different kinds of nonprofit boards?

“Just as nonprofits pass through identifiable organizational stages, so do nonprofit boards. Three very different and quite distinct types of boards gradually and often quite belatedly develop as nonprofit organizations grow and change. The first of these is the organizing board, the second is the governing board, and the third is the institutional board.”

Karl Mathiasen, III
“Board Passages”¹²

The nonprofit sector is incredibly diverse. Nonprofits can differ by their mission and purpose, size of budget and staff, use of facilities, geography, program complexity, main sources of revenues, and primary constituency. All these factors affect how a board of directors operates and how individual board members fulfill their responsibilities.

However, experts such as Taylor believe the experience of a nonprofit board member is defined more by the lifecycle stage of an organization than the specifics of the organization’s mission and programs. For example, a board member’s activities and role at a start-up arts organization will be more similar to that of a board member at a start-up animal welfare nonprofit than a 100-year-old, mature arts organization. The experts posit the most helpful way of understanding the different types of boards is to look at where the organization is in its lifecycle.

The lifecycle stages of nonprofit organizations can be broadly grouped as follows: 1) start-up/organizing, 2) growth/governing, 3) mature/institutional. The characteristics and responsibilities of the board of directors associated with each stage of organizational development are as follows:

1. **Start-up organization/organizing board** – The board tends to be small and usually homogenous; the founding entrepreneur moves fast; the board serves as a sounding board for the founder; board members take on the tasks necessary to run the organization in the absence of paid, professional staff.
2. **Growth organization/governing board** – The board becomes larger and ideally more diverse; the focus is more on governance and oversight responsibilities; more processes and procedures need to be established to clarify power and authority sharing

between board and staff; board committees become more important to effective board functioning.

3. **Mature organization/institutional board** – The board tends to be large and diverse; decision-making is more deliberate; the board makes high-level decisions as a collective body and may be increasingly focused on fundraising; there may not be as many volunteer obligations given the professional and increasingly sophisticated staff available to carry out the organization’s mission.

In general, organizations move through these three lifecycle stages and the boards’ responsibilities evolve and progress as well, although some organizations may never progress to the third stage. And “it’s really more complicated than that because there are boards of nonprofits with few staff members where board members are asked to pitch in, and it doesn’t necessarily correlate to the organizational stage of development, says Rick Moyers, former board chair at BoardSource and author of “The Nonprofit Chief Executive’s Ten Basic Responsibilities.” He adds, “it might just be the kind of organization it is.”

Given these different types of expectations and varied responsibilities of nonprofit board members, experts recommend you consider the life stage of the organization in question as one aspect of the decision-making process. In the next two sections we will discuss the responsibilities of boards of directors and specific board member responsibilities in more detail.

¹² Mathiasen, Karl III. “Board Passages: Three Key Stages in a Nonprofit Board’s Life Cycle.” National Center for Nonprofit Boards. 1999. Sixth printing, March 2000.

4. What are the responsibilities of a nonprofit board of directors?

“All nonprofit boards have one thing in common. They are entrusted with ensuring that the organization serves the purpose for which it was founded – its social-good purpose.”

BoardSource,
“Putting Purpose First:
Nonprofit Board Leadership Today”

According to BoardSource¹³, the nonprofit board of directors has three fundamental leadership roles and responsibilities:

1. **Set strategic direction:** Work in partnership with the chief executive and staff (if the organization has them) to articulate the organization’s purpose and guiding values, agree on a shared vision for the future, establish major goals and develop strategies for achieving those goals, and identify how to measure progress against goals
2. **Provide oversight:** Ensure that the organization is accountable to its purpose and operating ethically and responsibly in all ways, including evaluating and supporting the chief executive, ensuring legal and ethical integrity, providing financial oversight and strategic deployment of resources, managing risk, and monitoring progress toward implementing organizational strategy
3. **Ensure organizational resources:** The board has the ultimate responsibility to ensure the organization has the three interconnected types of resources necessary: the people to do the work; the money to support people, systems, and programs; and the connection with individuals and other organizations to earn the trust and respect of those the organization seeks to support or serve¹⁴

These three leadership responsibilities roll up into an overall orientation that BoardSource argues should be the board’s leadership role: to be a purpose-driven board.

In addition to these three roles, BoardSource believes boards should adhere to four principles¹⁵ to define the way boards see themselves and their work. These principles acknowledge the deep and systemic inequalities in the United States, and BoardSource sees each of these principles as mutually reinforcing and interdependent:

- **Principle 1: Purpose before organization** – A focus on your organization’s purpose – the reason why it exists – instead of the organization itself.

This principle highlights the reality that sometimes what is best for the organization is not always what’s best for the community. In these cases, boards should step back from organizational needs and ask themselves what’s best for the organization’s purpose.

- **Principle 2: Respect for the ecosystem** – An acknowledgement that your organization’s actions can positively or negatively affect the ecosystem or context in which it works, and a commitment to being a respectful and responsible ecosystem player.

With this principle in play, boards understand how their decisions affect the ecosystem in which they operate. And “if a decision is good for the organization but bad for the ecosystem,” Anne Wallestad, president and CEO of BoardSource, argues that the purpose-driven board should pause and consider a different path.

- **Principle 3: Equity mindset** – A commitment to advancing equitable outcomes and to interrogating and avoiding the ways in which your organization’s strategies and work may reinforce systemic inequalities.

For a board to bring an equity mindset to its work, Wallestad writes: “Despite the financial incentives to maintain the status quo, an equity mindset means prioritizing those strategies and tactics that will advance equity, even if it requires organizational risk or loss.”

- **Principle 4: Authorized voice and power** – The recognition that those affected by your organization’s work must authorize its power and voice.

“At BoardSource, we believe that boards have a responsibility to engage and share power with those impacted by their work,” writes Wallestad. What this means is that boards not only listen to and act on program participants’ preferences but that boards include leaders with relevant lived experience.

¹³ This information is shared with permission from BoardSource.

¹⁴ BoardSource. “Putting Purpose First: Nonprofit Board Leadership Today.” October 2021. Used with permission.

¹⁵ Ibid.

5. What are the responsibilities of a nonprofit board member?

“At a fundamental level, you have three primary obligations as a board member: to act in the best interest of the charity, to respect your duty of loyalty by putting the interests of the charity ahead of your own, and to ensure that the mission of the charity is carried out.”

Robin Krause, Partner
Patterson Belknap Webb & Tyler LLP

- Refrain from making special requests of the staff
- Assist the board in carrying out its fiduciary responsibilities, such as reviewing the organization's annual financial statements

Another way to think about the responsibilities of individual board members can be captured in the triple letter acronyms known as the 3Ts and 3Ws. The three Ts refer to: time, treasure, and talent; and the 3Ws: wisdom, wealth, and work. As you consider the 3Ts or 3Ws you have to offer now, think about what kind of organization you are interested in serving as a board member. The following section addresses how you might find the right nonprofit board opportunity.

There are three fundamental legal responsibilities of a nonprofit board member¹⁶:

1. **Duty of Care** – A board member owes the duty to exercise reasonable care when s/he makes a decision as a steward of the organization
2. **Duty of Loyalty** – A board member can never use information obtained as a member for personal gain, but must act in the best interest of the organization
3. **Duty of Obedience** – A board member must be faithful to the organization's mission and not act in a way that is inconsistent with the central goals of the organization

In addition to these overarching legal responsibilities, there are practical day-to-day activities individual board members should be prepared to fulfill including¹⁷:

- Attend all board and committee meetings and functions, such as special events
- Be informed about the organization's mission, services, policies, and programs
- Review agenda and supporting materials prior to board and committee meetings
- Serve on committees or task forces and offer to take on special assignments
- Make a personal financial contribution to the organization
- Inform others about the organization
- Suggest possible nominees to the board who can make significant contributions to the work of the board and the organization¹⁸
- Keep up to date on developments in the organization's field
- Follow conflict-of-interest and confidentiality policies

¹⁶ Bruce R. Hopkins, Legal Responsibilities of Nonprofit Boards (BoardSource 2003).

¹⁷ BoardSource. “What are the Responsibilities of Individual Board Members.” 2010.

¹⁸ According to BoardSource's 2017 Leading with Intent study, boards average 79 percent participation in giving, however, on the average only 52 percent of boards have 100 percent participation.

6. How do I find the right nonprofit board opportunity?

"If you're seriously considering joining a nonprofit board...it's a good idea to make sure that your passions and unique abilities are a good match with the organization's mission and needs."

The Bridgespan Group
"The Match Game: Ensuring Fit—and Effectiveness—as a Nonprofit Board Member"¹⁹

Similar to insights offered in other publications of the Goldman Sachs Philanthropy Fund concerning how to get started with your philanthropy²⁰, clarifying your values and passions and interests are of foremost importance in identifying an organization you might want to volunteer with in a board role. Experts including Jan Masaoka, CEO at California Association of Nonprofits and former Editor-in-Chief of Blue Avocado, a nonprofit online magazine for community nonprofits, suggest the following strategies for finding the right board opportunity²¹:

- 1. Ask about board opportunities where you already volunteer and give financially** – The best board opportunity may be with an organization where you are already volunteering or an organization that you are already contributing to financially, and for which you have a passion. As Moyers notes, "If you have already cared enough about an organization to write them a check, that's a good sign that you might care enough about their mission to serve on their board."
- 2. Ask other board members and the executive director of the organization where you're already on the board** – If you are already serving on a high-performing board, the other board members and executive director may be well-networked and, assuming you have been an effective board member, be willing to help you connect with another organization.
- 3. Ask your friends** – Ask about the boards they serve on and obtain information from them about possible board service opportunities.
- 4. Look online and in your local community** – There are several online resources that help facilitate board matching (see the Recommended Resources section for more information) and some regional and local organizations that provide board matching. Ask your local civic organizations if they help with board networking.

- 5. Post your availability on your LinkedIn page** – Ask your social network to help connect you to the right board opportunity.

As discussed earlier, the requirements of boards of directors differ depending on the lifecycle of the organization. Thus, finding the right board service opportunity depends on identifying what types of work give you the most satisfaction and matching those up with an organization that is working on an issue about which you are passionate and that is at the right life stage.

To that end, if you do go down the route of looking for a new organization on which to serve as a board member, Moyers suggests you spend some time reflecting on what causes you really care about and be specific in your request for recommendations, whether online or from fellow board members or friends. Say, for example, "I really care about young people of color getting access to career opportunities in technology, does anyone know of a board I might consider joining?" instead of: "I'd like to join a board, does anyone have ideas?"

Once you've identified an organization for which you'd like to serve as a board member, contact the board chair or executive director to indicate your interest in exploring board service. If you are not already volunteering with the organization, they may ask you to serve first as a volunteer in one of their program areas or maybe serve on a board committee in order to test your commitment and mutually determine if board service might be a good fit.

¹⁹ The Bridgespan Group. www.bridgespan.org. "The Match Game: Ensuring Fit—and Effectiveness—as a Nonprofit Board Member."

²⁰ Tuan, Melinda. "Getting Started with Your Philanthropy: An Overview for Donors." Goldman Sachs Philanthropy Fund.

²¹ Masaoka, Jan. "Finding the Right Next Board to Join." December 28, 2010.

7. What questions should I ask myself before I agree to be on a board of directors?

"If you're thinking about joining a board and making a multi-year commitment to an organization that involves tens of hours a year, you should do as much due diligence as you would when considering whether to accept a job at a new organization, because it is a job."

Rick Moyers
Former board chair, BoardSource
Author, "The Nonprofit Chief Executive's Ten Basic Responsibilities," BoardSource

Once you've identified a specific nonprofit board service opportunity, experts recommend you ask yourself a series of questions before agreeing to join the board. These questions fall into the following categories:

- **Passion for the organization's mission** – Krause suggests asking yourself: "Is this an area I am personally and professionally interested in? Will I prioritize my work with this particular organization?" Susan Wolf Ditkoff, senior advisor at the Bridgespan Group, a nonprofit advisor and resource for mission-driven organizations and philanthropists, recommends that you align your investment of time and energy with the causes you care about most.
 - **Shared goals and expectations** – Is your goal for joining the board primarily altruistic or do you want to learn a new skill or expand your knowledge of a certain issue area or sector? Are your goals synergistic with the organization's expectations for your involvement? If an organization approaches you about joining their board, Angela Seaworth, Director of Philanthropic Initiatives and Capacity Building at the Center for Nonprofits & Philanthropy at Texas A&M recommends you ask the organizational leaders to explain specifically why you would add value to their board. "Does the organization want your professional expertise, your money, time, a new perspective, or maybe access to your connections? It is important to understand what the organization expects you to bring to the board so you can decide if that is something you can offer during your term." It is helpful to anticipate what the organization might
- **Fit between your skills and what the organization needs** – Sometimes individuals get involved in an organization because they are passionate about the mission but their time and talents and what the organization needs are not a good match. Seaworth observes "the biggest obstacle for individuals joining a nonprofit board of directors is failing to ask the right questions to help them determine whether this role is a good fit before agreeing to serve."
 - **Readiness to commit** – Are you prepared to commit the time, treasure and talent (or wisdom, wealth and work) needed to increase the impact of the organization at this stage of your life and the organization's lifecycle? Masaoka encourages individuals to ask themselves: "What can I and what will I contribute to this organization?" She says it is also useful to ask: "What am I not willing to contribute to the organization?"²² Moyers poses this question a different way: "When you find yourself sitting in a board meeting at 8 p.m. on an evening when you could be doing anything else in the world, do you care enough about this organization and this mission that you would feel this is a good use of your time? If your answer is no, you should not join the board."
 - **Ability to give financially** – A lot of organizations have a give or get policy regarding fundraising. Are you able to contribute financially with your own assets to the organization? Are you willing to assist with fundraising, go to events, and reach out to your network to ask them to give?
 - **Compatible work styles** – It is important that you assess whether there is a good fit between how you like to work and how the organization does its work. Ask questions such as "Does the organizational culture 'fit' with how I like to work?", "Does the organization work at a pace that is consistent with my natural pace?" and "Can I envision myself working well with the CEO and the other board members?"

²² Questions to Ask Yourself before Joining Your Next Board." From Best of the Board Café (a column in the online magazine Blue

Avocado), 2003 and 2009. CompassPoint Nonprofit Services, published by Fieldstone Alliance. P.162.

- **Diversity of the board** – In their resource on evaluating your fit with a board opportunity, BoardSource suggests you ask yourself: “Am I comfortable with where the board is on its diversity, inclusion, and equity journey? If not, am I willing and well-positioned to be an agent of change?”
- **Clear measures of success** – Masaoka advises individuals to clearly delineate how they will measure the success of their board service. You should state what you want to accomplish, learn, and do before completing your term of board service.

As you carefully contemplate and answer these questions for yourself, you should also ask a lot of questions of the nonprofit organization before making your decision about joining a nonprofit board of directors.

8. What questions should I ask the organization before I agree to be on their board of directors?

“Do your research before you join a board of directors. It’s one thing to do research before you write a check, but to become a trustee or director, you should really understand what you’re getting yourself into.... Being invited is an honor and an awesome responsibility; understanding all the complexities of an organization before joining is critical.”

Eric Kessler,
Founder and Managing Director
Arabella Advisors

As stated earlier, Moyers suggests individuals approach joining a nonprofit board of directors like interviewing for a job. In fact, he recommends you ask for the board member job description as one of the first steps in considering a board position. In addition, BoardSource recommends prospective board members ask questions across the following six categories as part of the due diligence process²³:

1. **The board’s relationship to the staff** – Does the board have a practice of annually assessing the chief executive’s performance, is the board satisfied with the performance of the executive staff, how do board members and senior staff typically work with each other?
2. **The organization’s programs** – How do current programs relate to the mission and purpose of the organization, is there a strategic plan, can I visit a program?
3. **The structure of the board** – How is the board structured, are there job descriptions, committee descriptions, who are the board members, are there checks and balances to prevent conflicts of interest, does the organization have directors and officers liability coverage?
4. **The community the organization serves** – Whom does the organization serve, what evidence is there that the community is being well-served by the organization, how does the organization request and incorporate feedback from program participants, how does the organization ensure the community it serves is represented in decision-making?
5. **The organization’s financial status** – Is the financial condition sound, does the board discuss and

approve the annual budget, how often do board members receive financial reports?

6. **The individual board members’ responsibilities** – How do you see me contributing as a board member, how much of my time will be required, how are committee assignments made, what orientation will I receive, are there opportunities to be mentored by another board member, what opportunities are there for board development and education, what is the board’s role in fundraising, will I be expected to make an annual financial contribution, what role will I play in soliciting donors?

A seventh, crucially important category of questions has to do with **the diversity of the board of directors**. In particular, ask: “where is the board on its diversity, inclusion, and equity journey?”

Amal Alibair, head of the U.S. institutional client solutions business and region head for Mid-Atlantic Private Wealth Management at Goldman Sachs states: “The diversity of the board is critical. Diverse thoughts and diverse ideas make the organization better.” Some questions you should ask: is the board diverse (gender, race/ethnicity, age, and geography if applicable), is the board appropriately representative of the people and communities the organization serves, and to what extent does the organization work closely with the community and bring the voice of the community into the organization? If the board you are being asked to join is not diverse, ask about the plan to increase the diversity of the board.

National data indicate nonprofit boards of directors are particularly lacking in racial/ethnic diversity. According to BoardSource’s Leading with Intent study, boards are overwhelmingly white (78 percent of board members are white and 19 percent of boards are all white).²⁴ “Many direct service organizations are serving communities of color,” says Alibair, “and diversity, equity, and inclusion won’t be top of mind for the board unless there are diverse board members in the room making it top of mind.”

If you are a person of color being recruited to join a board, Taylor warns, “you’ll want to make sure you’re not tokenized and brought on primarily so the board can now say they are diverse.” He advises: “Make sure you are being brought onto the board for the fullness of your experience and expertise as opposed to just demographic reasons.” If you are not a person of color, Ditkoff suggests you ask yourself whether you will bring needed diversity to the board: “Am I the best person to fill this seat? Are there people with other profiles I can connect them with to increase the diversity of the board?”

If you are being recruited specifically to serve on the investment committee of a board of directors, Chris Blume, chief investment officer, Portfolio Management Group at

²³ BoardSource. “Questions to Ask Before Joining a Board.” March 24, 2022.

²⁴ Wallestad, Anne. “The Four Principles of Purpose-Driven Board Leadership.” Stanford Social Innovation Review. March 10, 2021.

Goldman Sachs offers the following perspectives.

“Investment committees are typically run in three different ways: 1) sometimes but not often the investment committee selects securities for the investment portfolio. If that is the case, most volunteers should avoid joining given the time and expertise required to do this well; 2) the investment committee makes decisions in conjunction with a consultant; and 3) the investment committee provides strategic direction to an outsourced CIO.” Regardless of which type of investment committee the organization has, Blume recommends you ask for a copy of the portfolio, the investment policy statement, and get a sense of what the investment committee chair and members are like before joining. “Make sure there aren’t large philosophical differences between you and the committee” he advises, “and assess whether they take a reasonable and rational approach. Consider the time commitment that might be involved.”

While this may seem like an overwhelming amount of due diligence, all of these questions and correlating answers will lead to a greater chance of a successful match between what you can offer and what the organization needs, and both sides will be that much more excited about the engagement.

Conclusion

"At the end of the day, there are only so many boards and causes that can be your number one or number two priority...So align what you care about most with your greatest investment of time, energy, and resources in serving on the board of directors."

Susan Wolf Ditkoff, Senior Advisor
The Bridgespan Group

Serving on a nonprofit board of directors can be a tremendously rewarding and fulfilling experience. We believe individuals should approach nonprofit board service with the same level of due diligence, seriousness, and commitment as for a job search. It is important to find the right organization and board opportunity that fits with your goals, abilities, and availability. Moyers captures this sentiment well, saying: "You can have a deep relationship with a nonprofit organization without being on the board of directors. Make sure being on the board is the job you want."

This publication has been designed to help you contemplate how and whether to join a nonprofit board of directors. A list of recommended resources for each of the eight questions is included at the end of this publication to help you explore each of these issues more deeply. For more information on this topic or additional assistance with philanthropic topics, contact your Goldman Sachs Private Wealth Advisor.

Recommended Resources

1. Why should I consider serving as a board member of a nonprofit organization?
 - BoardSource. “Joining a Nonprofit Board.”
 - BoardSource. **Serve on a Board.**
 - Epstein, Marc J. and F. Warren McFarlan. *Joining a Nonprofit Board: What You Need To Know*. Chapter 8: You as a Trustee. San Francisco: Jossey-Bass. 2011. pp. 165 – 172, 179.

2. How are nonprofit boards different from for-profit boards of directors?
 - Epstein, Marc J. and F. Warren McFarlan. *Joining a Nonprofit Board: What You Need To Know*. Introduction. San Francisco: Jossey-Bass. 2011. pp. 2 – 23.
 - McFarlan, Warren F. “Working on Nonprofit Boards: Don’t Assume the Shoe Fits.” *Harvard Business Review*. November 1, 1999.
 - The Bridgespan Group. www.bridgespan.org. “How to Find the Right Nonprofit? John Whitehead Says to Pick a Field You Care About.” In this video, John Whitehead, Former Co-Chairman, Goldman Sachs, & Company; Former Deputy Secretary of State briefly discusses how to find the right nonprofit to work with whether as a volunteer or board member.
 - The Bridgespan Group. www.bridgespan.org. “What’s Your Mission? John Whitehead Recommends This Trick for Getting Your Board on Board.” In this video, John Whitehead, Former Co-Chairman, Goldman Sachs, & Company; Former Deputy Secretary of State briefly discusses the differences between for-profit and nonprofit boards of directors and the importance of articulating the mission of the nonprofit organization

3. Are there different kinds of nonprofit boards?
 - Mathiasen, Karl III. “Board Passages: Three Key Stages in a Nonprofit Board’s Life Cycle.” National Center for Nonprofit Boards. 1990.

4. What are the responsibilities of a nonprofit board of directors?
 - BoardSource. “What are the Basic Responsibilities of Nonprofit Boards?”
 - BoardSource. *Putting Purpose First: Nonprofit Board Leadership Today*. Washington, DC: BoardSource. 2021.

5. What are the responsibilities of a nonprofit board member?
 - BoardSource. “What are the Responsibilities of Individual Board Members?”
 - BoardSource. *The Nonprofit Board Answer Book: A Practical Guide for Board Members and Chief Executives*. San Francisco: Jossey-Bass. 2011.
 - Wallestad, Anne. “The Four Principles of Purpose-Driven Board Leadership.” *Stanford Social Innovation Review*. March 10, 2021.

6. How do I find the right nonprofit board opportunity?
 - The Bridgespan Group. “Nonprofit Boards: How to Find a Rewarding Board Position.”
 - The Bridgespan Group. “The Match Game: Ensuring Fit—and Effectiveness—as a Nonprofit Board Member.”
 - Masaoka, Jan. “Finding the Right Next Board to Join.” December 28, 2010.

Board matching resources

The following are national board matching resources. In addition, there are locally-based, locally-serving board matching services in most major cities across the country.

- BoardSource. **Board Posting & Matching Programs.**
- boardstrong.org A website that facilitates individuals' efforts to find a board service opportunity and helps nonprofits find board members.
- volunteermatch.org – A nonprofit organization whose website provides listings of board service opportunities. Type "board" in the search box to find organizations looking for board members in your area.

7. What questions should I ask myself before I agree to be on a board of directors?

- Banjo, Shelly. "Before You Join that Board..." The Wall Street Journal. November 28, 2011.
- BoardSource. "Connect with the Nonprofit Board."
- BoardSource. "Evaluate the Fit"
- BoardSource. "What Should I Know Before Joining the Board?"
- Masaoka, Jan. "Finding the Right Next Board to Join." December 28, 2010.
- Moyers, Rick. "Want to Avoid a Bad Board Experience? Consider Saying No." The Chronicle of Philanthropy. August 12, 2013.

8. What questions should I ask the organization before I agree to be on a board of directors?

- BoardSource. "Questions to Ask Before Joining a Board." March 24, 2022.