



WORKSHEET: BOARD MEMBER BASICS

OVERVIEW

A nonprofit is an organization established for purposes other than profit making. 501(c)(3) organizations are classified by the IRS as public charities because they provide public benefit.

Circle the type(s) of taxes that nonprofit organizations must pay:

State income tax	Employee payroll taxes	Tax on income from grants and/or contributions
Earned income tax	State property tax	Local income tax
Local property tax	Federal income tax	Sales tax

If a nonprofit does not pay its payroll taxes, the Board of Directors may be liable.

What's the differences between a nonprofit organization and a for-profit company?

Some key facts about the impact of the nonprofit sector:

Fill in the blanks.

- In 2014, the nonprofit sector contributed \$938 billion to the US economy or about ___% of the nation's GDP.
- the nonprofit sector employed _____ million people equivalent to ___% of the American workforce.
- Approximately ___% of Americans over the age of 16 volunteer for a nonprofit.
- Annually, over ___ million people volunteer an average of ___ hours each.

By serving on a nonprofit board you will help to strengthen your community.



HOW NONPROFITS ARE ORGANIZED

What roles serve as officers of a nonprofit organization?

1: _____ 2: _____

3: _____ 4: _____

Identify the following board positions as either officer, at large or ex officio:

Secretary: _____ Executive Director: _____

Governance Chair: _____ President: _____

CFO: _____ Treasurer: _____

Your responsibility as a board member: Fill in the blanks to complete the following expectations as a board member.

- Hold _____ for the health and direction of the organization
- Know the dates of _____.
- Know the _____ who fills a key role on the organizational chart.
- Be aware of any _____ expectations of a board member.



GOVERNANCE

Governance is a Board of Directors' legal authority to lead and oversee a nonprofit organization on behalf of all of the people it serves.

In a nonprofit organization strategic decisions should be based on direction from these essential guiding documents:

1: _____

2: _____

3: _____

4: _____

Detail board responsibility in each area of oversight:

Financial Stewardship:

Organizational Impact:

Executive Performance:

Legal Compliance:

Risk Management:

You responsibility as a board member:

Duty of Care

Duty of Loyalty

Duty of Obedience



FUNDRAISING

Why are individual gifts from board members *essential*?

Your responsibility as a board member. List five *essential* fundraising responsibilities for each board member.

1: _____

2: _____

3: _____

4: _____

5: _____

Give examples of each of the fundraising terms listed below.

Fundraising Term	Example
Annual gift	
Planned gift	
In-kind gift	
Major gift	
Restricted gift	
Unrestricted gift	
Campaign	