Legal Duties of Nonprofit Board Members

Serving on the board of an Impact100 chapter is an opportunity to lead with both heart and integrity. Every board member plays a role in ensuring that your chapter remains compliant, trustworthy, and mission-focused. These are the core legal responsibilities every board member should understand.

Core Legal Duties - Care, Loyalty, & Obedience

Duty of Care

- Be informed and actively participate in board decisions
- Attend meetings, review board packets, and ask thoughtful questions
- Monitor finances and key activities with diligence and intention

Duty of Loyalty

- Always act in the best interest of your chapter, not for personal gain
- Avoid conflicts of interest—or disclose and manage them properly
- Maintain confidentiality and speak with one voice after decisions are made

Duty of Obedience

- Follow your chapter's mission, bylaws, and applicable laws
- Ensure board decisions align with your chapter's governing documents
- Work in partnership with your Governance Chair to stay compliant

Key Policies That Support Legal Compliance

Conflict of Interest Policy

- Requires board members to disclose personal or financial interests that may influence decisions
- Doesn't prohibit conflicts—just ensures they're disclosed and handled appropriately
- Any board member with a conflict must recuse herself from the decision

Whistleblower Protection Policy

- Ensures that anyone (board member, volunteer, partner) can report suspected misconduct without fear of retaliation
- Helps protect both individuals and the mission

Document Retention & Destruction Policy

- Outlines how long your chapter should retain key records
- Applies to financial documents, grant files, and meeting minutes
- Ensures secure disposal of outdated records

Simple Ways to Facilitate Compliance

- Review your core policies during board onboarding—not just your bylaws
- Include all policies in a shared drive or binder for easy reference
- Encourage questions and discussion—compliance starts with understanding