

## Five Documents That Every Board Member Should Review

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The fun and fulfillment of serving on a board rarely comes from reviewing documents. Nevertheless, to do their jobs well, board members should be familiar with key documents. According to Katherine Whitney, a co-founder and director of Warren Whitney, the following are important documents that every board member should read and understand.

- 1. Bylaws:** It's important for every board member to read the organization's bylaws as soon as they join the board. Every board member should know how the board is supposed to operate. Over time, board practices often need to change to remain relevant and the bylaws should be reviewed and amended as needed to stay current.
- 2. Strategic Plan:** Boards are responsible for establishing the strategic direction of the organization. The organization's strategic plan should be a central document that drives many decisions.
- 3. Budgets and Financial Statements:** The finance committee usually takes the lead role in reviewing budgets and regular financial statements. However, the entire board should have a basic understanding of the organization's financial position and plans. At a micro level, confirming payment of payroll taxes is of particular importance.
- 4. Audit and Form 990:** The board is responsible for ensuring that the audit and IRS form 990 have been completed in a timely manner. The management letter that accompanies the audit often has excellent recommendations that will strengthen financial controls.
- 5. Board Self-Assessment:** A board self-assessment will help the board improve its own governance practices.