



Legal Duties of Board Members

Executive Summary

According to nonprofit corporation law, a board member must meet certain standards of conduct and attention to his or her responsibilities to the organization. Board members have a number of legal obligations. These are referred to as the Duty of Care, Duty of Loyalty, and Duty of Obedience.

Duty of Care

The duty of care describes the level of competence that is expected of a board member and is commonly expressed as the duty of "care that an ordinarily prudent person would exercise in a like position and under similar circumstances." This means that a board member owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.

Our board and its members carry out these duties by:

1. _____
2. _____
3. _____

Duty of Loyalty

The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain, but must act in the best interests of the organization.

Our board and its members carry out these duties by:

1. _____
2. _____
3. _____

Duty of Obedience

The duty of obedience requires board members to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage donated funds to fulfill the organization's mission.

Our board and its members carry out these duties by:

1. _____
2. _____
3. _____

These duties are essential to the well-being and effective governance of Boys & Girls Clubs. It is each board member's responsibility to be mindful of these duties when making decisions that affect the organization.