



## **Guidelines to Form a Nonprofit Advisory Board**

### **Overall Benefit of an Advisory Board**

Driving forces such as increased global telecommunications, public consciousness and diverse values are causing rapid change among organizations like never before. Consequently, the overall role of Board governance becomes very critical in guiding these organizations during rapid change. An Advisory Board can be a tremendous complement to the effectiveness of the governing Board of Directors as it works to carry out a specific, complex, major role (for example, financial analysis) or initiative (for example, construct a building). Advisory Boards are sometimes referred to as Advisory Councils or Advisory Committees.

### **What is an Advisory Board?**

An Advisory Board is a collection of individuals who bring unique knowledge and skills which complement the knowledge and skills of the formal Board members in order to more effectively govern the organization. Also, Advisory Boards are sometimes used to maintain formal and visible relationships with people who have particular strong status, for example, people whose terms have expired on the governing Board, leaders in the community and people with highly respected skills in certain program areas.

The Advisory Board does not have formal authority to govern the organization, that is, the Advisory Board cannot issue directives that must be followed as in the case with a governing Board. Rather, the Advisory Board serves to make recommendations and/or provide key information and materials to the formal Board of Directors. Committees of governing Boards, for example, Fundraising Committees and Personnel Committees, are of the same capacity as Advisory Boards – their members only make recommendations to the full Board.

The Advisory Board can be standing (or ongoing) or ad hoc (one-time) in nature. It can have a “personality” like governing Boards. For example, members of the Advisory Board can be very hands-on like a working Board or attending only to high-level recommendations like a policy governing Board.

The amount of influence that Advisory Boards have in their recommendations to the governing Board or staff members depends on the charter, or formal description of the Advisory Board. For example, Advisory Boards that include members with highly technical skills often have significant influence. In contrast, Advisory Boards with members who bring status might have less influence.

### **How to Organize Your Advisory Board**

The most useful Advisory Boards are organized almost as carefully as governing Boards.

1. For ongoing, major activities (for example, which will last longer than a year) consider establishing a standing Advisory Board. For short-term activities (for example, one to nine months), consider establishing an ad hoc Advisory Board.

2. Carefully charter the role of the Advisory Board in the formal Board of Directors' By Laws. In the By Laws, specify the Advisory Board's purpose, duration, guidelines for membership, how it contributes knowledge and skills, and any structures/policies from which the Advisory Board interacts with the formal Board of Directors and organization members.



---

To see a sample of a committee charter, see “Sample Board Committee Charter” **Error! Bookmark not defined.**

---

3. An Advisory Board, like a governing Boards of Directors, should have a Chair who drives the operations of the Advisory Board. The Advisory Board’s Chair might be the main point of contact between the Advisory Board and the formal Board of Directors. The Advisory Board might have members who also are on the governing Board of Directors.
4. Advisory Boards benefit from having policies similar to those of a governing Board, for example, job descriptions, calendar of activities, Board attendance, decision-making, conflict-of-interest and ethics policy. Members also deserve an orientation to these policies.



---

See “Sample Board Policies” **Error! Bookmark not defined.**

---