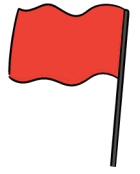


# Board Red Flags Checklist



Early Warning Signs Your Board Is Heading for Trouble

**Is your board showing warning signs of dysfunction?** Use this checklist to identify a handful of potential governance problems before they become full-blown crises. Each red flag includes immediate action steps you can take.

## Compliance Red Flags

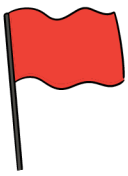
- Bylaws Violations Being Ignored**
  - Knowing violations of organizational governing documents
  - *Action: Conduct immediate bylaws review; create compliance timeline; enlist the support of a Governance Committee*
- "We've Always Done It This Way"**
  - Resistance to following proper procedures or legal requirements
  - *Action: Provide board governance training; update policies as needed*
- Retaliation Against Compliance Efforts**
  - Punishing staff or board members who raise legitimate concerns
  - *Action: Establish whistleblower protections; seek legal counsel if needed*
- Financial Oversight Failures**
  - Missing audits, late 990s, or inadequate financial reporting
  - *Action: Implement financial oversight calendar; engage qualified professionals*

## Communication Red Flags

- Information Hoarding**
  - Board members having unequal access to information or decisions
  - *Action: Establish information sharing protocols; ensure transparent communication*
- Surprise Votes**
  - Bringing major decisions to vote without prior discussion or notice
  - *Action: Require advance agenda distribution; implement discussion periods*
- Excluding Dissenting Voices**
  - Marginalizing or silencing board members who ask questions
  - *Action: Establish respectful debate norms; protect minority opinions*

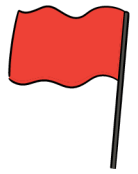
## Power Dynamics Red Flags

- One Person Controlling Everything**
  - Single individual making unilateral decisions for the board
  - *Action: Redistribute responsibilities; establish checks and balances*
- Intimidation Tactics**
  - Using threats, pressure, or manipulation to control board decisions
  - *Action: Establish code of conduct; provide safe reporting mechanisms; enlist the support of an engaged, well-developed Governance Committee*
- Staff vs. Board Power Struggles**
  - Unclear boundaries between governance and management roles
  - *Action: Clarify roles and responsibilities; provide role-specific training*



# Board Red Flags Checklist

Early Warning Signs Your Board Is Heading for Trouble



## Legal and Ethical Red Flags

### Ignoring Fiduciary Duties

- Failing to exercise duty of care, loyalty, or obedience
- Action: Provide fiduciary duty training; establish accountability measures

### Potential Legal Violations

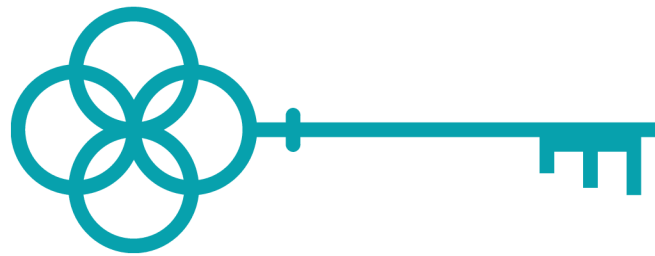
- Actions that could jeopardize tax-exempt status or create liability
- Action: Seek immediate legal counsel; halt questionable activities

### Ethics Violations

- Conflicts of interest, self-dealing, or inappropriate personal benefit
- Action: Implement conflict of interest policies and ethics/code of conduct policies; require conflict disclosure and recusal

### Lack of Oversight

- Rubber-stamping decisions without proper review or discussion
- Action: Establish due diligence procedures; require substantive review



## Prevention is Key

The best time to address board dysfunction is before it becomes a crisis. Regular governance check-ups, ongoing board education, and clear policies can prevent many of these red flags from appearing.

Need help addressing these issues? Contact The Stacey Wedding Group for governance consulting, board/chief executive coaching, and board training.

*This checklist is for educational purposes only and does not constitute legal advice.*

