Oversight is a concept, a responsibility, and sometimes a job description. Paradoxically, it can also have the opposite meaning: if we forget to do something we might call it an oversight. The term is very subjective and depends on individual perspective. Proper oversight can be perceived as a general responsibility by those being overseen, or as an excuse for micromanagement by those with oversight responsibility. Above all, oversight requires a collaborative definition for each situation.

Two board positions frequently described as oversight positions are the secretary and the treasurer. Both are positions whereby professional staff often perform the tasks of the offices, but the elected secretary and treasurer hold the fiduciary responsibility, a legal obligation of trust to safeguard the corporate assets and function with the best interests of the corporation in mind.

The secretary is the elected guardian of the records of the organization: the corporate charter, governing documents, minutes, policies, and collateral paperwork such as signatories for bank accounts. When there is a headquarters office and professional staff, it is rare for the secretary to keep these records personally. Although the basic tasks might be performed by executive assistants, the ultimate responsibility for the accuracy of the records rests with the secretary. Oversight for this office is pretty straightforward: the secretary usually has signatory power to affirm the accuracy of board actions and the final fiduciary responsibility for the recordkeeping.

Things are more complicated for the treasurer because there are many more regulations regarding finance, financial reports are critical to board strategic decisions, and there are many different operations involved in recording financial transactions. Some organizations believe that a candidate for treasurer must possess financial expertise in order to exercise proper oversight. Another way of looking at it is to consider the treasurer as the chief financial translator for the rest of the board. The treasurer must anticipate questions that may arise in the board’s governing activities, which might not be as obvious to those with deeper financial knowledge.

The fundamental rule of oversight is “no surprises”. Someone who is charged with oversight should be kept in the loop and forewarned about potential problems. The treasurer providing oversight should have a complete picture of the financial situation. When something that could become significant appears on the horizon it should be discussed. The treasurer, whether having extraordinary financial acumen or not, should be able to answer questions on the broad picture of the financial situation – a far more comprehensive subject than just a snapshot of the current state of financial affairs.

Regular communication is crucial to a productive oversight relationship and no two situations are alike. Often one party or the other crosses imaginary boundaries without realizing it, causing some pushback that, in turn, causes pushback reaction. Only honest discourse can prevent these situations from becoming polarizing. In some cases, the financial managers of the organization have certain ways of doing things, and are not necessarily skilled in explaining why. When officers ask for certain reports or information, they may be met with what they perceive as resistance, when it really is an inability to explain the rationale or to provide an alternative. The primary question for both parties is “how can we best meet each other’s needs?” Oversight is a collaboration, not a surveillance.