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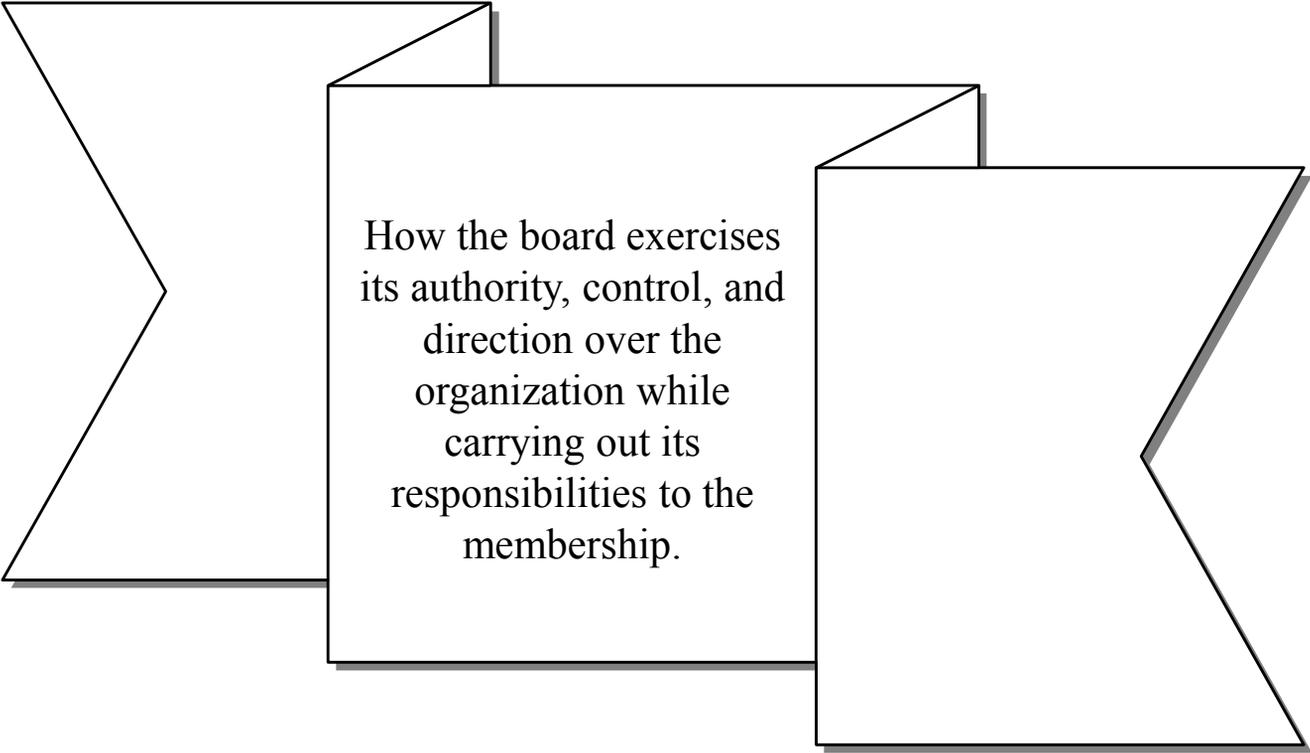
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Governance



How the board exercises its authority, control, and direction over the organization while carrying out its responsibilities to the membership.

Ethical Responsibilities of Board Members

- Want to serve on a board
- Believe in the value of the organization
- Endorse the mission

Board Members need to demonstrate ethical and professional conduct to maintain the confidence of the membership of the Society and the public. This commitment includes proper use of authority and appropriate actions in group and individual behaviour when serving as Board Members.

1. Board Members must be loyal to the interests of the organization over and above any:
 - Loyalty to advocacy or interest groups;
 - Membership on other boards or staffs, and
 - Personal interest of any Board Member acting as an individual consumer of this organization's services.

2. Board Members are trustees of public confidence and securities. They must avoid any conflict of interest.
 - There must be no self-dealing or any conduct of private business or personal services between any Board Member and the Society. Exceptions can occur only when there is openness, competitive opportunity, and equal access to information.
 - Board Members must not use their positions to obtain employment within the Society for themselves or their family members.
 - If a Board Member is considered for employment, he or she must temporarily withdraw from deliberation, voting and access to applicable Society information.

3. Board Members must not exert any individual authority over the Society except as stated in the Societies' policies.
 - Individual Board Members do not have any authority to speak for the Society when they interact with staff, the public, the media and other entities unless granted this authority by the whole board.
 - Board Members must not make any judgments of staff performance except as stated in policy.

4. Board Members must protect the confidentiality of any information received by the Board. They must make sure all confidential information is only used as authorized. Board Members must not use Board information for his/her personal advantage or benefit.

5. Board Members deal with outside entities or individuals, with clients and staff, and with each other using fair play, ethics and straightforward communication.

Signature of Board Member

Date

Date of Review: _____

Date Approved: _____

A board, because it holds a **public trust**, is accountable to the community for the organization's success in carrying out the mission, and in meeting its ethical and legal obligations.

Indicators of Public Trust	Our Board...
1. The board receives clear information on finances, internal operations, human resources, and programs. Board members are skilled in using this information to exercise the board's ethical and legal obligations.	
2. Board members attend meetings regularly, and respond as necessary if action is required between meetings.	
3. The organization's response to issues and ethical questions is based on responsible analysis of options, thoughtful discussion, and written policies.	
4. The board makes sure that the public is informed about the organization: its mission, policies, programs, and finances.	
5. Drawing on the experience of the board, the organization assesses which community needs it can meet, and calls attention to needs that it cannot meet.	
6. The board regularly evaluates how well the organization's programs and services are meeting the community's needs, and publicly discloses the results.	
7. The board considers the ethical implications of each funding proposal, carefully reviews the grantor's conditions, and complies with the terms of the grant.	
8. The advocacy program gives an honest picture of the organization's work, and the underlying beliefs and values that are the foundation for its mission.	
9. Board membership reflects the diversity of the community served.	

Adapted from: Nordhoff, Nancy S., Jo Larson, Putnam Barber, and Dorothy P. Craig. **Fundamental Practices for Success with Volunteer Boards of Non-Profit Organizations**. Seattle: FunPrax Associates, 1982.

Legal Implications of Board Membership

Personal liability is minimized when board members act prudently, within their authority, and are not negligent.

Incorporation as a society provides a way to limit the individual board member's liability - it does not eliminate liability entirely.

Areas of Individual Liability

- Non-Management
- Negligence or Willful Mismanagement
- Conflict of Interest and Self-Dealing

Legal Duties & Responsibilities

- Trustee or Fiduciary
- Duty of Care
- Skills and Diligence
- No Conflict of Interest
- No Contract Voting

Checklist for Minimizing Your Liability as a Board Volunteer

Personal Liability Checklist	Yes	No	Notes
Do I know and support the organization's beliefs, vision, mission, target, and aims statements?			
Do I attend all board meetings and assigned committee meetings?			
Do I read pre-meeting material before each meeting?			
Am I familiar with the board's policies?			
Am I familiar with the minutes of the board and committees that I am appointed to?			
Do I know the responsibilities and functions of the board and its committees?			
Do I know who is authorized to sign cheques, and for what amounts?			
Have I monitored the community's response to the organization's programs and services?			
Have I participated in approving the annual budget, audit, annual financial report, and periodic financial statements?			
Have I received copies of the objects and bylaws?			

Checklist for Minimizing Your Liability as a Board

Organizational Liability Checklist	Yes	No	Notes
Has the board given the required notification for the annual general meeting?			
Has the board notified the membership of proposed bylaw changes?			
Have the annual incorporation filing requirements been completed? (Federal and Provincial)			
Have human resource policies been approved, and are they reviewed annually?			
Are the executive director and staff contracts up-to-date and in order?			
Are receipts and disbursements maintained, according to the board's financial and business policies?			
Is there an evaluation process for the executive director?			
Has the membership approved the annual audited financial statements?			
Has the board purchased adequate insurance?			
Are committee reports submitted in writing?			
Do board members have written job descriptions?			
Does the board have risk management strategies?			
Does the board regularly review the objects and bylaws?			

Performance Expectations for Board Volunteers

- Loyalty
- No Conflict of Interest
- No Individual Authority
- Conduct
- Board and Staff /Volunteer Relations

Performance Expectations for Board Volunteers (cont'd)

- Meeting Preparation
- Active Participation
- Confidentiality
- Image

Boards and board volunteers are encouraged to develop written statements of both performance expectations and ethics for a board volunteer.

Roles of a Governing Board

- To be responsible for the organization's highest level of decision making and legal authority
- To be accountable for the organization's resources and activities
- To articulate and communicate the vision
- To define, through policy, the parameters of the organization

Responsibilities of Governance

The Board:

- Articulates and communicates the vision
- Focuses on strategic planning and direction
- Focuses on the whole organization
- Works to create a culture that is aligned with the values of the organization
- Is a corporate body, works together as a whole

Responsibilities of Governance (Cont'd)

The Board:

- Ensures that board members are motivated and inspired
- Speaks with one voice
- Directs the organization's work
- Is responsible for its own management
- Hires, supervises and releases only the senior staff
- Avoids making management and operational decisions when these can be delegated

Board Member Self Assessment

Encourage each individual to assess their effectiveness as a board member several times throughout their term by completing this checklist.

- I support the mission and values of this organization.
- I am willing to further the work of this organization with my time, skills and financial support.
- I understand the role of the board and my legal and ethical responsibilities as a board member.
- I have attended the majority of regular and special board meetings and other events requiring board participation.
- I prepare for meetings by reading background materials and researching issues for discussion.
- I actively participate in board meetings by listening, discussing and presenting complete information as required.
- I carry out my other board responsibilities (e.g. committee member, fund-raising, advocacy and/or education) in an effective and timely manner.
- I am willing to support and help other board members in their development.
- I am interested and willing to participate in development opportunities including workshops, information sessions, conferences and taking on new roles.
- I try to be an objective decision maker, considering the impact of issues on individuals, the organization and the community.
- I avoid participation in board issues which are self-serving or may be perceived as conflict of interest.
- I recognize the board must "speak with one voice" and I avoid taking action on issues unless instructed to by the board.
- I enjoy my service as a board member in this organization. If not, I am actively working to change the issues and/or activities which are a barrier, or I am reconsidering my commitment to this organization.
- I initiate and engage in discussions which consider the root causes of board issues, the values of the organization, optional courses of action and new ideas.

Date: _____ Signature _____

Questions to Answer

“Based on our discussions, the most significant issue for me is...”

“Knowing what I know now about bylaws, policies and procedures, over the next few months I want to...”

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