



# **ROLES & RESPONSIBILITIES OF THE BOARD**

Community Foundations of Canada

October 21, 2016

# **Session Discussion**

**What do you hope to gain an understanding of with this session?**

**What is an issue that you are now facing with a non-profit board?**

# Highlights of the workshop...

## Who is at the table?

- Overview: Trends in Volunteering
- Challenges to Governance
- Volunteering: Positive and Negative Contributions
- What Role Do Board Members Play?
- Board Member DON'TS...



# Highlights of the workshop...

## What role do they play?

- Roles and Responsibilities: The Work of the Board
- Board Members ARE...
- Board Authority: Chair, Board Members, Executive Committee and Executive Director
- Building a Cohesive Team: Duties and Liabilities
- Board Best Practice - A Board Checklist

# Who is at the board table?



# Trends in Volunteering

According to Stats Canada, in a recent survey;

- In 2014, about one-half of Canadians contributed their time, energy and skills to groups and organizations such as charities and non-profits.
- They provided leadership on boards and committees;
  - canvassed for funds
  - provided advice, counselling or mentoring
  - visited seniors
  - prepared and delivered food
  - served as volunteer drivers
  - advocated for social causes
  - coached children and youth.

In short, they shaped their communities and enabled non-profit organizations to deliver programs and services to millions of their fellow Canadians.

# Trends in Volunteering

- Points to ponder;
  - Over 13.3 million people (47% of Canadians aged 15 and older) did volunteer work
  - Devoted almost 2.07 billion hours to their volunteer activities which is equivalent to 1.1 million full time jobs
  - Number of hours dedicated to volunteer work has plateaued
  - A small portion of the volunteers did all the work (10% of volunteers accounted for 53% of all volunteer hours)
  - Sports and recreation and the social service sectors get the most support
  - Likelihood of volunteering depends partly on life stage
    - Age
    - Marital status including having young children
    - Education
    - income

# Training Issues and Demands

Here is what we are noticing as being “hot button” training requests;

- How to recruit, retain and recognize volunteers
- Roles and responsibilities of the board
- Leadership development
- Operational issues
  - Effective meetings
  - Constitutional work
  - Policy development
  - Volunteer management
  - Team building and conflict resolution
- Governance and Strategic Planning



# So...why do we volunteer on not for profit boards?

- To make a difference
- We believe in the organization and want to be a strong part of it
- We have (or had) a personal connection
- It is the “right” thing to do
- Gain work experience or share work expertise
- Make friends or socialize
- Share a skill or talent
- To acquire a skill or new expertise
- For personal fulfillment
- Want to give back to the group
- Are a part of the community
- Hidden “agenda”

# Good, the bad and the ugly...

If you have had experience working with or volunteering on a board, chances are it has been good, bad or maybe, even down right ugly...



# Challenges to Board Governance

- Lack of training opportunities; especially in rural communities
- Recruiting volunteers from the same pond
- Volunteers not wanting to assume leadership roles or not understanding the added workload
- Overstepping their authority – no one has 12 bosses!
- Lack of team building and positive dynamics
- Having to review or establish foundation documents/policy
- Isolation of communities or services
- Everyone knows your business
- Communication problems
- Volunteers leave just when they are getting good!

# Relationship Building

- Need to define boundaries and responsibilities for the board
- Ensure that the organizational foundation is strong
  - Support documents in place
  - Review of policies and procedures
  - Evaluation of programs, services, board/staff and community needs
  - Comprehensive orientation process for new board members
- Allow staff to provide advice, counsel and guidance
- Follow best practice and guidelines and ensure they are developed, understood and evaluated

# Volunteering: Positive and Negative Contributions...

If we understand the “why” We can...

- Make decisions that are in the best interests of our organization and our volunteers
- Better match individuals to programs or services requiring their expertise or experience to do the work
- Increase volunteer involvement and ownership
- Decrease volunteer turnover
- Implement effective recruitment and retention strategies
- Move ahead with projects or revise current services to match community needs

**What role do they play?**



# Work of the Board

## Roles and Responsibilities

Two of the most frequently asked questions by new board members should be;

1. What are my exact responsibilities as a board member?
2. What role do I play within the organization itself?



# Board Member Don'ts...

- Don't “only” join a board because someone told you to, it would look good on your resume or solely because you have an interest in the issue it serves.
- Don't try to be the operational managers. That is not your role, nor responsibility, and most organizations have paid staff to perform those duties.
- Don't get involved or embroiled in personnel matters as an individual board member unless you are specifically tasked with those duties.
- Don't assume that a “not-for-profit” is the same as in a “for profit” or government agency – governance is similar but outcomes are not
- Don't assume you know what the community needs. Ask and respond with appropriate services or programming



# Board Member Don'ts...

- Don't confuse your roles. Know what your role is and what your responsibilities are.
- Don't assume you are an expert your first year on the board. There is a learning curve to follow and you need time to process all the information that is given to you
- Don't stay on the board if you truly cannot make the time commitment. There is no shame in stating you can't fit it in.
- Don't over extend yourself. Give what you can.
- Strive to make informed decisions. Make sure that you have all the information that you need and are prepared to work with the rest of the board and staff to resolve any issues.
- Don't create conflict. Work as a team.
- Don't throw your organization under the bus! Be loyal and a leader!

# Board members are...

Work as a team to ensure the following are addressed:

- Accountable and legally responsible for the organization.
- Able to set policy and give direction.
- Tasked with establishing procedures and are required to implement or adhere to policy
- A part of the process; they set the budget and then ensure that sufficient funds are in place to meet it
- Establish strategic direction and plans to ensure the organization can get there

# Board members are...

- Instrumental in developing and adhering to personnel policy and procedures
- Involved in recruiting, hiring, evaluating and if necessary, terminating the Executive Director or Administrative Officer
- Involved in developing long and short term strategic plans
- Willing to participate in monitoring and evaluating the organization's overall operations

# Board members are...

- Responsible to promote the organization in the community and throughout the region it represents
- Available and willing to maintain and develop skills and build upon the expertise of the board (professional development and ongoing training)
- Authorized to make revisions to the organization's mission and mandate as required and...
- Communicate those changes to staff, the membership and community as a whole as need be
- Responsible for the financial well being and adherence to budgets of the organization

# Board Authority...

- Authority of the Chair
- Authority of the Individual and Board as a whole
- Authority of the Executive Committee
- Authority of the Executive Director or Manager



# What does the Chair do?

- Chair meetings
- Set the agenda
- Speak on behalf of the board
- Provide leadership and management
- Gain consensus
- Involve all members in discussions, actions and decision making
- Referee – wear the “stripes” to help resolve conflict
- Follow meeting rules as determined by the board
- Keep the full board informed of upcoming events and/or issues that effect the board, the organization or the community
- Act as a liaison to the community and at large
- Prepare responses on behalf of the board
- Have signing authority for the board in financial matters
- Provide strategic and ongoing leadership to the board and organization



# What do board members do?



- Present motions
- Vote on motions
- Take part in discussions and decisions
- Question information or material presented
- Ask for items to be put on the agenda
- Participate and offer opinions
- Represent the organization in a positive light and manner (be part of the team)
- Understand their role and authority
- Assist as required and as directed

# What does the Executive Committee do?

- Usually comprised of the Chair, Vice Chair, Secretary, Treasurer and the Executive Director (Past Chair)
- Are able to act on behalf of the board in between meetings or in an emergency situation when action needs to be taken
- Must inform the board of any actions or decisions made as soon as possible (usually the next regularly scheduled meeting)
- Does not have any other power unless granted that authority by the board as a whole



# What does the Executive Director do?

- Act as the liaison to the board for staff
- Provide support, advice and guidance to the board
- Act as the figure head or spokesperson (as necessary) for the organization
- Supervise, discipline, hire, evaluate and terminate staff as required – they deliver on operational issues and processes
- Work closely with the board Chair and executive committee
- Provide updates and reports to the board on a regular and timely basis
- Provide information and other supports when developing budgets, policy and strategic direction for the board
- Provide ongoing day to day management of all operations

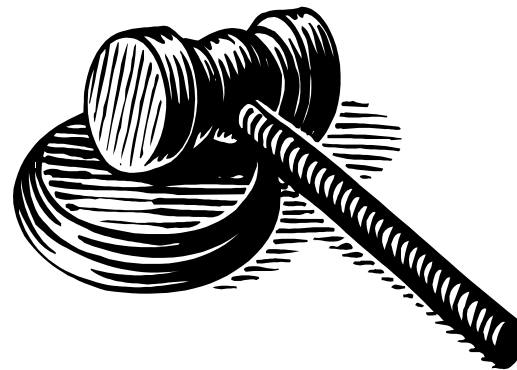
# **Building a Cohesive Team**

## **Duties and Liabilities**

# Legal Duties and Obligations for Board Members...

Directors have three legal duties to their board as noted by the Manitoba Corporations Act;

1. Duty of Care
2. Duty of Loyalty
3. Duty of Obedience



# Board Performance...

## Liability of Board Members

- Ethical Behaviour and Codes of Conduct

- The board members will act in an ethical and businesslike manner
- This includes appropriate behaviour and use of authority when acting as board members

# Board Performance and Operations...

## Ethical Behaviour and Codes of Conduct

- Must be defined and correspond with written policy and procedures
- Codes of Ethics can be written for staff, volunteers, board members or anyone who works in any capacity for an organization. The purpose of a Code of Ethics is to provide guidance on appropriate and inappropriate behaviors based on the organizations beliefs and values, as well as the law for anyone acting on behalf of the organization
- They should address any potential ethical conflicts a board member might face. Common points of inclusion in non-profit board Codes of Ethics are: how to address a conflict of interest, prohibition against board members receiving loans from the organization and a confidentiality policy.

# Board Performance and Operations...

## Conflict of Interest:

- All board members are expected to avoid ethical, legal, financial or other potential conflicts of interest
- Ensure that their outside activities do not conflict with their obligations to the organization or its welfare
- It exists when there is a conflict between the public and private interests of somebody in an official position, or conflicts between a number of public positions
- Can be real or perceived but must be dealt with
- Policy should be developed to explain or identify what constitutes a conflict and what processes or practices need to be put in place





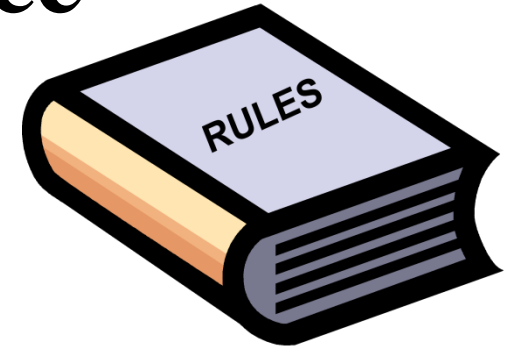
# Board Best Practice

## Efficient Meetings:

- Regularly scheduled
- Times limits
- Rules of engagement for the board: how we conduct ourselves, deal with conflict, meeting procedures (Robert`s Rules of Order)
- Understand the importance of making informed decisions
- All participate in discussion, decision making
- Recording: Minutes and In camera sessions
- Annual General Meetings: dealing with elections, constitutional changes, hearing from membership



# Board Best Practice



## Constitutions:

- Reviewing process
- Changes communicated to members, organization and community
- Mission, Vision and Value Statements: creating and adhering to
- Important constitutional information:
  - Quorum is defined
  - Minimum and maximums of board members
  - Process for new volunteers to come on to the board
  - Job Descriptions for board leadership positions
  - Detail – how much is enough?

# Board Best Practice

## **Remaining Viable:**

- Foundation documents
- Evaluating practices
- Identifying need
- Working in partnership (staff, volunteers, funders, clients, community)
- Succession planning
- Short and long term strategic planning

## **Knowing when (and how) to quit:**

- Aging members
- Loss of relevancy
- Difficulty in recruiting
- Formal Dissolution

# Board Best Practice

## Evaluations:

- Should be used annually and regularly
- May be complex or simple
- Caution with self evaluations or evaluating other board members
- Performance or program delivery based
- Snapshot of where the board currently is
- Involve staff, program or service users
- External evaluations
  - Agency requirements
  - Stakeholders
  - Funders
- Execute, evaluate and examine!



# A Board Checklist...

## ...or how are we doing?

A study of over 20 not for profit boards found a number of procedures and practices that aided in the ability of these organizations to be successful and vibrant.

How are you doing?



# Volunteers are our life's blood...

We need to respect, nurture, honor and support our volunteers.

It not only will make our programs and services the best they can be for our membership, but will help us build a strong, vibrant and thriving organization.

That will translate to a strong, vibrant and thriving community.



# Links to more Board Governance information...

**Financial Leadership for Non-profit Executives by Jeanne Bell and Elizabeth Schaffer** - Step by-step guide on how to get accurate financial data, use financial data to evaluate your organization, how to plan around a set of meaningful financial goals, and how to communicate progress on those goals to your staff, board and stakeholders, as well as five steps to building a strong annual budget.

**Governance Works!** by Barbara Laskin – A guide to governance and how to determine appropriate governance practices for your organization.

**The High Performance Board**, by Dennis D. Pointer and James E. Orlikoff – Introduces best practices and practical applications designed to help your board maximize performance and contribution. Includes board self-assessment tools.

**Hiring and Performance Appraisal of the Executive Director** – A guide for boards of directors who are in the process of hiring a new executive director and/or providing the executive director with a performance appraisal.

**Non-profit Boards: Roles, responsibilities and performance**, by Diane J. Duca – Explores the issue of board and staff relationships and provides strategies and guidance to help avoid conflicts including defining roles, duties, and obligations of board members.

# And some more...

**Risk Management for Boards**, by David Johnstone – Outlines the steps in risk management and provides a set of processes and tools to reduce risk and liability.

**The Roles, Responsibilities, and Functions of a Board**, by Manitoba Family Services – A guide to the basic responsibilities and functions expected of governing boards. Includes questionnaires, self-analysis worksheets and checklists to help boards measure their effectiveness.

**Selection and Recruitment of Board Members**, by Ginette Johnstone – Takes you through the entire process of board member recruitment, including identifying skills required, the role of the nominations committee, and running the election.

**10 Minutes to Better Board Meetings**, by Norah Holmgren – This booklet is designed to help you improve the quality of board meetings you attend either as a leader or participant by offering guidelines for planning, participating, and leading.

**The Best Ideas in Time Management by Communication Briefings** – This special report is a practical and comprehensive collection of time-management ideas and techniques.

**Board Building: Recruiting and developing effective board members for not-for-profit organizations** – Thoroughly covers the recruitment, orientation, training, and evaluation processes for your board.

# Questions and (Maybe) Answers...



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