

Just One of Tom Little's BIG Ideas



About the Policy Board Model

Many Boards choose to adopt what is termed a “policy” approach to providing leadership and overseeing the operation of the organization.

1. Place of Policies in Board Governance

Boards have three levels of guidance they must adhere to:

1. Corporations Act (and other applicable legislation)
2. Articles of Incorporation
3. By-Laws

The fourth level of guidance, Board policies, fills the gaps not covered by the other three, explaining how the Board should operate in all discretionary areas. Policies can be informed by a fifth level of guidance, and that is information about non-profits available through universities, other entities like Imagine Canada and Charity Village, law firms and (last but certainly not least) consultants.

As a Policy Board, the Directors will do the following:

1. Be knowledgeable of and work in accordance with:
 - The Ontario Corporations Act and its successor, the Ontario Not-for-Profit Corporations Act, when organization transitions to the new Act (if federally incorporated, they will fall under the Canada Not-for-Profit Corporations Act)
 - Articles of Incorporation
 - By-laws
2. The Board will create and work in accordance with a set of policies and procedures that describe in detail how the Board will conduct its affairs related to issues of governance that are not addressed in the Act, Articles or By-laws.

In combination with the Act, Articles and By-laws, these policies constitute the Boards “how-to” manual, and are a constant reference point for the work of the Board. They will be shared with all new Directors, who will be required to read them prior to their first meeting of the Board.

To fulfill its commitment to being a Policy Board, the Board will develop and use a set of policies and procedures and consolidate them in a Board Policies and Procedures Manual.

To ensure it is used, each Director will be provided with a copy of the Manual on election and will be expected to refer to it and act in accordance with it at all times. The Manual will be reviewed on a regular basis to ensure it remains current.

2. Definition of a Policy Board

To ensure clarity, the Board will define the Policy Board model as conducting its affairs through the use of policies and procedures developed and approved by the Board and addressing all pertinent issues not covered by legislation, the organization’s Articles or the organization’s By-laws.

These policies will include the following:

Goal

The Board's ultimate goal will be defined as the organization's vision. If the organization is a human service provider, that goal will be shaped in terms of the people it serves. The vision will be supported by other positioning statements - mission (what the organization will do to achieve its vision), principles and values.

Role of Board and Key Tools

The role of the Board will be to provide leadership and oversight, and to manage its own operation, within reasonable time constraints.

The key tools of the Board in fulfilling this role will be the stipulations of the Corporations Act/Not-for-Profit Corporations Act, the organization's Articles of Incorporation and By-laws and its Board policy manual.

The focus of the policies set out in the Manual will include the positioning statements (vision, mission, values/principles), strategic plan, Board yearly action plan and Management yearly action plan.

The Board will ensure its policies comply with the requirements of other legislation and of its funders, if any.

Role and Accountability of Executive Director

The Board will define the role of the Executive Director as ensuring the effective operation of the organization on a day-to-day basis. This includes all issues related to people supported, services, staff, facilities, finance, information administration and management.

The Executive Director will be accountable for:

- Developing, implementing and reporting on a yearly Management action plan and budget
- Advancing the portion of the strategic plan that relates to Management by including needed actions in the yearly Management plan
- Ensuring the Board is informed
- Supporting the work of the Board
- Ensuring the continuing financial viability of the organization
- Adhering to applicable legislation and regulations and to the organization's Articles and By-laws
- Acting in a way that reflects favourably on the organization in both her/his professional and personal conduct
- Mitigating risk

The Executive Director will be considered by the Board to be the Board's one employee. All other employees will be responsible to the Executive Director. All communication between Board members and employees other than the Executive Director will be conducted through the Executive Director. The Executive Director will be empowered by the Board to advise of and seek remedy from the Board for encroachment by the Board on this principle.

The Board will delegate to the Executive Director the responsibility for developing and using operating policies and procedures. As part of the process, the Board will also be clear with the Executive Director as to whether it expects to provide either input to the operating policies as they are being developed, or to review and approve them once they are done. This is the most contentious aspect of the Board / ED relationship in a Policy Board environment. Our preference is that the ED has final say over all operating policies and procedures, and is not required to vet them in the Board at any point in the process.

3. Detailed Content of the Board Policy Manual

The Board's Policy manual will include the following:

Introduction

About the Organization

About This Manual

Board Model

Board Policies and Procedures Manual

Compliance

Section 1 - Positioning

Organizational Positioning

Vision

Mission

Values/Beliefs

Section 2 - Guidance and Legal

Guidance (sources)

Legal Structure

Legislation

- Corporations Act
- Not-for-Profit Corporations Act
- Others as applicable e.g. Acts under which governments provide funding to the organization

Section 3 - Governance

Board of Directors

- Number
- Qualifications
- Election
- Term

Structure

Recruitment & Succession

Orientation
Board Role
Duty of Care, Indemnification and Insurance
Role of Individual Board Members
Board Meetings
Board Decision-Making
Board Development
Strategic & Operational Planning
Managing Risk
Board Performance Evaluation

- Sample Board Evaluation

Communications & Emergency Protocol
Honorariums and Expense Reimbursement
Travel Expenses
Code of Conduct & Disciplinary Action
Conflict of Interest
Organizational Property & Its Use
Privacy & Confidentiality
Records
Voice, Texting, Email & Internet Including Social Media
Conflict Resolution
Executive Director & Staff (also see separate section for Executive Director)
Quality Assurance
Final Arbitrator
Termination - Board Members

Section 4 - Membership

Number
Qualifications
Recruitment
Application for Membership
Approval of Membership Applications
Term of Membership
Dues
Orientation
Role
Benefits
Communication
Meetings of Members
Member Decision-Making
Member Development
Member Liability
Code of Conduct & Disciplinary Action
Conflict of Interest
Organizational Property & Its Use
Privacy & Confidentiality
Records
Voice, Texting, Email & Internet Usage Including Social Media

Conflict Resolution
Termination of Membership

Section 5 - Finance

Financial Accountability
Budgeting and Reporting
Payroll
Tenders and Contracts
Approval of Payments
Disbursements
Audit
Capital Assets
Insurance

Section 6 - Executive Director

6.1 Structure

Staffing Structure
Job Description
Position Status

6.2 Filling the Executive Director Position

Recruitment
Background Checks
Orientation
Development & Use of Employee Policies and Procedures
Strategic & Operational Planning
Training, Retraining and Education
Performance Evaluation
Alternative Executive Director Evaluation Form

6.3 Compensation

Salary
Salary Grid
Pay Periods
Time Sheets
Overtime/Lieu Time
Statutory and Other Holidays
Vacation
Benefits
Travel

6.4 Leave

Sick Leave
Leave of Absence – Maternity & Parental
Leaves of Absence – Other
Maternity-Related Job Reassignment and Leave

6.5 Conduct

Code of Conduct & Disciplinary Action

Conflict of Interest

Dress Code

Organizational Property

Consent, Confidentiality & Records

Conflict Resolution

Workplace Harassment, Sexual Harassment & Bullying

Workplace Violence

Voice, Text, Email & Internet including Social Media

6.6 Succession & Termination

Executive Director Succession

Executive Director Termination

Section 7 - Services

Service Viability & Quality

Section 8 - Complaints

Complaints (Clients and other)

About Tom Little & His Big Ideas

Tom Little started out as small as his name. Even smaller maybe.

Over time though, Tom Little got big. Six foot four. Two hundred and fifteen pounds ... maybe two twenty ...two twenty-five absolute tops, but only when his love of butter and orange juice starts creeping towards addiction.

So when Tom Little has an idea, it's automatically a BIG idea. But that's not the only reason.

Tom has spent his career working for, and with, non-profit organizations. That exposure, first as an executive director and then as a purveyor of non-profit knowledge (you might use the term "consultant"), has given him many insights into how these strange and wonderful creations operate.

Along the way his colleague Nancy Mouldsdale joined the fray, bringing acuity and youthful enthusiasm to complement Tom's years (Nancy describes them as many, many years) of experience.

Tom Little's BIG Ideas are intended to help you make your non-profit better. Primarily focused on management and Boards, they appeal to anyone involved in the non-profit sector.

You get full access to Tom's BIG Ideas when you call on him for assistance in planning, evaluation, research and training.

Non-profit organizations are built on ideas. The better the ideas, the better the organization. Tom provides you with the best ideas available!

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