

*This policy is specifically written for a non-profit that has an executive director (CEO). It seeks to provide a board-level understanding of the work of governance. This policy complements some common ones that also apply to the functioning of the board. These include roles and responsibilities of individual board members, the role of board officers as well as policies on conflict of interest and board member conduct.*

## The Role and Responsibilities of the Board

The responsibility for the organization's governance is shared between the board and executive director. Because the board sits on the boundary between the organization and the larger community it provides both expertise and perspective.

The board of directors is made up of individuals who support the mission of the organization and are legally responsible for its conduct. However, because the board is made up of volunteers and their contribution is on a part-time basis they must strive to serve as governing group not an operational one.

Effective governance involves three functions. The **first** is that of **stewardship or oversight**, ensuring that the organization, including the board itself, is conducting itself according to recognized good principles and practices.

Such principles ought to be identified in written policies; human resource and financial management being two areas common to most. The monitoring of policy compliance and the occasional review of some ought to have a place in the board's annual work plan.

The **second** function is that of **evaluation**, particularly of the executive director. The board must ensure that the ED is regularly evaluated on their performance in terms adherence to policy, communication with the board and other constituencies, and progress on the organization's goals.

The **third** function of the board is that of **strategic leadership**, working with the executive director in helping the organization to be forward looking in achieving its mission and goals.

Effective governance therefore requires attention to looking inward and looking outward. Together with the executive director the board must strive to give attention to all three functions. The balance will at times vary.

*The board of directors will ensure that:*

- The organization operates legally and ethically and follows well-established and accepted organizational practices, financial and otherwise

- Its preferences consensus over authority; a long term rather than a short-term perspective
- Policies exist to guide its own actions and that of the Executive Director and that these are regularly reported on and reviewed.
- It employs, supports and reviews the performance of the Executive Director.
- The organization actively listens, communicates with, and strives to create an organization that is transparent and accountable to its stakeholders and constituencies
- The boardroom serves an open space for deliberation and learning as much as for making decisions and committing to action
- It assumes the primary responsibility for its own management, composition and renewal

*In working together, the board and the Executive Director will:*

- Strive to respect distinctions between governance work and operational functions. They will manage any overlap in a spirit of partnership
- Establish clear lines of responsibility and accountability for one or the other or both
- Define the standards the organization shall meet and reflect these in written policies and procedures
- Ensure that the organization, including the board itself, operates with plans and priorities whose intent is to focus governance work and energy

Note: This sample policy may be freely used and adapted by non-profit organizations without attribution.