# GETTING OUR HOUSE IN ORDER

**REGINA OPEN DOOR SOCIETY BOARD OF DIRECTORS**

**HIGHLIGHTS FROM SESSION - SEPTEMBER 14, 2024**

# WELCOME AND INTRODUCTIONS – ANDA DIMA

Land Acknowledgement
Welcome and Thanks
Introductions Round Table
Thank You, Jim!
Review Agenda

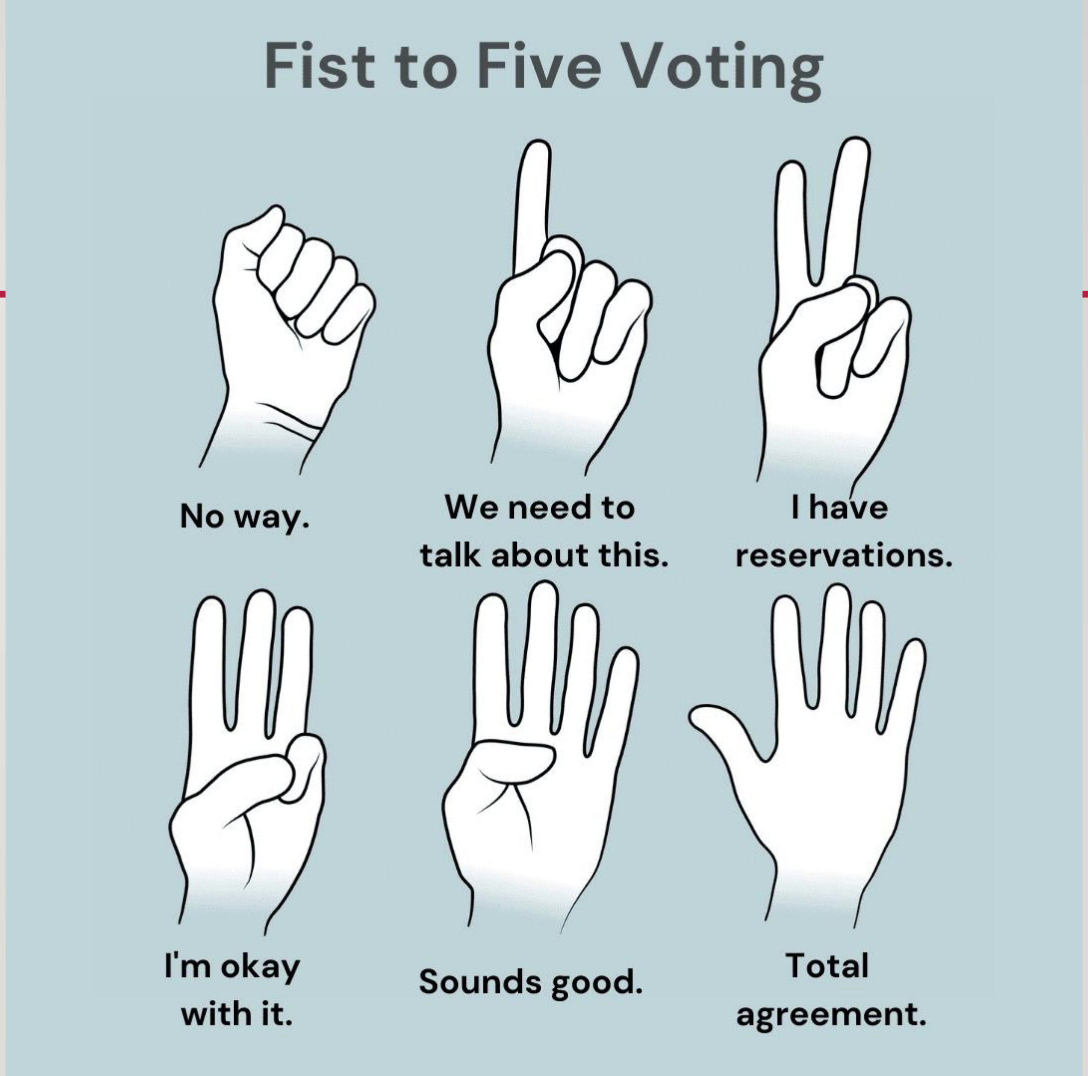
# AGENDA – ANDA DIMA

| Time | Agenda Item | Lead /Facilitator |
|---|---|---|
| 900-910am | Welcome, Introductions, Review Agenda | Anda Dima |
| 910-915am | Rules of Engagement for the Day | Jackie Hubick |
| 915-1030am | Best Practices for Effective Policy Boards | Jackie Hubick/Ted Warawa |
| 1030-1045am | Break | |
| 1045 – 1050am | Survey Results Summary<br>Self Assessment: Individual Board Member Responsibilities and Duties | Jackie Hubick |
| 1050-noon | Review and Update Policy B-II: Individual Board Member Responsibilities and Duties | Jackie Hubick |
| 1200-1230pm | Lunch | |
| 1230-250pm | Create and Adopt 2-year Board Work Plan | Jackie Hubick |
| 250-255pm pm | Debrief – What went well/Even better if | Jackie Hubick |
| 255-300pm | Closing Remarks | Anda Dima |

# RULES OF ENGAGEMENT FOR THE DAY – JACKIE HUBICK

- Speak up and share your ideas
- Be open to hearing different perspectives
- Listen to others
- One conversation at a time
- Silence phones
- Have fun/laugh

# TODAY'S VOTING



# BEST PRACTICE FOR EFFECTIVE POLICY BOARDS

Jackie Hubick/Ted Warawa

# FUNDAMENTAL GOVERNANCE PRINCIPLES

Board is responsible for strategy and holding management accountable for operations.

Boards are required to make decisions that are in the organization's best interests.

- In reaching a decision, the board must be able to demonstrate that it considered the decision's impact.

Each individual director on the board has a fiduciary duty to the organization.

- Duty of care — to act with the competence and diligence that a reasonably prudent person with similar knowledge and expertise would exercise in comparable circumstances.
- Duty of loyalty — to act honestly and in good faith in the best interests of the organization

# POLICY BOARD GOVERNANCE MODEL

- Governance boards provide strategic direction and financial oversight to the nonprofit organization rather than day to day operations. Typically, board members are responsible for the strategic plan, overseeing the financial health of the organization and ensuring its compliance with regulations.
- If the board has an executive committee, its purpose and authority is defined in the bylaws. If the executive committee is given the power to act on behalf of the board, the committee regularly using that power has the potential to disengage other board members. The bylaws can define the limits of this authority to ensure that the full board remains in control and informed. Emergency decisions made by the executive committee should be confirmed by the full board at the following board meeting.
- Governance committee often takes the lead and responsibly for recruitment, ongoing board development, leadership development, board and board member assessment, board education and ensuring the board is equipped with proper guidelines and structure to do it work effectively.

# STRATEGIC BOARD RECRUITMENT

- Turnover on a board is expected and is healthy.

- Embrace leadership changes by encouraging members to do different jobs.

- Develop a matrix of your current state board of directors' skills, qualities, perspectives. Review annually to identify gaps and recruit members with those skills.

# BOARD COMPOSITION

- Diversity, equity, inclusion – in terms of race, ethnicity, gender, age, professional background can bring new ideas/perspectives leading to greater results
- Skills/expertise – a mix of skills in marketing, fundraising, finances, legal
- Board size – 8-12 members
- Board structure – board of directors, board committees like finance, governance, audit, enterprise risk management, fundraising
- Term limits – 3-5 years, with option for additional terms

# ESTABLISH CLEAR BOARD EXPECTATIONS

- Since most non-profit boards are volunteer, efforts must be made to accommodate schedules and make meetings accessible.

- Job description outlining the expectations of the board member role should be documented and shared with the director.

# BOARD ORIENTATION/EVALUATION

- Formal orientation process is required so all members receive relevant and consistent information of their governance responsibilities, the organization and the boards own expectations.

- A comprehensive annual or biannual self-assessment is required for boards to evaluate collective performance and understand the extent of their individual responsibly.

# MEETINGS

- Clear agenda – relevant items for discussion and be sent in advance with meeting materials
- Consent agendas – materials that need to be reviewed but not discussed must be sent prior to the board meeting; financial statements are NOT included in consent agenda.
- Active engagement – participants should be actively engaged in the discussion, ask questions, provide feedback
- Informed decision-making – board members should have access to all relevant data, financial reports and evaluations when making decisions
- Meeting minutes – accurate minutes with recorded decisions and actions taken by the directors kept for each meeting and distributed to all board members in a timely manner
- Ongoing assessment – board members should assess the effectiveness of the meeting and identify areas for improvement after each gathering.

# STRATEGIC PLANNING

- The board has a substantive role, in concert with management to develop, approve, support the organization's strategy.
- Boards primary responsibility is to set the direction of the organization.
- Strategic planning is a road map for this direction and help assess progress.
- Full board actively participates in creating the plan and their part in its implementation.

# THINK BIG PICTURE

- There will be moments of adversity as a nonprofit board member.
  - This is normal. Its critical to NOT get muddled in the small details. Avoid becoming too tactical.

- Focus on the big picture and remain mission/vision focused even through the hard times.

# BUDGET APPROVAL/AUDIT

- Board approves the annual budget. Management is responsible for developing the annual budget.
- As the fiduciary body for the organization, the board ensures that the budget reflects the overall strategic direction and advances the long-term fiscal health of the organization.
- Board is responsible for assessing the potential benefits and costs of an independent audit and determining when it is time to conduct one.
  - Ideally the board forms a separate audit committee or task force, preferably with no overlap with the finance committees, to facilitate the added responsibilities of fiscal oversight. It is the board's role to select the auditor and meet with them in an executive session without management present, as necessary, to discuss the results.

# EXECUTIVE DIRECTOR JOB DESCRIPTION AND EVALUATION

- Board develops a written job description for the ED and defines the annual expectations.
  - ED can remain accountable for their performance only if the position is well defined and annual goals and expectations are mutually agreed upon.
- Board evaluates ED performance annually, in writing and with the involvement of the full board.
  - A formal check in at 6 months may be beneficial.
  - Formal evaluation, based on well-defined and mutually agreed expectations.
  - Even if the board chair or a committee lead the evaluation, the full board participate by being invited to provide feedback. Approve the final evaluation and ensure all compensation recommendations are appropriate. The evaluation may include 360 feedback from the organization's leadership team, partners, etc so the board has an opportunity gain additional insights from those working closely with the ED daily.

# DEVELOP AND UPDATE POLICIES

- Take a proactive approach to policy development and enforcement.
  - Adopt strong policies. For example: conflict of interest policy, code of conduct and ethics policy, risk management guidelines.
  - It's the boards responsibility to ensure they understand and follow them.

# BYLAW REVIEW

- Bylaws formalize the board's structure and practices. These evolve over time. It is necessary to review the clauses periodically to assess their appropriateness and identify what might be missing.
- You may want to consider legal to assist with the review.

# 3 TOP CHALLENGES FOR NONPROFIT BOARDS

| **Challenges** | **Strategies to Mitigate** |
|---|---|
| Limited Resources<br>(Board and Organization) | Prioritize. Identify more pressing issues and allocate resources.<br>Nurture relationships with other organizations / donors.<br>Collaborate. Partner with other organizations to achieve shared goals. |
| Board Burnout | Change roles. Change and distribute responsibilities among members so they can contribute in different ways.<br>Encourage professional development. Expect board members to develop new skills. |
| Recruiting and retaining qualified board members | Provide fulfilling and rewarding board experiences. Engage board members in meaningful work that aligns with their skills/interests.<br>Offer board members professional development or networking opportunities. |

# SOURCES

- 6 Best Practices of Highly Effective Nonprofit Boards | iDeals Board
- Recommended Board Practices – BoardSource
- Governance for Not-for-Profit Organizations Questions for Directors to Ask.pdf

# Summary of Self Assessment: Individual Board Member Responsibilities and Duties

# Self Assessment: Individual Board Member Responsibilities and Duties

- August 2024
- 11 responses

# SURVEY HIGHLIGHTS

- Agreement on many statements
- Areas that may require more discussion/update to policy include:
  - Clarification for attendance and participation at meetings (board and committee) and special events
  - Meeting efficiencies; how the meeting is run, board members come prepared, how information is presented
  - Defining respect
  - Need for professional standards – behaviours – accountabilities
  - All members being open to different views/perspectives
  - How to deal with conflict
  - Board decision making process – information required
  - Annual review of board's and individual board member's effectiveness

# UPDATE OF POLICY B-II IN THE GOVERNANCE POLICY MANUAL

- Notes collected from discussion generated at the session will be shared with Kate.
- Kate will aim to finalize the policy in December. The goal is to present a draft for approval at the  January board meeting.
- Board members are encouraged to send additional feedback regarding policy B-II to Kate.

# Review and Update Deliverables

1**. Work Plan Matrix reviewed;** it highlights annual actions the Board needs to accomplish in its governance of RODS. The annual work plan matrix for 2024-2025 can be used to inform the three committees' annual work plans. The matrix will be posted to the board portal.

**2. Each committee has a chair and the Day Care Committee has a board representative:**

Executive – Anda Dima, Chair

Governance – Kate Roy , Chair

Finance, Audit & ERM - Jim Fallows, Chair

Day Care representative – Faye Nashi Fehler

Nominations Subcommittee Chair - TBD

3. **Chair appoints a Vice Chair by November 2024 if no one volunteers.**

4. **Governance Committee will develop a plan** and consider contracting as discussed to review the Board policy manual and provide milestones.

**5. TOR'S and Work Plans:** Committees review and update TOR's and work plans by Nov 2024.

**6. Executive Committee and Executive Director** ( ED) finalize the ED Job Description. Board approves Job Description for ED by January 2025.

**7. Executive Committee** develops a succession plan for the ED by June 2025. Contract a former board member. Board approval of succession plan by September 2025.

**8. Executive Director and Finance Committee** to further develop the RODS Risk Register. ED presents Risk Register to the board on a semi-annual basis; board to consider additional risks that may not have been captured in the Register.

**For a comprehensive list of deliverables discussed at the session please see the ACTION ITEMS LIST.**

# DEBRIEF – WHAT WENT WELL; EVEN BETTER IF

**Round Table:**

**Liked:** facilitation, the visual, the board work plan exercise, session being in person, room, location, food and refreshments
**Even better if:** do this type of session more often – could have an evening session before our Strat Plan next year