



Community Capacity Building

Organizational Governance

Participant's Guide

There are no limits to the majestic future which lies before the mighty expanse of Canada with its vigorous, aspiring, cultured, and generous-hearted people.
(Sir Winston Churchill)

Table of Contents

| | |
|---|----|
| Purpose of Toolkit..... | 5 |
| Contents of this Toolkit..... | 5 |
| Section I: An Overview of Good Governance..... | 7 |
| Understanding Organizational Governance..... | 7 |
| Glossary “Governance”..... | 9 |
| Leadership vs. Management..... | 11 |
| Assessing Director Performance..... | 12 |
| Characteristics, Elements & Principles of Good Governance..... | 14 |
| Policies and Procedures Manual - Board of Directors..... | 17 |
| Policy & Procedures Manual - Community Economic Development Organization..... | 18 |
| Warning Signs Your Board May Be In Trouble..... | 26 |
| Governance Models..... | 27 |
| Why Evaluate? Determine the Kind of Board You Want..... | 29 |
| Section II: Board Roles and Responsibilities..... | 31 |
| Partnerships..... | 35 |
| Understanding Your Role as Board Member..... | 36 |
| Committee Functions..... | 37 |
| Standard Committee Terms of Reference..... | 38 |
| Legal Liability, Risk Management and the Role of Directors..... | 39 |
| Recruitment and Retention..... | 40 |
| Sample By-laws..... | 44 |
| Section III: Recommended Resources..... | 55 |

NOTES

Purpose of Toolkit

The purpose of this toolkit is to provide information, tools and resources to support individuals who express an interest in learning how to develop a commonsense approach to applying good governance practices, principles and decorum for the purpose of achieving individual, organizational and community success.

Contents of this Toolkit

This toolkit has been prepared to provide participants with an overview of the materials covered in the workshop. The skills in this program have been designed to increase your effectiveness in your role as Board Director/Trustee. The content of this toolkit is as follows:

- Section I: An Overview of Good Governance
- Section II: Board Roles and Responsibilities
- Section III: Recommended Resources

The contents of this workshop have been prescribed by the Community Capacity Building - Curriculum Review Focus Group (September 2006).

NOTES

Section I: An Overview of Good Governance

Understanding Organizational Governance

(Source: Institute on Governance: www.iog.ca)

Earlier thinking on governance thought there might be “one best way” to set up governance arrangements which was reminiscent of the work of early writers about management who sought to identify the “one best way” of doing something. Proponents of this search for universal truths became known as the scientific school of management. However, as thinking about management became more sophisticated, the idea that there must be universally valid best practices was abandoned in favor of a situational approach. That is, the right way to manage an organization depended greatly on its situation: its business or mission, its market, its stakeholders or clients, its history and traditions, and so forth.

Contemporary thinking on governance is rooted in our belief that just as there is no single model of management, there is no one “best” model of governance. Governance arrangements need to be tailored to take account of an organization’s mission, in addition to other factors like people, culture, traditions and relationships. We call this approach: mission-based governance. In our experience, one of the great strengths of this approach is that it accommodates the great diversity of organizations.

NOTES

Glossary “Governance

Accountability - A relationship based on the obligation to demonstrate and take responsibility for performance in light of agreed expectations.

Accountability Framework - The accountability framework defines the nature and scope of responsibilities, identification of key results, performance expectations and the monitoring, evaluation and reporting strategies.

Board Member/Director - An individual who is a member of a governing board or an organization. As a rule, they are elected or appointed to be a member of a governing body under a section of a specific piece of legislation in the province of Newfoundland and Labrador. They may also be officers, where an officer fulfills certain corporate roles and functions (such as those duties of a “Chairperson”, “Vice-Chairperson”, “Treasurer”, or “Secretary” of the organization). **(Source: Volunteer Canada 2002)**

Board Members’/Directors’ Role - Regardless of the name, size or type of organization, the role of the director remains fairly constant. Directors and officers of non-profit organizations are responsible for governing the affairs of the organization on behalf of its members. Directors and officers have a relationship of ‘trust’ with the members of the organization, and it is from this trust relationship that certain important legal duties arise.**(Source: Volunteer Canada 2002)**

Goal - A goal is a general statement of the desired results to be achieved over a specified period of time.

Governance - The *United Nations* defines governance as the “interactions among structures, processes and traditions that determine how power and responsibilities are exercised, how decisions are taken, and how citizens or other stakeholders have their say. It is about power, relationships and accountability: who has influence, who decides, and how decision-makers are held accountable”. “Governance is framed by the purpose for which an organization was created and is concerned with activities of the highest level including planning, goal setting, policy development and monitoring progress towards strategic objectives” (*Achieving Excellence 2000: A Handbook for Improved Governance of Public Bodies, p.2*).

Leadership - To guide, influence or persuade people **(Jim Clemmer)**.

Management - The act, art or manner of controlling or conducting affairs **(CCAF, 1996)**.

Mission - A mission statement systematically diagrams the vision by answering the questions **who**, **what** and **why**.

Ownership - Identifies the group (members or Directors) who carry the public trust vested in a non-profit organization.

Partnership - A collaborative venture between two or more organizations that pool resources in pursuit of common objectives.

Policies - Statements that guide and constrain decision making by both the governing body and the staff. Policies agree with the enabling legislation, other governing legislation, the constitution and bylaws. Policies direct the delegation of authority and tasks.

Values - Values are the fundamental principles that guide behavior and decision making.

Vision - A vision is a short statement describing the ideal state an organization is striving to achieve in the long term for its clients.

Leadership vs. Management

It is widely accepted that healthy organizations, teams and individuals need both management and leadership abilities. They must be effective at balancing both in order to sustain themselves.

| (Trustee)Management - “Doing” | (Trustee) Leadership - “Being” |
|--|---|
| Effective, informed decision making resulting in clearly stated policies (controls) related to director conduct, financial management, subcommittees, staff supervision & direction, information and knowledge management etc. | Empowerment - Motivates, engages and empowers board, committees and staff to be creative and innovative. Builds confidence in the Board. |
| Proactive Policy Development - Empowers and guides the board, committees and staff | Visionary - Preferred future, principles, values, ethics and purpose |
| Accountability - board is responsible for the prudent use and safe custody of the organization’s resources. | Commits to the organization Builds and maintains good relations with partners and key stakeholders. |
| Strategic planning - develops a clear understanding of the vision, mission and goals helps the Board to focus on its policy role | Strategist - Foresees change/adapts to change/ ensures sustain-ability/mission focused |
| Adopts good governance practices | Role model, coach, mentor |
| Directs/delegates/communicates - subcommittee and staff responsibilities | Interested in servicing others |
| Responsive/reactive/manages and minimizes risk | Proactive /takes calculated risk/anticipates change |
| Monitors, evaluates and reports - improves performance , increases accountability and strengthens relations through evaluating the board, its members, the CEO and subcommittees. | Promotes learning and development (e.g. orientation , financial management) Pursues new and innovative solutions |

What do these concepts mean for the board of a local community development organization? They may help determine whether the organization is an architect of **community development** or whether it is reacting to situations as they arise and become certainties.

“Managers manage within paradigms (systems, frameworks, etc.), leaders lead between paradigms (crisis, change, transformation).” (Joel Barker)

Assessing Director Performance

A checklist (☐)

Assessment of the Director/member

- < Participates effectively in meetings.
- < Reviews Board briefing materials in advance of each meeting.
- < Addresses committee issues at Board meetings where necessary.
- < Well informed on all matters of the Board.
- < Focuses on strategic matters at the Board level.
- < Provides advice in the context of the strategic needs, as opposed to operational (or management) issues.
- < Recommends new governance policies, or suggests policy amendments where applicable.
- < Acts in the best interest of the organization.

Committee portfolio

- < Establishes a clear agenda for each meeting.
- < Prepares in advance for meetings.
- < Chairs meetings in an effective manner.
- < Well informed on all matters of the committee.
- < Monitors compliance to approved policy.
- < Reviews committee progress and performance.
- < Reports on committee activities to the Board.
- < Represents the Board’s interests at meetings.

In public

- < Publicly supports the decisions of the Board.
- < Effectively represents the organization’s interests when dealing with members and non-members.

T Attended board orientation

- T Attended board strategic planning
- T No. of board meetings attended (maximum:)

Assessment of the Chairperson

Board of Directors

- < Chairs meetings in an effective manner.
- < Establishes a clear agenda for each meeting.
- < Is prepared to discuss issues at each meeting.
- < Well informed on all matters of the Board.
- < Well informed on all matters of the organization
- < Focuses on strategic matters at the Board level.
- < Provides clear direction in the context of the strategic needs, as opposed to operational (or management) issues.
- < Acts in the best interest of the organization.
- < Monitors compliance to approved policy.
- < Manages any conflicts that may arise.
- < Serves as an effective point of contact between the Board and the Executive Director.
- < Regularly reviews the organization’s progress and performance.

In Public

- < Publicly supports the decisions of the Board.
- < Effectively represents the interests of the organization at meetings with key partners.
- < Effectively represents the organization’s interests when dealing with members and non-members.
- T Effectively chaired orientation
- T Effectively chaired strategic planning
- T No. of board meetings chaired (maximum:)

Assessment of the Chair/Vice President

Board of Directors

- < Chairs meetings in an effective manner when required.
- < Participates effectively in meetings.
- < Is prepared to discuss issues at meetings.
- < Provides effective support to the Chairperson.
- < Well informed on all matters of the Board.
- < Well informed on all matters of the organization.

- < Focuses on strategic matters at the Board level.
- < Provides direction in the context of the strategic needs, as opposed to operational (or management) issues.
- < Acts in the best interest of the organization.
- < Monitors compliance to approved policy.
- < Assists in reviewing and determining the policies governing the organization.
- < Assists the Chairperson in managing any conflicts that may arise.
- < Regularly reviews the organization's progress and performance.

In Public

- < Publicly supports the decisions of the Board.
- < Effectively represents the organization's interests when dealing with members and non-members.
- T Attended Board Orientation
- T Attended Board Strategic Planning
- T No. of Board Meetings Attended (Maximum:)

Characteristics, Elements & Principles of Good Governance

Characteristics of high performing boards influencing strong organizational performance:

- t Strong board and staff leadership
- t Positive working relationship between the CEO and the Board (mutual respect, intellectual flexibility, willingness to ask and answer tough questions, understanding and respect for boundaries between staff and board roles, constructive processes for dealing with areas of overlap)
- t Clarity in respective roles, relationships and expectations of the Board, individual members and the CEO and motivated towards organizational success
- t High level of key stakeholder agreement on organizational values, mission and objectives
- t Respect for organizational norms and board decisions, playing by the rules and as a team
- t Good board development practices (orientation, training, team-building, sound board member recruitment practices, good meeting management)
- t Regular assessment of the effectiveness of practices, performance of Board, individual members, committees and CEO

- t Consensus or near-consensus decision making rather than majority rule
- t A high level of trust and teamwork and a low level of interpersonal/role conflict
- t Constructive confrontation/resolution of conflicts within the board, between the board and CEO and conflicts of interest on the part of the board members
- t Balance between organizational stability and adaptation to constant change

- t Effective management of meetings and board work (board work plan, agendas circulated sufficiently in advance of meetings, board members well prepared, effective chairing, respect for rules and order, fact based consensus or near consensus decision making)

(Source: The Institute on Governance -<http://www.iog.ca/boardgovernance/index.html>)

In its handbook titled, “*Excellence in Governance - A Handbook for Public Sector Bodies*”, the Gov.of NL identifies the following four *cornerstones* of good governance and six *elements* for a governing body to be effective:

Authority - Legal authority to conduct the organization’s affairs. The governing body has authority over the organization and are trustees of the organization’s mandate as well as its resources.

Leadership - Governance fulfills a leadership function in society. As leaders, board members are expected to reflect the value system and priorities of the organization. The members accept the challenge of developing positive relationships, ensure respect between parties and build a sense of belonging in the group.

Responsibility - Having a fiduciary responsibility, governing bodies are expected to manage the resources of the organization effectively and efficiently to accomplish the mandate. They are expected to be reliable and allow appropriate factors and consideration to affect their judgement, including the consideration of the effect of their choices on others. They are expected to devote their personal time and energy to ensure that governance is appropriate and adequate.

Six elements are as follows:

Commitment - Comprised of people with the necessary knowledge, abilities and commitment to fulfill their responsibilities. Members need to commit both individually and as a group to the organization’s vision, mission, mandate, goals and the processes approved to achieve them.

Acceptance - Must accept the responsibilities associated with the governance role. They must accept responsibility: to read applicable background documentation (e.g. policies, legislation, bylaws, incorporation documents, plans, handbooks, minutes, etc.) make the effort to understand the contents of reports and submissions necessary for the effective and efficient operation of the

organization and for the outcomes of their decisions.

Planning - Members are vested with the authority to be involved with and support the strategic planning process, which causes the board to be responsible for determining where it is now, where it wants to be in a specified period.

Communication - Establish internal and external communications processes. These should respond to relevant timely information, advice and resources. These processes, also, should provide direction to the CEO and the board regarding interactions with key partners.

Outcomes - Determine how its processes impact or make a difference to the community/region/province in the context of its organizational mandate. Boards can evaluate their outcomes by: reviewing policy development as a measure of impact; monitoring progress in achieving goals in the strategic plan; and Board, individual members and CEO evaluations.

Reporting - Governing bodies are obliged to provide the public with an explanation, or account of their stewardship. Thus it is understood that governing body members agree to accept ownership of conferred responsibilities and fulfill all obligations to report to identified authorities/partners on the discharge of those responsibilities and the results obtained.

In 1997, the *United Nations Development Program* put forward a set of principles which appear in much of the literature pertaining to good governance. These principles are not only about results of power but about how well power is exercised. According to this approach, good governance exists where those in positions of power are perceived to have acquired their power legitimately, and there is appropriate voice accorded to those whose interests are affected by decisions. The exercise of power results in a sense of overall direction that serves as a guide to action. Governance should result in performance that is responsive to the interests of citizens or stakeholders. Good governance demands accountability between those in positions of power and those whose interest they are to serve. Accountability cannot be effective unless there is transparency and openness in the conduct of the work being done. Governance should be fair, which implies conformity to the rule of law and the principle of equity. (**Source: Institute on Governance**) The UNDP Principles and related UNDP text on which they are based is as follows:

Legitimacy and Voice:

Participation - all men and women should have a voice in decision making, either directly or through legitimate intermediate institutions that present their intention. Such broad participation is built on freedom of association and speech, as well as capacities to participate constructively.

Consensus orientation - good governance mediates differing interests to reach a broad consensus on what is in the best interest of the group and, where possible, on policies and procedures.

Direction:

Strategic Vision - leaders and the public have a broad and long term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural and social complexities in which that perspective is grounded.

Performance:

Responsiveness - institutions and processes try to serve all stakeholders.

Effectiveness and Efficiency - processes and institutions produce results that meet needs while making the best use of resources.

Accountability:

Decision makers in government, the private sector and not for profit organizations are accountable to the public, as well as to institutional stakeholders. This accountability differs depending on the organizations and whether the decision is internal or external.

Transparency - transparency is built on the free flow of information. Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them.

Fairness:

Equity - all men and women have opportunities to improve or maintain their well being.

Rule of Law - legal frameworks should be fair and enforced impartially, particularly the laws on human rights.

Policies and Procedures Manual - Board of Directors

The following is a copy of the Table of Contents from a Board of Directors Policies and Procedures Manual - community development organization.

| | |
|-------|--------------------------------------|
| 1.0.0 | Introduction |
| 1.1.0 | Board Membership |
| 1.1.1 | Selection of New Board Members |
| 1.1.2 | Term of Office |
| 1.1.3 | Term of Office for Executive Members |
| 1.2.0 | Election of Officers |
| 1.2.1 | Appointments |

- 1.3.0 Duties of the Chairperson
- 1.4.0 Duties of the Vice Chairperson
- 1.5.0 Duties of the Secretary/treasurer
- 1.6.0 Duties of the past Chairperson
- 1.7.0 Dual Membership
- 1.8.0 Leave of Absence
- 1.9.0 Forfeiture of Membership
 - 1.9.1 Appeal of Forfeiture
- 1.10.0 Meetings
 - 1.10.1 Extraordinary Meetings
- 1.11.0 Committees
- 1.12.0 Conflict of Interest
 - 1.12.1 Non-arms-length Business
 - 1.12.2 Disclosure
 - 1.12.3 Board/family Member Becomes an Employee
- 1.13.0 Orientation for Board Members

Policy & Procedures Manual - Community Economic Development Organization

The following is a copy of the Table of Contents from a Policies and Procedures Manual belonging to a local community economic development organization.

Chapter 1: Bylaws

- 1.00 Title
- 1.01 Board
- 1.02 Number of Directors
- 1.03 Appointment to the Board
 - 1.03.1 Recruitment Committee
 - 1.03.2 Recruitment Process
 - 1.03.3 Selection Criteria
- 1.04 Term of Office
 - 1.04.1 Exceptions
- 1.05 Protection of Members
- 1.06 Resignation
- 1.07 Forfeiture of Membership
- 1.08 Appeal of Forfeiture
- 1.09 Other
- 1.10 Aims and Objectives

- 1.10.1 Provided That the Board
- 1.11 Management and Administration
 - 1.11.1 Authority of the Board
 - 1.11.2 Executive of the Board
 - 1.11.3 Term of Office - Executive Members
 - 1.11.4 Duties of the Executive Committee
 - 1.11.4.1 Chairperson
 - 1.11.4.2 Vice -Chairperson
 - 1.11.4.3 Secretary/treasurer
 - 1.11.4.4 Past Chairperson
- 1.12 Quorum
- 1.13 Power of Directors
- 1.14 Meetings
 - 1.14.1 Board of Directors
 - 1.14.2 Executive Committee
 - 1.14.3 Special Committee
 - 1.14.4 Notice of Meeting
 - 1.14.4.1 Extra-ordinary Meetings
 - 1.14.4.2 Special Meeting
 - 1.14.5 Procedure
 - 1.14.6 Voting
- 1.15 Sub-committee
 - 1.15.1 Membership in Sub-committee
- 1.16 Conflict of Interest
 - 1.16.1 Restricted Investment Fund Activities
 - 1.16.2 Goods and Services Contracts
 - 1.16.3 Significant Business Interest
- 1.17 Confidentiality
- 1.18 Profits
- 1.19 Accounts
- 1.20 Winding Up
- 1.21 Custody of Seal
- 1.22 Amendments
- 1.23 By-laws
- 1.24 Directors

Chapter 2: Personnel

- 2.00 Introduction
- 2.01 Responsibilities of Executive Director
- 2.02 Responsibilities of Development Officer
- 2.03 Responsibilities of Administrative Assistant

- 2.04 Staff Orientation
- 2.05 Personnel Records
- 2.06 Conflict of Interest
- 2.07 Oath of Confidentiality
- 2.08 Training
- 2.09 Employee Evaluation
- 2.10 Employee Benefits
 - 2.10.1 Salary
 - 2.10.2 Vacation
 - 2.10.3 Extended Health Care, Dental and Insurance
 - 2.10.4 Employee Pension Plan
 - 2.10.5 Overtime Pay and Time Off in Lieu of Overtime Pay
 - 2.10.6 Notice of Termination
 - 2.10.7 Severance Pay

Chapter 3: Office Procedures and Policy

- 3.00 Introduction
- 3.01 Standard Hours of Work
- 3.02 Pay Days
- 3.03 Time Sheets
- 3.04 Overtime
- 3.05 Statutory Holidays
- 3.06 Travel Remuneration
 - 3.06.1 Submission of Travel Claims
 - 3.06.2 Levels of Authority
 - 3.06.3 Approval of Claims
 - 3.06.4 Approval to Travel
 - 3.06.5 Accountable Advances
 - 3.06.6 Commercial Accommodations
 - 3.06.7 Private Accommodations
 - 3.06.8 Meals While Traveling
 - 3.06.9 Transportation
 - 3.06.10 Other Expenses When Traveling
- 3.07 Leave of Absence
 - 3.07.1 Leave of Absence Without Pay
 - 3.07.2 Sick Leave
 - 3.07.3 Bereavement Leave
 - 3.07.4 Maternity/adoptive/parental Leave

- 3.07.5 Family Leave
- 3.08 Personnel Files, Records & Reports
- 3.09 Probation
- 3.10 Lay Off
- 3.11 Employee Discipline and Termination
- 3.12 Hiring
- 3.13 Grievance Procedure
- 3.14 Appeals Procedures
- 3.15 Access to Information
- 3.16 Security
- 3.17 Reimbursement of Moving Expenses

Chapter 4: Occupational Health and Safety

- 4.00 Introduction
- 4.01 Occupational Health and Safety Policy Statement
- 4.02 Occupational Health and Safety Representative
- 4.03 Board of Directors' (Corporation's) General Duty
- 4.04 Board of Directors' (Corporation's) Specific Duties
- 4.05 Workers' General Duty

- 4.06 Workers' Specific Duties
- 4.07 Imminent Danger
- 4.08 Duty of Principal Contractor
- 4.09 Education and Training
- 4.10 Duties of the Worker Health and Safety Representative
- 4.11 General Provisions
- 4.12 Occupational Health and Safety Meetings
- 4.13 Accident Investigations
- 4.14 Workplace Inspections

Chapter 5: Accounting and Record Keeping

- 5.00 Introduction
- 5.01 Administrative Policies
 - 5.01.1 Financial Management
- 5.02 Bookkeeping
 - 5.02.1 Revenue
 - 5.02.2 Expenses
 - 5.02.3 Bank Reconciliation
 - 5.02.4 Operating Statement
- 5.03 Yearly Reports

- 5.03.1 Audit
- 5.03.2 T-4 Summary
- 5.04 Purchasing Policy
- 5.05 Miscellaneous Administrative Policies

Chapter 6: Collections

- 6.00 Introduction
- 6.01 Collection Procedure
- 6.02 NSF Cheques
- 6.03 Delinquency Control
- 6.04 Delinquency Report
- 6.05 Assessment of Potential Loss
- 6.06 Account Classification System
- 6.07 Delinquency Report
- 6.08 Allowance for Doubtful Accounts
- 6.09 Write-offs
- 6.10 Write-off Recoveries
- 6.11 Foreclosure
- 6.12 Repossession
- 6.13 Letter of Demand
- 6.14 Notice of Intent to Sell
- 6.15 Application of Proceeds of Sale
- 6.16 Personal Visits

Chapter 7: Lending Policy and Procedure

- 7.00 Lending Policy
- 7.01 Loan Approval
- 7.02 Loan Criteria
 - 7.02.1 Management
 - 7.02.2 Economic Impact
 - 7.02.3 Earnings
 - 7.02.4 Equity
 - 7.02.5 Security
- 7.03 Forms of Investment
 - 7.03.1 Equity Investment
 - 7.03.2 Direct Term Loans
 - 7.03.3 Loan Guarantees

- 7.03.4 Interim/bridge Financing
- 7.04 Processing Applications
- 7.05 Acceptance
- 7.06 Declined Applications
- 7.07 Loan Activities
- 7.08 Interest Rates
- 7.09 Term of Investment
- 7.10 Collateral/security
- 7.11 Disbursement
- 7.12 Registration of Security Documents
- 7.13 Fees
- 7.14 Registration Diary
- 7.15 Renewal of Registered Documents
- 7.16 Monitoring
- 7.17 Exceptions
- 7.18 Counseling and Technical Services
- 7.19 Resource Information Service

Chapter 8: Advertising and Promotion

- 8.00 Introduction
- 8.01 Promotion
 - 8.01.1 Common Logo
 - 8.01.2 Collateral Material
 - 8.01.3 Miscellaneous Promotional Items and Giveaways
 - 8.01.4 Signage
 - 8.01.5 Seminars
 - 8.01.6 Trade Shows
 - 8.01.7 Community Relations
 - 8.01.8 Media

Chapter 9: Privacy of Personal Information

- 9.00 General Privacy Statement
- 9.01 Privacy Rights
- 9.02 Personal Information
 - 9.02.1 Collecting Personal Information
- 9.03 Consent
- 9.04 Use of Client's Personal Information
 - 9.04.1 Disclosure of Personal Information
 - 9.04.2 Retention of Personal Information
- 9.05 Correcting Errors

- 9.05.1 Updating Client Information
- 9.06 Securing Personal Information
- 9.07 Client Access to Personal Information
 - 9.07.1 Denying Access to Personal Information
- 9.08 Credit Bureaus
- 9.09 Communication
- 9.10 Requests for Access

Chapter 10: Management Information Systems Policies and Procedures

- 10.00 Introduction
- 10.01 Network Security Policy
- 10.02 General Use Policy
- 10.03 General Internet Access Rules
- 10.04 Electronic Email Policy
- 10.05 Password Security Policy
- 10.06 Access to Information System Files
- 10.07 Desktop Computer Standards
- 10.08 Computer Software Policy
- 10.09 Definitions
- 10.10 Reporting Alleged Policy Violations
- 10.11 Potential Consequences of Policy Violations
- 10.12 General Use Policy
 - 10.12.1 Individuals and Groups Covered by this Policy
 - 10.12.2 Purpose
 - 10.12.3 General Computer and Network Access Rules
 - 10.12.4 Existing Legal Context
 - 10.12.5 Specific Examples of Inappropriate Use
- 10.13 General Internet Access Rules
 - 10.13.1 Monitoring Internet Use
 - 10.13.2 Authorized Tracking of Internet Use
 - 10.13.3 Logging Internet Traffic
 - 10.13.4 Restrictions on Internet Use
 - 10.13.5 Policy Specifics
 - 10.13.6 Specific Examples of Internet Policy Violations
- 10.14 Electronic Mail Policy
 - 10.14.1 Purpose
 - 10.14.2 Appropriate Use

- 10.14.3 Staff Email
- 10.14.4 Security
- 10.14.5 Privacy and Rights of Others
- 10.14.6 Accountability
- 10.14.7 Procedures
- 10.15 Network Security Policy
 - 10.15.1 Purpose
 - 10.15.2 Resources Covered
 - 10.15.3 Groups Covered
 - 10.15.4 Definitions
 - 10.15.6 Procedures
 - 10.15.7 Limitations
- 10.16 Password Security Policy
 - 10.16.1 Policy
 - 10.16.2 Background
 - 10.16.3 Definitions
 - 10.16.4 Exemptions
 - 10.16.5 Procedures
 - 10.16.6 Password Guidelines
- 10.16.7 Additional Security Practices
 - 10.17 Access to Information Systems Files
 - 10.17.1 Policies
 - 10.17.2 Background
 - 10.17.3 Definitions
 - 10.17.4 Related Procedures
- 10.18 Desktop Computer Standards
 - 10.18.1 Hardware and Operating System
 - 10.18.2 Computer Hardware Standards
 - 10.18.3 Computer Software Standards
 - 10.18.4 File Formats
- 10.19 Copyright
 - 10.19.1 Graphics, Sounds and Other Multimedia
- 10.20 Computer Software License Policy
 - 10.20.1 Policy
 - 10.20.2 Background
 - 10.20.3 Definitions
 - 10.20.4 Compliance

Warning Signs Your Board May Be In Trouble

Human Resources:

- < Rapid turnover of CEO's
- < Major turnover of board members
- < Difficulty recruiting or retaining credible board members

Financial and Performance:

- < Chronic unplanned and/or unmanaged deficits
- < Rapid depletion of funds
- < Call for outside audit or operational review by funders or other stakeholders
- < Persistent failure to meet individual or organizational performance targets

Meetings:

- < Poor attendance at board and committee meetings
- < Low level of participation in discussions at meetings
- < Meetings poorly managed; lack of focus; agenda circulated late; members unprepared

Board Culture:

- < Underground communications. Lots of "corridor talk" and political maneuvering outside meetings
- < Distrust among board members or between the board and the CEO not being addressed
- < Poor communication between the CEO and board chair or the full board
- < Unresolved conflicts within the board
- < Conflict of interest issues not being confronted
- < Board members feeling too far removed from "what is going on in the organization"
- < Insiders and outsiders - Board factions
- < Growing number of dissatisfied board members

Decision Making:

- < Regular "rubber stamping" of CEO recommendations without meaningful debate
- < Preoccupation with operational detail rather than "big picture" issues
- < Board interference in operational detail... particularly personnel issues
- < Poor communication with key stakeholders
- < Decision deadlock or paralysis
- < Board members ignoring or circumventing Board policies and decisions
- < CEO ignoring or circumventing Board policies and decisions

(Source: The Institute On Governance -<http://www.iog.ca/boardgovernance/index.html>)

Governance Models

A ‘*Governance Model*’ is defined here as a “distinctive set or cluster of governance structures, responsibilities (functions) and processes (practices) that are logically consistent with one another.” Structure refers to the parameters for selection and operation of the board established by legislation, regulations, bylaws and policies. Responsibilities (specific tasks or functions) refers to the what of governance. Processes (practices) refer to how governance functions are exercised. Models vary according to structure, how responsibilities are distributed between board, management and staff, and in the processes used for board development, management and decision-making. ‘Governance Models’ perceived as having relatively sensible characteristics:

Operational : The Board does the work of the organization as well as governs it. This is typical of a board in the ‘founding’ stage and organizations, such as service clubs, that have no staff and must rely largely on board members and other volunteers to achieve their aims.

Collective: The Board and staff are involved in ‘single team’ decision-making about governance and the work of the organization; board members may be involved in some of the work either in services or management functions.

Management: The Board manages operations but may have a staff coordinator. Board members actively manage finances, personnel, service delivery, etc.

Traditional: The Board governs and oversees operations through committees but delegates the management functions to the CEO. Committees are used to process information for the board and sometimes do the work of the board. The CEO may have a primary reporting relationship to the Board through the Chair.

Policy Governance

(Carver): The Board governs through policies that establish organizational aims (ENDS), governance approach, management limitations and define the Board/CEO relationship. It does not use committees. The CEO reports to the full board.

Corporate: The CEO is a non-voting member of the Board, carries substantial influence over policy-making, is viewed as a full partner with the board and has a relatively free hand at managing to achieve objectives established by the Board. Committees are used for monitoring/auditing performance of the board, CEO and organization. Board members are selected for community profile, capacity to ‘open doors’ for the organization and may be used for selected tasks in their area of expertise.

**Constituent
Representational:**

An approach used by publicly elected officials, federations or other constituency elected boards whose primary responsibility is to balance the interests of their constituents against the best interests of the overall organization. They may, and in the case of publicly elected officials do, carry grievance resolution/ombudsman functions.

There are a variety of governance models, e.g. “working” (hands-on); “collective” (single team decision making); “policy” (strategic), “Policy Governance” (Carver). Often boards go through life stages where they start out as a working board, then evolve into a policy board where members focus mainly on strategic matters. Eventually they may grow into large, institutionalized Boards that often have small executive committees and may have many members some of which are big names to gain credibility with funders or investors. **(Source: <http://www.managementhelp.org/boards/boards.htm>)**

It is important that Boards are able to determine what their circumstances call for in the way of structure, processes, plans etc. Boards and organizations heading for serious trouble often exhibit certain warning signs. Change (i.e. a looming crisis, the need for increased accountability and transparency, increased communication etc.) challenges organizations to develop strategies to monitor and evaluate the effectiveness of existing structures, processes and plans.

Why Evaluate? Determine the Kind of Board You Want

Boards differ greatly. The following questions are provided to assist you in determining the kind of Board you want:

1. What do your circumstances call for?
2. Do you need an oversight board that keeps an eye on how operations are running?
3. Do you expect your board to be proactive rather than reactive, playing a strategic leadership role rather than a micro-managing role?
4. Do you need it to play an advocacy role - a partnership/relations function?
5. Where do you need to place your emphasis, given your organization's circumstances?

(Note: Your answers to these questions will help you to determine how an evaluation process can be used to steer your organization in the right direction.)

Evaluating your Board can serve different purposes. Evaluation may:

- < identify missing governance functions, or gaps in the governance fabric
- < identify performance issues (committees, organizational, board members, staff etc.)
- < build a better shared understanding of governance, and to strengthen the board into a team
- < provide an agenda for short term improvements such as better run meetings, more effective decision making, efficiency in developing proactive policies such as those that guide and empower committees and staff, or improved relations Board/CEO/Staff/ Partners etc.
- < form the basis of longer term programs to build board capacity (only as good as our people)
- < identify the need to develop a fair, equitable, transparent approach to board recruitment
- < provide the evidence to guide the board towards adopting strategies for achieving a healthy balance between effectively leading and managing the organization
- < present opportunities where board subcommittee will assist the Board with its management, administration, policy development, strategic planning functions etc.
- < satisfy requirements of partners and stakeholders

An evaluation should influence plans for all aspects of its execution (i.e. the kinds of questions asked, the resources committed to evaluation, the time frame, and the methodology) and should also influence the scope of the follow-through phase because an evaluation is not an end in itself.

NOTES

Section II: Board Roles and Responsibilities

Role of the Chairperson

The **Chair** is the official spokesperson for the Association on all matters of an internal and external nature. The Chair shall:

- < be responsible for the functions of the board of directors,
- < chair the board meetings, executive meetings, and pan provincial meetings,
- < represent the Association in the development and eminence of external relationships,
- < be ultimately responsible for the work plan of the Association,
- < report to the board of directors on matters related to board activities and involvement
- < mentor the vice-chair for succession planning purposes and ensure that all succession planning is undertaken with the board for long term growth of the Association
- < will represent the Association at external meeting of any operational and administrative nature.

In addition the **Chair** shall:

- < sign such papers as required by his or her office or as instructed by the Board
- < make such a report and recommendations to the Board and to members of the Association at AGM and spring meetings concerning the work and affairs of the Association which, in his or her discretion, are deemed desirable for their information and guidance and may require such reports from the Treasurer, Secretary and Executive Director as, in his or her discretion, are deemed necessary
- < shall perform all other duties incidental to the office of the chair.

Role of the Vice-Chairperson

The **Vice Chair** is responsible for the committees of the board of directors designed to implement the Associations' work plan. The Vice Chair will participate with the Chair on matters related to external relationships of the board and policy related matters in general. In addition Vice Chair shall:

- < chair meetings of the board in the absence of the chair
- < work closely with the Chair in order to facilitate succession planning within the executive committee
- < perform the duties of the Chair in the absence, resignation or in ability of the latter to act

Role of the Secretary

The **Secretary** shall assume internal operational duties as may from time to time be assigned to him or her by the board, including the responsibility for membership matters and services in general, staffing, project management and will monitor processes and policies of the organization and make recommendations to the Board. The **Secretary** will monitor the attendance of members and shall:

- < notify persons dropped from the Board for non-attendance or just cause,
- < be the custodian of all records of the Association, except such records and papers as shall be kept by the Treasurer, as herein provided
- < sign such papers as are required by his or her office or as instructed by the Board and incidental to carrying out that office.

Role of the Treasurer

The **Treasurer** shall be responsible for all monies of the Association. The Treasurer shall:

- < cause the funds of the Association to be deposited in one or more banks selected by the Board, to be disbursed in accordance with the instructions of, and upon signatures of persons designated by the Board
- < cause to be kept a full account of all monies received and paid out
- < make such reports thereof to the Chair, the Board and the Executive Director as they may require
- < cause the books to be audited at least once annually by an auditor approved by the Board
- < cause to be prepared and shall present at each annual meeting of the members of the Association a comprehensive financial statement.

Role of Individual Board Members

A member is expected to bring his views and those of the constituents to the board table. However, it is critical to understand the obligation to represent all stakeholders and to make decisions in the best interest of those being served. A member who fails to consider the broader of his role, and who fails to make the necessary separation between a single interest and the broader interest, can seriously compromise a board's ability to deliver on its overall mandate. Each member should make sure he/she:

- < is familiar with the legislation, applicable to the board
- < knows and supports the mission, vision, mandate and goals of the organization
- < safeguards and promotes the values of the organization

- < attends meetings prepared, asks informed questions and makes positive contributions to discussions
- < makes decisions based on thorough evidence and research
- < actively contributes his personal expertise as needed on the board (business, finance, law etc.)
- < works harmoniously with others without dominating the board or neglecting his work
- < supports decision and policies of the board in discussions outside of the board meetings even if he expressed a dissenting voice during discussions
- < respects the confidentiality of governing body discussions
- < fulfills his responsibilities in recognition of a fiduciary responsibility and does not represent the interests of a narrow constituency
- < discloses to the board any potential conflict of interest and removes himself from discussions where a potential conflict of interest exists

- < recognizes the role of management in carrying out the governing body's direction and policy and is careful not to interfere with the functions delegated to either management or staff
- < takes advantage of opportunities to be educate and informed about board and the relevant field
- < engages in the evaluation of the board and the CEO and in self evaluation

Role of the Chief Executive Officer

The CEO is appointed by the board. The CEO and the board work together to further the best interest of the organization therefore their relationship needs to be one of mutual openness, trust and respect. Upon appointment the Chairperson undertakes to ensure a thorough orientation for the new CEO to the roles and responsibilities and the organizational issues and concerns. Also, the CEO should establish a liaison with the appropriate government officials, other CEO colleagues and the relevant provincial association(s) where they exist. Primarily, the CEO manages the day to day activities and guides the organization toward the strategic goals established by the board. The CEO is **not** simply an administrator. A CEO has to be a visionary, strategist, a problem solver and is responsible for:

- < monitoring and evaluation of the organization's performance and initiating corrective action as necessary
- < participating in the strategic planning process as approved by the board
- < preparing operational plans and progress/performance reports for review and approval by the board
- < preparing the capital and operating budgets for required reviews and approvals

- < maintaining effective communications with the relevant partners/stakeholders
- < implementing approved organizational policies and procedures
- < evaluating the performance of the organization's executive staff
- < ensuring new employees are properly evaluated
- < ensuring the board has access to all relevant information necessary for the conduct of its business
- < maintaining effective communication links within the organization and between the board, its public and other stakeholders

Governing Body Committees

Committees receive their mandate from the board and as such report to the board on their deliberations. The Board generally appoints committees to assist with its functioning. Committees may be 'standing', meaning that they continue until cancelled by the board or 'ad hoc', meaning that they are appointed to fulfill a specific purpose. Standing and ad hoc committees involve either the participation of all members in the form of a committee of the whole, or of one or more members.

A board that attends to its primary responsibilities and that understands its role rarely if ever appoints ad hoc committees. However, there are occasions when issues of a time limited and critical nature necessitate the establishment of ad hoc committees. Once the time limit has been reached and the report submitted member should understand that the role of the committee is completed and it is duly dissolved. A committee should not assume any additional responsibilities unless approved by the board. Committees are used where expertise is required.

Each committee should have the following outlined in the board's bylaws, minutes and/or policies:

- < the purpose (terms of reference)
- < the membership composition
- < the degree of permanence (e.g. standing, ad hoc)
- < the reporting structure
- < parameters for decision making
- < the reporting expectations of the board

Partnerships

Building partnerships is a process. Factors of successful partnerships:

Members - good partnerships bring together the right people with the right skills and the right resources.

Share a Common Vision - the group develops a vision for the partnership

A Plan - develops goals, objectives and actions.

The Structure - develops guidelines/MOU's/Contracts to help define who will do what and how:

- record keeping
- decision making (usually through consensus)
- calling of meetings
- running meetings (facilitation vs. chairing)
- managing money
- solving problems
- conflict resolution

Resources - develops a resource plan that lists what is needed to do the work, deciding what the project needs, list all of the in-kind resources and make a plan for getting what you don't have(i.e. people, in-kind, environment, money)

Understanding Your Role as Board Member

Review the definitions of the following terms (Glossary: “Governance” refers):

- Board Member/Director; and
- Board Members’/Directors’ Role

Exercise:

Recently the new Chairperson of a board conducted an assessment of Board operations to determine whether his board was ready to: hire a new CEO, and recruit for new members to replace the Treasurer and the Secretary. Some of the findings included:

- # Board members do not understand their individual roles and the potential for liability
- # Board is micro-managing (financial and personnel transactions)
- # Board feels filling these vacancies will solve longstanding problems of the board
- # Identified long standing issues between staff and the board
- # Previous CEO has been conducting most or all of board and staff recruitment
- # Board does not have term limits, meaning members can stay forever
- # No training or orientation has been provided to members

Refer to the “**Assessing Director Performance**” and “**Roles and Responsibilities of Directors and CEO**” sections of this toolkit.

Prepare responses to the following:

- # In your view what has happened/not happened to produce these outcomes? Consider why the Board members and the CEO do not have a clear understanding of their roles.
- # Identify the potential liabilities and risks that exist for this Board.
- # Identify strategies to avoid the risks and to improve Board process in future. Consider developing policies and procedures, amending bylaws and/or establishing committees to support the change that needs to occur.

Key points to consider:

- # Clearly articulated and well understood responsibilities and relationships between and among board members and staff is essential for a smooth and efficient organization.
- # The common and basic responsibility for all involved is the social and/or economic well being of the individuals you represent.

An ounce of prevention is a pound of cure.

Committee Functions

The following is a list of the various types of committees and their typical roles. To obtain additional information pertaining to this topic, you may wish to review information provided at www.managementhelp.org/board/brdcmte.htm .

Potential Standing

Committees:

Board Development
Evaluation
Executive
Finance
Fund raising
Marketing
Personnel
Program Development
Promotion and Sales
Public Relations

Potential Ad Hoc

Committees:

Audit
Campaign
Ethics
Events
Nominations
Research

Advisory Committees:

advises on any issues the board requests
data:
Policy
Plans
Public Relations

Note: This type of committee may be standing or ad hoc. What makes an advisory committee stand out from the others is that the board is under no obligation to take the advice or recommendations from such a committee (however, it frequently does so). When an advisory committee is set-up, it is often at the request of or on the condition of a funding body.

(Source: www.managementhelp.org/boards/brdcmte.htm)

Key points to consider:

- < much of the decision making work of many boards is managed through effectively run committees
- < committees serve an important role for actively involving all board members in the organization's work and for board leadership to emerge
- < all board subcommittees must develop a "Terms of Reference", be "Delegated Authority", all resources (financial and staff) be pre-approved by the Board, and prescribe to effective and efficient reporting.

Standard Committee Terms of Reference

The board (or its delegated body) gives authority to a person or group to carry out specific tasks on behalf of the board through Terms of Reference (ToR). Without such authority, there is no sanction and individuals are working without the legal protection of the incorporated body. Further, ToR will clarify what the board expects to be done, and how and when it expects this will be accomplished. The role of committees is to assist the organization with the work of the board...so in reality, Committees and ToR should be developed by the board (or the Executive or Personnel Committee) with perhaps some fine tuning when the committee is in place. The mandate or purpose of the committee comes from the board. ToR for all standing committees should become part of the “role clarity statements” in the board policy manual. The following information is normally covered by Terms of Reference for a committee:

Committee Name: gives the committee an identity and thereby identifies its general objectives.

Type: could be standing, ad hoc or advisory – indicates if the role of the committee is ongoing, for a specified project or to provide advice.

Chairperson: someone skilled in chairing meetings who may or may not be a subject matter expert.

Responsible To: designates the appointing authority and the individual or group who will receive the committee’s reports.

Purpose: a short, general description of the area in which the committee works, what it does, why it was formed.

Authority: clearly sets out any decision-making or approval authority.

Time frames, Reporting and Deadlines: specifies duration of the committee, when it meets, project milestones, reporting dates (e.g. monthly, quarterly) completion and final report dates.

Composition: describes the type or titles of the individuals who will serve on the committee and any qualifications they are expected to have; includes the total number as well as representation (e.g. number of board members, community reps, client reps, staff, outside experts, parents, etc), by whom they are appointed, when and length of term. (Generally coincides with the term of the terms of reference.)

Staff Support: position represented, actual type(s) of support provided (e.g. services, information, research) and estimated time required.

Other Resources: describes the resources available which may include experts, files from previous committees, office space \$\$ from budget.

Communication with Board Through: usually the chairman of the committee.

Specific Areas of Responsibility: specific objectives or tasks the committee is expected to achieve during the term or time-period given in the terms of reference. These statements should be as complete as possible, clearly indicating the board's expectations. Policy guidelines that the committee is expected to follow, review, or draft should be specified. Any legal requirements which the committee must observe should appear. Assignments to conduct research and prepare reports need to be included. Reports should be specified in terms of by when, to whom, and by whom the committee reports are made. Reporting is normally a part of all of the committee's assignments and generally includes recommendations for solutions and strategies for implementation.

Approval/Review date: the date on which the terms of reference are approved by the board/the date by which the committee reviews and evaluates its terms of reference and forwards recommended adjustments to the appointing authority.

Legal Liability, Risk Management and the Role of Directors

Read the article titled "*Directors' Liability: A Discussion Paper on Legal Liability, Risk Management and the Role of Directors in Non-Profit Organizations*" (**Source: Volunteer Canada, 2002 www.volunteer.ca**).

As a board member, do you have a clear understanding of what your legal duties and obligations are and what actions you can take to minimize personal liability? In representing the stakeholders of the organization and acting as their 'trustee', directors have three basic duties which include: the duty of diligence; the duty of loyalty; and the duty of obedience.

Liability of a director - one who fails to fulfill his or her duties may be liable. The term liability refers to the responsibility of directors and organizations for the consequences of conduct that fails to meet a pre-determined legal standard. Usually, the term 'consequences' refers to damage or loss experienced by someone, and being responsible for such consequences can mean having to pay financial compensation.

Liability arises in the following three situations:

1. When a law (*statute*) is broken
2. When a *contract* is breached or violated
3. When an act, or a failure to act, whether intentionally or unintentionally, causes injury or damage to another person (*tort*).

There is no substitute for knowledgeable governance and thoughtful risk management, and the organization that manages its affairs in a conscientious and responsible manner will reduce its directors' liability risks considerably.

In future, before accepting a directorship with an organization, develop a list of questions you will ask, information you wish to review and make contact with individuals who are familiar with the organization. Be clear as to what your vision is for the organization and determine whether the organization shares your vision. Remember....

- < The majority of organizations today have Directors and Officers liability insurance in place
- < Incorporating your organization reduces the potential liability of directors. It is required by law for incorporations to indemnify the directors for liabilities that they may incur in carrying out their duties as directors.
- < Organizations that develop Conflict of Interest Policies, Nominations Policies etc. minimize risk
- < Learn about managing the risks associated with meeting management, financial management, contractual arrangements, personnel management, orientation and training, etc. Know the policies.

Key points to consider:

- < Legal Duties of Directors - Diligence, Loyalty and Obedience
- < Liability of Directors - Statute, Contract and Tort
- < Avoiding liability through risk management
- < Director's and Officers Liability Insurance
- < Indemnification
- < Protect yourself as director

Recruitment and Retention

Nominating Policy and Procedures

As part of your selection process, it is essential that you recruit the right individuals to fill your vacancies on the board. A formal nominating committee is recommended to assist you with this process. Here is a sample board nominating policy that you can edit to meet the needs of your

organization.

Sample

The Chair of the Nominating Committee and at least two members are elected by the membership at the Annual General meeting. Two to four additional members are appointed by the Board of Directors.

The _____ Nominating Committee is elected by and accountable to both the membership and the Board of Directors to recruit Board Directors who shall carry out the Reason for Being, Values and strategic plans of the _____.

In accordance with the Values of the _____, the _____ seeks to ensure that the Board of Directors is inclusive and at least parallels the diversity of our community. If there is a high degree of diversity at the Board leadership level, we hope that our policies, priorities and plans will include those diverse perspectives.

Sample Nomination Procedure

1. Discussions at the Nominating Committee regarding individual candidates shall be considered confidential.
2. The Committee shall begin its work in January of each year.
3. During the first Committee meeting each year, the Committee shall review the nominating policy and procedures and recommend changes or continuation of the existing policy and procedures to the Board of Directors.
4. The Nomination Committee will survey current Board Directors to determine the range of skills, knowledge, interests, experience, diversity, geographic location, available volunteer time and length of time on the Board.

The survey will include questions about the quality of the Board meetings and ask for feedback on Board process. Directors will be asked if they would consider an Executive or Committee chair position. This will assist in developing an Executive Committee slate.

5. Committee will report the survey findings to the Board, facilitate discussion and identify priority needs for that year's nominating recruiting.
6. Committee will prepare a call for nomination notice, to be distributed throughout, using a broad range of contacts and media. The notice will describe the skills and experience the Committee is seeking and ask suitable interested candidates to contact the _____.

Internally, Board, staff, and volunteers will be briefed on the _____ nomination process and priorities. We will ask them to discuss our need for Board Directors with friends and acquaintances and encourage suitable interested individuals to contact the _____.

7. Nomination to the Board of former _____ employees will not be considered for one full year after their employment with the _____ has ended, in order to ensure that a clear change in roles has occurred, and to avoid the perception of conflict of interest.
8. Persons submitting their names will receive a package of information about the _____ and invited to attend an information meeting. They will be asked to confirm their intention to attend by filling out a brief application form, to include personal profile information and references.

9. One week before the meeting, Committee members will telephone candidates who have not responded.
10. Information meetings or interviews will be held, providing prospective candidates with as much information as possible about responsibilities of a Board Director, and current information about the_____. The meeting will be designed to promote group interaction, gather information about the skills and interests of the candidates, and, when possible, solicit feedback on the information distributed, and the recruiting process. The election process, as determined by_____By-laws will be explained. The Committee will attempt to make information and forms accessible to potential candidates. At the end of the meeting anyone wishing to withdraw their application may do so.

References may be consulted when the candidate is unknown to the Committee, or when the candidate has been unable to attend the information meeting, or when the Committee feels that reference checking will assist them in making appropriate recommendations.

11. To prepare a slate of Board nominees, the Committee will first consider those Board Directors who wish to renew their membership for another year, providing those members have demonstrated by meeting attendance and active participation, an interest and commitment to the_____.
12. The Committee will then choose from the signed applications those persons who might best meet the needs of the Board.
13. In filling the Executive slate, the Committee will review the survey of current Board Directors. Current Executive Committee members will be asked whether they wish to be considered for another year in the same position or in some other position. The Committee will consider past performance and contributions, the match of skills and experience with challenges ahead, and the advice of the Chair/President, Executive Director, and Board members on the Committee. The Committee will also consider other Board Director, who have indicated interest, been suggested by peers, or who have the necessary skills.
14. The Board will be asked to approve the Executive slate, prior to the annual meeting.
15. In filling the Nominating Committee slate, the Committee will consider continuity, access to new or a variety of networks in the community, skills and diversity.

Sample By-laws

The following sample by-law is provided to assist you in developing or adapting the bylaw of your own organization to suit your needs and approach to governance. It deals with key bylaw clauses and issues that may require adaptation for different organizational types and governance models. This is not a legal document nor does it purport to provide or replace the advice of legal counsel. Review of periodic bylaw amendments by your legal counsel is always advisable. Such advice is especially essential during the process of incorporation. The Institute makes no representations or guarantees with respect to use of this material. Its use is subject to the general disclaimer for use of any material on this website. The bylaw clauses here contain certain wording common to all organizations. Different governance models may require alternative wording similar to that suggested in certain of the clauses in this sample.

Compiled by Mel Gill under contract with the Institute on Governance More on governance models can be found on the Institute on Governance's Board Governance Learning Tools web site. Sample Bylaws for Nonprofit Boards Copyright © 2002 Mel Gill

NAME OF THE ORGANIZATION

Date

By-Law # 1

A By-law relating generally to the organization and transaction (or conduct) of the affairs of the name of organization.

WHEREAS by Letters Patent, dated _____, the name of organization, was incorporated;

BE IT ENACTED as a by-law of the name of organization as follows:

1. Interpretation (Note: Every By-law should have an interpretation section such as the following :)

1.01 In this by-law and all other by-laws and resolutions of the name of organization, unless the context requires otherwise: (examples of sub-clauses)

- a) The singular means the plural;
- b) The masculine shall mean the feminine (or vice versa);
- c) 'Act' means the Canada Corporations Act, Revised Statutes (RS) of Canada, 1964-65,

c.52, s. 2 (or other federal or provincial legislation with appropriate citation), as amended and any statute enacted in substitution therefore from time to time; (if the organization

operates under the authority of more than one statute the wording of this clause may need to be further adapted);

d) 'Board' means the Board of Directors of the name of organization;

e) 'The Corporation' means the name of organization as incorporated under the Act;

f) 'Immediate family' means parent, spouse, son or daughter and brother or sister;

g) 'Member' means a member as defined in articles 7.01 and 7.02;

h) 'Name' (e.g. abbreviated to CCSD, Centre, Association, Society, etc.) means the name of organization;

i) (add any other definitions appropriate to your organization; normally in alphabetic order).

2. Head Office: The head office of the name shall be in the name of municipality, in the province of at such place therein as may from time to time be determined by the Board.

3. Territorial Jurisdiction: The name shall have jurisdiction in the municipality/province/Canada under the authority of its Letters Patent (or special purposes legislation if the organization is created under the authority of such...e.g. Health, Education, Crown Corporations, etc.)

4. Corporate Seal: The seal impressed on the right (or left) margin of this by-law shall be the corporate seal of the name.

5. Purpose: This should be a succinct statement of the purpose of the organization such as might be contained in a mission statement or, in the case of an organization with a specific legislative mandate, a statement of the essence of that mandate. It identifies, in a general sense, what benefit the organization will provide to whom, .e.g. to reduce the incidence of: the harmful effects of environmental pollutants; or name any disease or disability, child poverty or teen suicide or drunk driving, to increase the rate of literacy or high school graduation or internet use, etc.) in geographic area. To provide "name the services" to members or the general public or specific groups.

6. Objects (Or Objectives): This provides a more specific statement of objectives or primary activities through which the purpose will be accomplished, e.g. The objectives of the Corporation are to: a) Conduct research; b) Conduct public (or member) education; c) Accreditation services or group insurance benefits to members; d) Provide treatment for children with mental health problems; and e) Provide employment opportunities for youth.

7. Membership: Note: Members may be either: a) Individuals (from the general public or a particular interest group and/or staff and/or consumers and/or producers) depending on the purpose of the organization and the non-profit type (link to non-profit types). For example, collectives may open membership to staff and consumers or consumer alumni as well as the public. Co-operatives may open membership only to consumers or producers. The degree of public interest

or investment will influence the breadth of membership. Organizations incorporated under special purposes legislation may have membership criteria defined for them. and/or b) Organizations or, in the case of national non-profit federations or associations, networks (e.g. provincial or regional) of organizations.

7.01 Classes of Members and Entitlements: The Corporation shall have four classes of membership – regular, associate, honorary and statutory.

a) A ‘Regular’ member shall be an individual who supports the objectives of the Corporation OR an incorporated (or unincorporated) organization (or group) whose objects are similar to those of the Corporation and carries on related business or activities in a municipal, provincial or regional sub-district within the geographic jurisdiction of the Corporation. A Regular member shall have full rights to vote in the affairs of the Corporation and otherwise enjoy the benefits of membership as from time to time defined by resolution of the Board of Directors;

b) An ‘Associate’ member shall be an individual (or organization) that generally supports the objectives of the Corporation but does not otherwise qualify as a Regular member. An Associate member may enjoy the benefits of membership as from time to time defined by resolution of the Board of Directors but shall not have a right to vote in the affairs of the Corporation;

Note: This is the most appropriate membership category for organizations that wish to recognize employees of the corporation in their membership structure. Collectives and cooperatives are a noted exception where they might more appropriately fall under the definition of ‘regular’ member.

c) An ‘Honorary’ member shall be any person or organization that, by resolution of the Board of Directors, is deemed to have given distinguished service or support to the Corporation. An Honorary member shall enjoy such entitlements to benefits and votes as from time to time defined by resolution of the Board of Directors;

d) A ‘Statutory’ member shall be any person appointed to the membership or Board of Directors under the authority of name the special purposes legislation and/or regulations.

7.02 Eligibility for Membership: Membership in the Corporation is open to any person who:

a) Is a resident of Canada (may be more specific to municipal or provincial jurisdiction) and/or carrying on business in (the specified territorial jurisdiction); b) Is at least eighteen (18) years of age; c) Has paid the membership dues set by the Board of Directors (or membership); d) Has, in the opinion of the Board, a genuine interest in the objectives of the Corporation and whose application for membership has been approved by the Board; e) Is not an ‘un-discharged bankrupt’; and/or f) Any corporation (may be non-profit or for-profit) having its head office or carrying on business in the territorial jurisdiction of the Corporation.

Alternative Wording: “Membership in the Corporation shall be available to persons and associations, whether incorporated or unincorporated, interested in furthering the objectives of the Corporation and whose application for admission as a member has received the approval of the Board.” Note: This section should also contain clauses that specify the membership year and the process for establishing membership dues.

8. Directors

8.01 Board of Directors: The affairs of the corporation shall be governed by a Board of Directors comprised of number (no fewer than three) Directors elected by the members of the corporation

(and/or) appointed by the appointing body). (Optional provision: ... “and the Past Chair who shall be a director exofficio.”)

Note: If more than one process is used for selecting Directors then the number selected through each process should be specified. Provisions are sometimes also made for ‘Directors-at-large’ to be appointed or elected to the Board of Directors by the Directors or the members. In such case the Interpretation article should include a definition of the term. The term of office and election/ appointment process should be defined in Articles 8.03 and 8.04.

Alternate Wording for Collectives and Co-operatives: “The affairs of the Corporation shall be governed by a Board of Directors comprised of number Directors elected by the members of the Corporation. In addition, up to number employees elected by members of the staff of the Corporation may be recognized by the Chair and participate fully in the discussions of the Board but shall not be Directors nor shall they be entitled to a vote on questions put to the Board.”

Note: Special purposes legislation (e.g. crown corporations, hospitals or cooperatives acts) in some jurisdictions may allow the CEO or other senior managers to serve as directors with voting rights. This note also pertains to the next clause.

8.02 Eligibility: Any person is eligible to be a Director of the Corporation who:(a) Meets the eligibility requirements for membership in the corporation set out in Article 7.02; (b) Is not an employee of the Corporation; and (c) Is otherwise legally competent to conduct business and enter contracts under the laws of Canada and its provinces.

8.03 Term of Office: Directors shall hold office for a term of number years (normally two or three) so long as they remain eligible under the terms of Article 8.02. Terms of office shall be staggered so that twenty percent (or one-quarter or one-third) of the terms expire each year. No director shall be eligible to serve more than two consecutive terms (optional provision: except in the case of a Past Chair who may hold office during the term of his successor). A member who has served two full consecutive terms shall not be eligible to serve again as a Director before the passing of one (or two) year(s). Note 1: The term of office for ‘Directors-at-large’ may vary from that of other Directors but

should be subject to the same maximums. Note 2: A mandatory twenty percent annual turnover is advised since normal attrition related to resignations for other reasons will typically increase the actual turnover rate.

8.04 Election of Directors: Directors shall normally be elected by a majority of the members in attendance personally (or by proxy if allowed) at the annual general meeting of the corporation. (Some organizations make provision for election by mail-in ballot). The election of Directors shall be conducted by secret ballot. The candidate or candidates with the largest number of votes shall fill director vacancies where the number of candidates exceeds the number of vacancies to be filled.

8.05 Nomination of Directors: Nominations for vacant Director positions shall be submitted in writing to the Chair of the committee responsible for nominations at least number days in advance of the meeting at which the vote is to be held. It shall contain the signature of two members of the corporation in good standing and a signed acceptance of the nomination by the nominee.

8.06 Vacancies: Any vacancy in a Director position, however caused, may be filled by a majority vote of the remaining directors so long as a quorum of directors remains in office. A Director so elected shall remain in office for the duration of the vacant term (or until the next meeting at which directors are to be elected). The directors shall not fill a vacancy in the manner specified in this clause during the ninety (90) day period immediately preceding an annual general or special meeting. If there is not a quorum of directors, the remaining directors shall forthwith call a meeting of the members to fill the vacant Director positions.

8.07 Meetings: Meetings of the Board of Directors may be held at such times and at such places within the territorial jurisdiction of the corporation as the board may from time to time determine. The Board shall meet number times each year. The Board may use teleconferencing as an alternative to meetings in person but, in no instance, shall it meet in person less than three times a year. Note: Anything less than three times per year is unlikely to satisfy the requirements for due diligence. National organizations with scarce resources may find it difficult to meet more often. However, eight to twelve meetings per year are advised where resources and geography permit.

8.08 Removal of a Director: A director shall automatically cease to hold office if: a) A resolution to that effect is passed by a two-thirds majority of the members of the Corporation voting at a meeting duly called for that purpose; or b) The director otherwise ceases to be eligible as a member under the terms of clause 7.02 of this by-law.

8.09 Conflict of Interest: Where a director, either on his behalf or while acting for, by, with or through another, has any pecuniary or personal interest, direct or indirect, in any matter, or otherwise has a conflict of interest, as a director, he: a) Shall disclose his interest fully at a meeting of the directors in the manner prescribed by the Canada Corporations Act (or other legislation under which

the corporation is incorporated); b) Shall disclose his interest and the general nature thereof prior to any consideration of the matter in the meeting; c) Shall not take part in the discussion of or vote on any question in respect of the matter; and, d) Shall not in any way whether before, after or during the meeting to influence the voting on any such question. The pecuniary or personal interest, direct or indirect, of an immediate family member shall, if known to the director, be deemed to be also the pecuniary interest of the director. Every declaration of interest and the general nature thereof shall be recorded in the minutes of the meeting. Note: Non-profits incorporated under cooperatives legislation as consumer and producer cooperatives not necessarily subject to pecuniary interest provisions such as those provided in this clause.

8.10 Remuneration of Directors: The directors shall receive no remuneration for acting as such and no director shall directly or indirectly receive any profit from his position. Directors may receive reasonable compensation for expenses incurred by them in the normal course of their duties. Note: Special purposes legislation (e.g. acts governing establishment of crown corporations, hospitals or cooperatives) in some jurisdictions may allow the CEO and/or other senior managers to serve as directors with voting rights.

8.11 Additional Clauses: re: Directors Additional clauses should be inserted to provide for Notice of Meetings, Attendance at: Board and committee meetings, Voting, Quorum, Minutes and Special Meetings.

9. Powers of Directors

9.01 General and Specific Powers: The directors, acting together in their capacity as a Board, shall have the authority to exercise any of the powers prescribed by the Corporations Act, or by any other statutes or laws from time to time applicable, except where such power is contrary to the statutes or common law regarding charities and, without limiting the generality of the foregoing, shall have the following powers in particular: Additional clauses should be inserted here to cover specific powers such as the Power to: Accumulate; Invest; Solicit Donations and Grants; Hold and Dispose of Real and Personal Property; Hire Employees and Engage Agents; Sue and Settle Claims; Set Remuneration and Fees; Issue Cheques; Make Policies, Rules and Regulations; and any Restriction on such Powers.

9.02 Powers of Individual Directors : No individual director shall have any authority to act on behalf of the Board with respect to agents or employees of the corporation except as provided in this by-law or by resolution of the Board. No individual director shall have any authority to act on behalf of the corporation with respect to the transaction of the affairs of the corporation except as provided in this by-law or by resolution of the Board.

9.03 Directors' Accountability: The Board and individual directors represent the membership of the Corporation and are directly accountable to said membership. They also have a fiduciary duty to those who provide funds to the Corporation and to its staff for the sound administration of the Corporation. In addition, they have a general duty of trust to those served by the Corporation and to the general public. Every director of the Corporation shall exercise the powers and discharge the

duties of his office honestly, in good faith and in the best interests of the Corporation, and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances.

10. Officers and Duties

10.01 General: The Board shall annually, or as often as may be required, elect a Chair, Vice-Chair, Secretary and Treasurer or Secretary-Treasurer from among its members. (Note: Organizations may have more than one Chair/Vice-President, may prefer to combine the duties of Secretary and Treasurer, and may choose to have other officers who should then be identified in this clause and whose duties should then be outlined in this Article.) (FAQ: Why should the Board elect its own Chair and Officers? This is more likely to ensure that the Chair and Officers have the respect and support of other board members that is essential to the effective functioning of the Board. Some organizational types, cooperatives in particular, may choose to have the general membership elect the Chair to maintain membership influence on, if not control of, the board.)

10.02 Chair (or President): The Chair shall, when present, preside at all meetings of the Corporation and, along with the Board, generally oversee and supervise the governance of the Corporation including the signing of by-laws, special resolutions and other such documents requiring his signature and such other duties as may from time to time be prescribed by resolution of the Board or that are otherwise incidental to this office. The Chair shall be elected for a term of two year(s) and shall not be eligible for re-election for two (or more than two) consecutive terms.

10.03 Vice- Chair: The Vice- Chair shall, in the absence of the Chair, preside over meetings of the Corporation and of the Board and its Executive Committee and otherwise exercise all the powers and duties of the Chair. The Board, in the absence of the Chair and Vice-Chair, may appoint from among its numbers, an Acting Chairperson.

10.04 Secretary: The Secretary shall be responsible for giving notices; keeping the corporate seal; keeping records of all meetings of the members, the Board and its Executive Committee; signing of minutes; and, such other duties as may from time to time be assigned by resolution of the Board.

10.05 Treasurer: The Treasurer shall keep full and accurate accounts of all receipts and disbursements of the corporation in proper books of account and shall deposit all monies or other valuable effects in the name and to the credit of the corporation in such bank or banks as may from time to time be designated by the Board. The Treasurer shall, under the direction of the Board, disburse the funds of the Corporation, taking proper vouchers therefore and shall render to the Board at regular meetings thereof, or whenever required, an account of all such transactions and the financial position of the Corporation.

10.06 Executive Director (or Chief Executive Officer): The Board may appoint an Executive Director (or Chief Executive Officer) to manage the affairs of the Corporation under the general direction of the Board. The Executive Director (or Chief Executive Officer) shall hold office at the pleasure of the Board or until he resigns the office. He shall be accountable to the Board for the proper and legal conduct of the business of the corporation according to the policies from time to time established by the Board. He shall be responsible for the organization of the work of the Corporation and for the engagement, supervision, direction and discharge of all employed personnel in accordance with the personnel policies from time to time established by the Board.

Note: Organizations functioning with an operational, collective or management model of governance and smaller cooperatives may appoint a senior staff coordinator or manager to coordinate some of the work of the organization but remain involved more directly in some of the financial and personnel management functions. However, once a position has been designated as Executive Director then full delegation of management functions is essential in order to avoid undermining the authority of that position.

10.07 Executive Director an Officer: The Executive Director shall, ex officio, also be an officer of the Corporation and shall be entitled to receive notice and attend all meetings of the Board and its Executive Committee.

11. Indemnification: Every director or officer of the corporation and his executors, administrators and estate shall be indemnified and saved harmless, out of the funds of the corporation, from and against: a) All costs, charges and expenses whatsoever that the director sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him, in or about the execution, in good faith, of the duties of his office or in respect of any such liability; b) All other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own willful neglect or default. The corporation shall carry such sufficient indemnification insurance as is currently available and can be reasonably afforded by the corporation.

12. Executive Committee: (FAQ: The ‘Policy Governance’ model advises against use of standing committees. Operational Boards and Collectives may find use of an Executive Committee needlessly duplicates the work of the Board and staff or is inconsistent with the fundamental values of the organization. Other organizations may choose not to use an Executive Committee because there are too few board members for this to be a practical use of volunteer time. An Executive Committee is advisable when it will enhance the efficiency of the Board. It tends to concentrate power in a small group of board members. This works to the advantage of the organization if the Executive Committee has the trust and confidence of the Board but may also impair the functioning of the Board if the Executive Committee takes decisions that are not generally supported by other Board members or if it acts without the transparency essential to building trust.)

12.01 Composition: The Executive Committee shall be the Officers of the Corporation including the Executive Director. The Executive Director shall be a ‘non-voting’ member. (Note: Some organizations also include Chairs of other committees who are not officers.)

12.02 Selection: The officers of the corporation shall be appointed by resolution of the Board at its first meeting following each annual meeting of members at which the directors are elected. Any other members of the Executive Committee designated as such under this by-law shall be appointed no later than at the next subsequent meeting of the Board. In the event of a vacancy in any elected position on the Executive Committee, the Board shall, by election from among the members of the Board, fill such position within sixty (60) days of the vacancy occurring.

12.03 Authority: During the intervals between meetings of the Board, the Executive Committee shall possess and may, subject to ratification by the Board, exercise all the powers of the Board in the governance and direction of the Corporation in such manner as the Executive Committee shall deem best for the interests of the Corporation subject to any specific directives imposed by the Board, this by-law or any other statutory or common law.

13. Nominating (Or Governance) Committee

Note: Nominating Committees, with the duties outlined in this section, are in most common use. However, there is a growing use, in the non-profit, public and private sectors, of Governance Committees that subsume the functions of Nominating Committees along with additional responsibilities. Examples of such responsibilities include board (and board member) orientation, development and evaluation, development and review of by-laws and governance policies and monitoring compliance with the requirements of these.

13.01 Composition: The Board (or members) shall annually elect a Nominating Committee which shall be comprised of a Chair, who shall be the past Chair of the Board, if there is one, and one (or two) additional member(s) of the Board and one (or two) additional member(s) drawn from the membership of the Corporation. The Executive Director shall, ex officio, be a non-voting member of the Nominating Committee.

13.02 Nominating Process: Candidates for the office of director must be recommended by the Nominating Committee or in writing by at least two members of the Corporation. The Nominating Committee shall take into consideration candidates who adequately represent the constituency served by the Corporation and make recommendations with respect to any vacancies on the Board. The Nominating Committee, prior to the annual meeting of the corporation, shall: a) Fully explain to potential candidates their duties and responsibilities as directors; b) Obtain from each candidate a written consent to the nomination; and, c) Recommend a slate of candidates to be elected to vacant director positions; The Nominating Committee shall ensure that the attendance of directors at meetings of the Board is monitored and that regular reports are submitted to the Board regarding

attendance. The Nominating Committee or its designate or the Chair of the Board shall consult with those directors who are not meeting the attendance requirements of the Board and shall make recommendations to the Board with respect to such nonattendance.

14. Other Committees: The Board may, from time to time, by resolution, establish such other ad hoc committees with such duties and powers as it deems to be in the interests of the Corporation. Except as otherwise established in this by-law, each such committee shall be chaired by a director, have the committee membership and terms of reference approved by resolution of the Board, shall consider such matters as are referred to it by the Board, shall keep records of its activities and recommendations, and, shall report to the Board at such intervals as required by the Board.

15. Meetings of Members

15.01 Annual Meeting: The annual meeting of the Corporation shall be held within fifteen (15) months of the last preceding annual meeting at such date, time and place within the territorial jurisdiction of the Corporation as determined by the Board for the purpose of: a) Considering and approving the minutes of the previous annual meeting and any special general meeting that may have been held since the last annual meeting; b) Receiving and considering audited financial statements for the preceding fiscal year; c) Receiving and considering such other reports and statements as are required by the Corporations Act (and other legislation); d) Electing directors; e) Appointing the auditors for the next fiscal year; f) Transacting any other business properly brought before the meeting.

15.02 Special General Meeting: The Secretary shall call a special general meeting of members at the request of the Board or upon receiving a written request signed by ten (10) percent of the members and stipulating the purpose of such meeting. Such meeting shall be scheduled within thirty (30) days of receipt of the request at a date, time and place within the territorial jurisdiction of the Corporation as determined by the Secretary.

15.03 Notice and Agenda: Notice for any meeting of members shall be given at least fifteen (15) days (more if additional time is reasonably required for travel arrangements) in advance of the date of the meeting and shall include the date, time, place, agenda and general nature of business to be transacted. Only business on the agenda or related thereto shall be transacted at such meeting unless: a) A notice of motion to place an item on the agenda shall have been delivered to the Secretary at least ten (10) days prior to such meeting; or b) Subject to the Corporations Act, the notice provision is waived by a majority vote of those present and entitled to vote at such meeting.

15.04 Additional Clauses re: Meetings of Members Additional clauses should be added to set the quorum, chairing, voting procedures and eligibility criteria.

16. Adjournments

16.01 Notice Further notice of any adjourned meeting of the Board and its committees or the annual meeting of the Corporation is not necessary if the date, time and place of such adjourned meeting has been announced at the meeting which was adjourned and if this has been properly

recorded in the minutes of that meeting.

16.02 Transaction of Business Any business may be transacted at any adjourned meeting that might have been transacted at the original meeting from which the adjournment took place.

17. Errors or Omissions in Notice: An accidental error or omission in giving notice of any meeting required by this by-law or the non-receipt of such notice by any director or by the auditor or any error in any notice not affecting its substance shall not invalidate such meeting or void the proceedings and decisions of that meeting. Any director, member or the auditor of the Corporation may waive notice of any such meeting and may ratify and approve of any or all proceedings taken at such meeting.

18. Amendment of By-laws: The By-Law of the Corporation not embodied in the letters patent may be repealed or amended by bylaw enactment supported by unanimous consent of each and every Director of the Corporation signified in writing and shall hold force and effect until it is sanctioned by an affirmative vote of at least two-thirds (2/3) of the members at a meeting duly called for the purpose of considering the said bylaw. If such by-law enactment is not so sanctioned it shall cease to hold force and effect immediately the resolution proposing such amendment is defeated. Note: The Corporations Act does allow for a board to approve by-law amendments that remain in effect until approved by the members at the next annual meeting. This is obviously not a problem if the only members of the corporation are its directors. However, real problems might be created in an organization with a larger membership.

Section III: Recommended Resources

The following resources have been recommended as tools to support continued learning and development. They have been selected based upon the quality of the content and the briefness and effectiveness by which the information is being communicated and presented.

Community Development

The Community Development Toolkit

The Community Development Toolkit, published in 2005 is a 165 page document. It is available on the website for the International Council on Mining and Metal (<http://www/icmm.com>) under the publications □ reports links. This is a highly recommended resource tool; it is easy to read and to navigate. It was published by ICMM, the World Bank and ESMAP to support government, industry, and community efforts to realize more sustainable community development around mining and mineral processing operations. The English version of the Toolkit is divided into sections which can be downloaded. Alternatively, hard copies of the Toolkit can be ordered from info@icmm.com.

The Community Development Handbook: a Tool to Build Community Capacity

This handbook was published by Human Resources Development Canada in 1999 and was written by Flo Frank and Anne Smith for HRDC. It was designed to be an introductory guide to community development and capacity building. Copies of this handbook, as well as the related Community Development Facilitator's Guide, in both French and English, are available from the HRDC's Internet Website at www.hrdc-drhc-gc.ca/community.

The Partnership Handbook

This handbook was published in Human Resources Development Canada in 2000 and was written by Flo Frank and Anne Smith for HRDC. It was designed to support the most current understanding and development of partnerships. It recognizes that partnerships are an important vehicle for building community capacity and undertaking community development initiatives. Copies of this handbook, as well as the related Community Development Facilitator's Guide, in both French and English, are available from the HRDC's Internet Website at www.hrdc-drhc-gc.ca/community

Organizational Governance

Leadership

In 2005, Jim Collins published a handbook, *“Good to Great and the Social Sectors, A Monograph to Accompany Good to Great: Why Business Thinking is not the Answer”*. Collins demonstrates his “joy for learning more about the challenges facing social sector leaders– and puzzles over questions that arise from applying your work to circumstances quite different from business”. This short book (33 pages) offers a “Good to Great Framework” which addresses the following five issues:

1. Defining Great - Calibrating success without business metrics
2. Level 5 Leadership - Getting things done within a diffuse power structure
3. First Who - Getting the Right People on the Bus within the Social Sector Constraints
4. The Hedgehog Concept - Rethinking the economic engine without a profit motive
5. Turning the Flywheel - Building Momentum by Building the Brand

Management

Les McIlroy’s small handbook, *“The Manager’s Mentor”* provides simple answers to complicated questions. Some of the short practical readings in this book include: the communications power grid and how to use it; running meetings that solve problems; how to deal with the media; and the selection interview.

Peter Drucker, a world renown leadership and management consultant, his book titled, *“Managing the Nonprofit Organization: Principles and Practices”*, offers practical information which is based upon years of research and development efforts in combination with lessons learned by many change experts. If you are interested in learning from the best in the field, this book is a tool which will guide you towards adopting good governance principles and practices.

Ken Blanchard and Spencer Johnson’s, one hour read, *“The One Minute Manager”*, after two decades, still offers one of the world’s most popular management methods.

In his book titled, *“The Rules of Management: A definitive code for managerial success”*, published in 2005, Richard Templar offers 100 management rules: 34 rules for managing your team, and 66 rules for managing yourself.

Change

Robert H. Waterman, Jr., in his book titled, *“Adhocracy: Ad-hoc-ra-cy: Any form of organization that cuts across normal bureaucratic lines to capture opportunities, solve problems, and get results”*, provides valuable

lessons learned from change masters. A read of this short book will quickly demonstrate that while formal policies, legislation etc. (a.k.a. “bureaucracy”, “governance frameworks”) provides the basis for dealing effectively with day to day problems, the reality is that change ignores these governance structures. Change cannot be managed. The irony is that we all know this, yet we choose to act as if we don’t. Organizations try to use its governance/bureaucratic structures to cope with change as it is happening and it is the wrong approach to dealing with change.

In his bestseller, *“Who Moved My Cheese?”*, Spencer Johnson, M.D. presents *“An Amazing Way to Deal with Change in Your Work and in Your Life”*. Johnson takes a lighthearted approach through storytelling to illustrate an effective approach to dealing with change. This book is a one hour read.

Recommended Websites:

Board Development, <http://www.boarddevelopment.org> . This website offers information geared towards Board development.

Help4Nonprofits, <http://www.help4nonprofits.com/index.htm> provides access to a wide range of resources that support community driven organizations.

Institute on Board Governance, Learning Tools, www.iog.ca/boardgovernance/index provides information on just about every key issue for which a board will need to be apprised in order to develop an effective governance framework. This site provides: templates of bylaws, policies etc.; highlights common issues and concerns and offers solutions to critical problems.

McNamara, Carter MBA, PhD. A free toolkit for Boards: www.managementhelp.org/boards. This website provides a wealth of practical information pertaining to board governance and many other useful topics pertaining to individual, team and organizational development. This site is user friendly, and has become a useful resource for many in the field.