

Building a Board Member's Manual



A Board Member's Manual can be an important organizational resource in enabling boards of directors to be more effective. A manual, such as that suggested here, should be seen as an educational resource for new members and evidence of the Board's work for existing board members. A board manual can also play a role in helping board members stay organized. The format of manual should reflect the kind of "disciplined" thinking the board wants to practice in terms of where responsibility for particular issues and policy decisions belong. A board manual can be a "policy manual" which keeps all the policies in one place or it can serve a broader function as is suggested by the model below.

A Board Member's Manual should be the property of the organization, loaned to and kept up-to-date by each board member. Most organizations cannot afford to produce new manuals each time someone steps down from the board. When someone leaves the board it should be turned over to new board members.

The production of a Board Member's Manual should be thought of as a "work in progress". One can start with as little as binder, a set of tabs and the pile of papers most board members already have. Constructing the manual is a job for the board supported by staff, not the other way around. It is the Board's responsibility – they need to "own it". The Board Secretary can play a key role in starting construction of the manual. He/she is normally the person with the responsibility for producing minutes, distributing reports and ensuring that the organization's legal documents are up-to-date.

As a dynamic resource, a Board Member's Manual is best if it is contained in a three-ring loose-leaf binder. A binder with a 1 1/2 spine and tabbed dividers will provide lots of room for key documents. Any office supplies store can supply sets of tabbed dividers you can customize yourself as well as binders with plastic slipcovers into which you can insert a cover page and spine.

The following is a suggested structure for how a board member's manual with eight sections might be organized.

Section One: Organizational Introduction

It may be useful for the first section of the manual to contain some quick but important reference material:

- an organizational profile
- a list of board members with contact information
- an annual planning calendar

An **organizational profile** is a one or two-page outline which includes your mission statement or statement of purpose, a values statement (if you have one), a description of the work you do, to whom you are accountable, your organization's origin or history. It should also include the organization's telephone number, fax number, street, e-mail, web site addresses and charitable tax number. Such a profile is an introduction to the organization for new board members, and provides the language for board members to talk about it in the community. The profile may already exist in the form of a brochure.

It may also be useful for board members to have in this first section some basic financial information, perhaps a couple of pie charts highlighting where the funds come from and where they go.

This first section is also a good place for a current **list of the Board members** including telephone and fax numbers and e-mail addresses. The name of, and contact information for, the Executive Director should also be here.

One might want to include here a **board planning calendar**, a "fill in the squares", 4-6 months to a page model which will allow space to indicate board meeting dates, Annual General Meeting and other key board work activities.

Section Two: Governing Policies

Knowing where to look and understanding the governing policies of the organization is critical for all board members. They reveal the real work of the Board. Therefore a section for board-level policies is essential. This should include:

- vision, mission and values statements, objectives
- incorporation by-laws (sometimes called a "constitution")
- governing policies.

The **by-laws** or other legal incorporation documents (e.g. Memorandum of Association) should be in this section. They are part of an organization's governing policies. These typically contain important information about the membership, the composition of the Board, roles and responsibilities and meeting notices. These "by-laws" constitute some of the "Governance

Process” policies advocated under the *Policy Governance Model*. You may want to keep the by-laws as a separate document within this section.

Other **governing policies** will be those developed and approved by the board, some having been extracted from the minutes of meetings and placed here. Typically they include global “board level” policies on personnel and financial management practices, client safety, confidentiality, conflict of interest, and external communications. There may even be some draft policies in this section, policies the board is working on but has not finally approved.

If your Board follows the *Policy Governance Model*, these policies will fit into four categories, Ends, Governance Processes, the Board-Staff Relationship and Executive Limitations. If you use a more hybrid governance model, you will want to consider somewhat different categories of policies such as: Mission, Objectives and Values, Board Discipline and Good Meeting Practices, Committee Rules, Board-Staff Relations, Financial Practices, Personnel Practices and Client-Consumer Relations.

Governing policies are less an every-growing category than they are a dynamic one as they are regularly reviewed and revised based on the board’s experience and level of comfort delegating responsibility to staff.

Section Three: Minutes of Board Meetings

You will want to include, as a separate section, a place for the minutes of Board meetings. As long as board members only keep current year’s minutes here, it is useful as a means of everyone staying organized. The minutes of your organization’s most recent Annual General Meeting (AGM) should also be kept in this section.

It is important that the Board minutes section not be the place one looks for policies passed by the board. Policies should be extracted from the minutes and put in the policies section of the manual, the previous section in this model.

Remember that the Board Secretary is responsible for maintaining, separate from the Board Manual, a **Minute Book** containing minutes of all Board Meetings. Minute books should go back years and ideally there will have been one kept since the organization’s inception. The minute book(s) should be kept in a safe place, ideally in a locked, fire resistance cabinet.

Section Four: Financial Reports and Contracts

You will probably want a separate section for **financial reports** including the regular statements prepared by the Executive Director or Treasurer and the current board-approved **budget**. A copy of your organization’s latest audited year-end statements could also be put here.

Like board meeting minutes financial statements are quickly out-of-date especially if you are getting year-to date and comparison-to-budget (variance) figures every month.

If the board is actively involved in negotiating, signing, monitoring and reporting in relation to **contracts** such as those that frequently exists between the organization and its funders, a copy of these contracts might be in each person's manual. If the Board is not involved in any of the contractual details then it is best to make the contracts accessible to the Board but not part of each member's manual.

Section Five: Executive Director and Committee Reports

It is important to keep staff and committee reports separate from Board Minutes and Governance Policies, especially as they are often prepared for information purposes only. Like meeting minutes, such reports are quickly out-of-date and this section should be reserved for only the most current documents.

For most organizations the **Executive Director's Report** will be the most important document in this section. Attached to the Executive Director's written report may be reports from operational committees (e.g. personnel finance, programming) provided to the board for background information.

This is also the section for where one would put copies of any **Committee Reports** (or committee minutes) provided to the board for information and/or action. If you are following a *Policy Governance Model* this section would only include reports from "governance committees" such as the executive committee, recruitment or nominations committee, audit committee, policy committee or fund-raising committee.

Section Six: Operational or Administrative Policies

Whether or not your Board plays a role in crafting and/or approving policies which deal with operational or day-to-day administrative matters, a separate section for these may be useful. This should include personnel policies, financial management procedures, customer relations policies and other organizational practices and standards communicated to staff.

If you are following the *Policy Governance Model*, then such a section is very useful in reinforcing the difference between governing policies and everything else. In addition, board members may serve on committees and need a place to keep the records of this work separate from the work of the board as a whole.

Section Seven: Board Education

A section on board education is highly recommended. This could contain information; some of it from outside sources, on how to run effective meetings, board member role descriptions as well as information about your “industry” and the community you serve. This might include newspaper clippings on current issues, statistics on trends, important government policies, related national and international bodies, etc.

Section Eight: Notices, Brochures, Misc

Most non-profit organizations publish newsletters, program announcements, issue press releases and produce flyers. It may be useful for board members to have copies of this material in one place.

Some other Board Member’s Manual suggestions:

- Be sure that the board, staff and committees date all documents especially policies.
- Three holes punch everything before it gets distributed to board members.
- Encourage board members to arrive at meetings with their manual in hand.
- Include some blank, lined pages for board member’s own notes and reminders
- Include a question on member’s use of their manual in your board self-evaluation. (e.g. “Have you kept your manual up-to-date?”)
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