



Canadian Association for the
Advancement of Women
and Sport and Physical Activity

Association canadienne pour
l'avancement des femmes
du sport et de l'activité physique



WOMEN ON BOARDS

A GUIDE TO GETTING INVOLVED





The Canadian Association for the Advancement of Women and Sport and Physical Activity (CAAWS) is a not-for-profit organization working to encourage girls and women to participate and lead in sport and physical activity. For more information, visit www.caaws.ca.



2010 Legacies Now is a not-for-profit society that works in partnership with community organizations, non-government organizations, the private sector and all levels of government to develop sustainable legacies in sport and recreation, arts, literacy, and volunteerism. 2010 Legacies Now actively assists communities discover and create social and economic opportunities leading up to and beyond the 2010 Olympic and Paralympic Winter Games. For more information, visit www.2010LegaciesNow.com.

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Women on Boards: A Guide to Getting Involved is a CAAWS initiative, in partnership with 2010 Legacies Now, and contains information originally produced in Australia by the Department of Victorian Communities - Office of Women's Policy to encourage and develop the capacity of women to serve on government boards. CAAWS has been granted permission to revise this information to reflect a Canadian context and use it as part of its Women and Leadership Program.

Purpose of this guide

It is generally recognized that women are often underrepresented in leadership positions, particularly in sport and recreation. There are numerous governing boards and committees associated with sport organizations throughout Canada. The opportunity exists to encourage women to participate in the leadership of these, and other organizations.

Women on Boards: A Guide to Getting Involved contains information originally produced in Australia by the Department of Victorian Communities - Office of Women's Policy as part of an initiative to encourage and develop the capacity of women to serve on government boards. CAAWS has been granted permission to revise this information to reflect a Canadian context and use it as part of its Women and Leadership Program.

The guide demystifies the workings of boards and strives to improve recruitment and retention of women as board members by:

- Describing why boards need more women
- Providing advice on how to find a suitable board to join, and how to secure a position on it
- Providing straightforward descriptions of typical board roles, terminology and processes
- Identifying challenges that may be faced by women serving on boards, and proposing strategies for addressing them

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Introduction:

Why Boards Need More Women

Introduction: Why Boards Need More Women

Joining a board can be the first step on a journey of rewarding experiences, both for you personally and for the organization you choose to join. A position on a board can offer a wealth of opportunities to broaden your horizons, gain new skills, and experience the satisfaction of serving the community at large.

A 2005 study by Catalyst Canada Inc. found that women account for one in nine corporate directorships in Canada.¹

Information on the proportion of women on the boards of Canadian not-for-profit organizations is not readily available; however, it is generally recognized that women are often underrepresented in leadership positions.

Some Canadian data suggest that men account for more of the total hours of volunteer involvement with not-for-profit sport and recreation organizations than women. Furthermore, men also account for more hours spent on boards and committees of not-for-profit sport and recreation organizations.²

¹ Catalyst Canada, 2005 *Catalyst Census of Women Board Directors of the FP 500* (Catalyst Canada, 2006)

² 2004 Canada Survey of Giving, Volunteering, and Participating



Different experiences and perspectives

An effective board provides a forum where strategies and directions are decided upon after rigorous debate and the input of people with different views and ideas. Increasing the number of women on boards can bring new voices, varying opinions, and different approaches and solutions to the decision-making process.

Different knowledge and connections

Women bring a new dimension to the boardroom culture. Along with their different experiences and perspectives, women bring new knowledge and contacts to a board. The connections of its members can be among a board's greatest assets: good contacts can benefit an organization and provide a more visible public profile.

Diversity = representation

Boards are put in place to oversee an organization and to provide leadership. They govern for the benefit of and are therefore accountable to their organization's stakeholders and often the community at large. Women represent a significant proportion of many boards' stakeholders – and it is difficult to represent this important group's views and needs without having women on the board.

Having women on the board makes a statement about the organization's willingness to seek out and take into account the views of all of its stakeholders.

It's good for business

Many for-profit companies are discovering that it makes good business sense to have women on their boards. Indeed, studies suggest a connection between organizational performance – both financial and non-financial – and greater numbers of women in positions of power. Between 1996 and 2000, Catalyst Inc. found a strong correlation between the number of women in top executive positions and financial performance among Fortune 500 companies.⁴

Having more women on boards means a greater diversity of skills, experiences, opinions and strategies – and that means better governance. And better governance inevitably means better results.

⁴ Catalyst, *The Bottom Line: Connecting Corporate Performance and Gender Diversity* (Catalyst, 2004)

Getting On:

What You Need to Know and Do Before Joining a Board

1. What are boards and what do they do?
2. Finding a board that's right for you
3. What's in it for me? Rewards and challenges of board service
4. Are you ready? Questions to ask and answer when considering a board position
5. Women and leadership: Navigating the boardroom

1. What are boards and what do they do?

What are boards?

The word “board” describes the group of people who supervise, manage or govern an organization, company or facility, or those charged with providing advice or making decisions on a particular issue. All not-for-profit corporations must have a board of unpaid volunteers to oversee the operations. This is a distinguishing characteristic of the not-for-profit sector.

These governing bodies are not always known as boards and can be called a variety of other names, including committees and governing councils.

What do boards do?

Whether big or small, nation-wide or locally-based, most boards have the same main role: to provide purpose, leadership, direction and overall strategy for the organization or facility they are presiding over. The board must ensure that the finances are sound, operations are legal, procedures work, assets are safeguarded and all tasks are carried out in the public interest.

The rules

All boards must follow a particular set of rules; what form those rules take will usually depend on how the board was formed and what roles it carries out. Boards are guided in their operations by governing documents such as a constitution (or Articles of Incorporation or Articles of Association) and by-laws. If a board has been formed through an Act of Parliament, rules will be outlined in that Act.

Whatever form the rules take, most will indicate:

- How the board must be established
- The board’s power boundaries
- Number of members and length of their terms
- Election or appointment of members and procedures to fill irregular vacancies
- What office holders the board must have and how they should be elected or appointed
- Office holders’ roles and responsibilities
- Procedures for removing board members
- Meeting requirements, including meeting rules and procedures

What do board members do?

There can be a wide variation among boards in the level of board member involvement in the management of the organization, depending on the size and funding of the organization. Large, well-funded organizations often have paid staff members who take care of day-to-day management. In these organizations, board members focus on high-level issues while leaving operational issues to staff.

In contrast with these large organizations are many organizations that operate on a much smaller scale. Imagine Canada reported that in 2003, 42% of all charities and not-for-profit organizations in Canada had budgets under \$30,000 and roughly half had no staff at all. This was especially true in the sport sector, in which 73% of Canadian sport organizations had no paid staff.¹ A board member for one of these smaller organizations may well be expected to take on day-to-day management tasks in addition to playing a more high-level, strategic role. Volunteers may also perform duties that would otherwise be performed by paid staff.

¹ Imagine Canada, *Sports & Recreation Organizations in Canada* (Imagine Canada, 2006)

The following lists the distinction between board and staff responsibilities. In organizations with no paid staff, board members will often take on many or all staff responsibilities as well.

The board:

- Authorizes all major decisions
- Sets long-term goals
- Finalizes budgets and allocates funds
- Approves any changes or additions outside the budget
- Takes responsibility for financial records
- Selects and monitors the performance of the executive director (who may or may not be a paid employee)
- Takes responsibility for legal and compliance matters

The staff:

- Carries out day-to-day management
- Implements board decisions
- Provides the board with any relevant or requested information
- Employs, dismisses and manages staff and volunteers
- Operates programs and organizes events
- Looks after day-to-day finances



In addition to overseeing an organization and its staff, board members look at the big picture and constantly assess the organization's performance. In fulfilling this role, there are several key responsibilities board members should carry out beyond those listed on the previous page.

- **Strategic vision and planning**
The board is the guardian of the organization's strategic vision. Its primary role is to keep the vision alive by taking a lead role in planning for the future. Strategic planning enables the board to think through and document what it is doing, for whom, and why.
- **Advocacy**
The board is the primary link between its organization and the general public. Some organizations and their boards are more actively engaged in advocacy than others, representing the interests of the organization to its stakeholders and the broader community, and filtering the diversity of stakeholders' views back into the organization.
- **Board meetings**
All boards must hold meetings as often as dictated by their policies, and board members are obliged to attend most, if not all, of those meetings.
- **Creating policies and best practices**
The board is responsible for putting in place the policies governing the management of the organization. Policies ensure the board and the organization have a consistent and transparent approach to making decisions and carrying out day-to-day business.
- **Evaluating its own effectiveness**
A board needs to regularly evaluate itself to ensure it remains representative, responsive and effective. Evaluation may be carried out informally or could involve a board retreat or a sub-committee designed specifically for this purpose.

Who can be a board member?

You do not usually need qualifications to be a board member. However, some boards have rules dictating membership; for example, a national sport organization may require its provincial representatives to be president of a provincial-level board or hold a certain coaching level. Government boards may also have certain requirements specified in their legislation; for example, not being insolvent or bankrupt.

Skills, such as legal, financial, marketing, communications, web and sport technical skills, are often in demand. However, not possessing specific skills certainly does not rule out board service. Good boards are those that have a mix of skills. Board selection committees will be on the lookout for people with certain capabilities to fill gaps they may have within their existing membership.

Screening

Most boards have a screening process for potential members. Although some may find it off-putting to be asked to undergo a screening process, it is important to understand that these procedures are put in place to protect the organization, its finances and the community it serves. A well-managed board takes its responsibility to the organization and its clients very seriously, and will have screening processes in place both for board members as well as volunteers.

Common screening tools used by boards to assess prospective members include an interview and a reference and criminal background check. Indeed, a criminal background check has virtually become part of the legal standard of care that must be met by an organization with regard to vulnerable members of society, including children and seniors.

Who's who on the board?

Most boards have a group of office holders. These will most likely include a chair, vice or assistant chair, a secretary and treasurer. Those boards with committees or sub-committees may also have committee chairs. Appointment procedures for the different office holders should be outlined in the board's rules.

The board chair

The chair serves as the board's spokesperson and takes a leading role in the functioning of the board. The chair is also responsible for managing board meetings, ensuring they do not stray too far from the prepared agenda and that members stay within the meeting rules. Some chairs are also given an additional casting vote, which can give them important directional power. In larger boards, they will also act as a link between the board and the executive director, who in turn acts as a link to staff and volunteers.

The vice-chair or assistant chair

Many boards appoint a vice-chair to support the chair in her many tasks and to fill in when the chair is absent. The vice-chair is also expected to play a major role in board leadership.

The committee chair

Larger boards often establish committees or sub-committees to concentrate on specific areas, such as governance, budget and finance, or public relations. Committee chairs are responsible for overseeing the committee, managing its meetings, and reporting and making recommendations to the board chair or full board.

The secretary and treasurer

In general, the secretary is responsible for tasks such as preparing and distributing meeting agendas, ensuring meeting minutes are taken, and legal compliance. The treasurer is responsible for monitoring the financial position of the organization and keeping other board members abreast of financial matters.





2. Finding a board that's right for you

Boards come in all shapes and sizes, and are involved in every imaginable kind of activity.

There are boards that oversee sport organizations and those that work in the area of the arts or the environment. There are boards whose scope is local, provincial, territorial or national, boards that provide advice to the government, and boards that oversee hospitals and other public assets. Imagine Canada reported that in 2003 there were 161,000 boards governing not-for-profit and voluntary organizations in Canada. Nearly 34,000 of these oversaw sport organizations.¹

The enormous range of possibilities for women considering joining a board means that it should be possible to find one that is just right for you. Finding a board that is a good match is very important, as it will most likely determine the quality of your board experience.

¹ Imagine Canada, *Sports & Recreation Organizations in Canada* (Imagine Canada, 2006)

Is board service right for you?

Joining a board can be an immensely rewarding experience, but it can also be a challenging task. Before accepting a position, be aware of what you are getting into and make an honest assessment of whether you are willing and able to make the required contribution and commitment.

What do you want out of your board service?

A key step in determining what sort of board is right for you is to consider what you want from the experience. If you want to share or build on your industry or professional skills, look for a board that requires and could benefit from these skills. If you want to do something that is outside your current sphere, consider a board that will allow you to use your skills in new ways. Consider your motivations and what you expect in return for your contribution. Do you want to:

- Expand your existing skills or develop new skills that could help in your career?
- Add another facet to existing interests, or broaden into new areas of interest?
- Learn more about a particular issue?
- Fix a problem?
- Meet new people, make connections and expand your networks?

Finding the right fit

What have I got to offer?

Think about what you have that a board might want or need. In making your assessment, think about the skills you have acquired over the course of your life. Think about the places you have been, the industries you have dealt with, the communities you understand, the groups you have been a part of, and the issues you are passionate about. Recognize that the things you have learned in one arena can often be adapted to suit another.

Tapping into the lifecycle

All boards go through a process of development. A recently formed board can have start-up issues to tackle. There may be policies to write, directions to establish, a mission to articulate, and strategies to develop. Such a board may be more time-consuming and challenging than

one that has been around for some time and has established processes in place. Long-established boards can also be very demanding if they are undertaking a change of focus or restructuring. On the other hand, getting involved in a new or transitional board can bring immense satisfaction as you contribute to the building process.

Large or small?

Consider whether you would prefer to join the board of a small organization, a large one, or something in between. Serving on the board of a small organization, or one with a small budget, will provide a much different experience than serving on the board of a large, well-funded organization. Serving on either type of board can be very rewarding.



3. What's in it for me? Rewards and challenges of board service

Most experienced board members will say that the personal benefits of board service definitely outweigh the obstacles. The purpose of this section is not to discourage you from board service, but rather to ensure you are fully aware of all of the realities – both the rewards and the challenges of serving on a board.



The rewards

Making a difference

It is a rewarding experience seeing your goals and vision – and those of your board and the community it serves – come to fruition. Contributing to these achievements brings a great deal of satisfaction.

Making decisions

Board members can have real influence over the way not-for-profit organizations, programs and projects are managed and the directions in which they are taken. Board membership offers the opportunity not just to influence decisions, but also to make them in consultation with other board members.

Leadership development

Taking on a leadership role within a board is a great way to gain experience that can be useful preparation for professional responsibilities, or to add to your resume if you are rejoining the workforce or hoping to apply for new and different positions. Chairing a board or a board committee can lead to confidence in leading a work group or task force. More employers are recognizing employee volunteer contributions as an asset in the workplace.

Gaining new knowledge

Becoming involved in not-for-profit or public sector boards can help you gain an appreciation of how these sectors operate, as well as current governance standards and issues. This knowledge can often be put to good use in other aspects of your personal and professional life.

Gaining new skills

Successfully meeting the challenges and responsibilities of board service, such as overseeing finances, working alongside other board members, and reporting to members and stakeholders, can lead to a new set of useful skills.

Meeting new people and expanding your networks

Making connections through the development of relationships and friendships with other board members can have long-lasting and highly positive personal and professional rewards. Getting to know your board's stakeholders can help you gain a range of new insights and perspectives that can be useful not just for your work with the board, but in other areas of your life.

Getting to know your own worth

Joining a board and contributing to its success can lead to a deeper understanding of your own worth – and a realization that what you have to say is just as important as the contributions from anyone else.

Serving the community

Many not-for-profit and public sector board members find their service unleashes a passion and commitment that can surpass that found in a corporate boardroom. The motivation to achieve a mission on behalf of the community at large can be very rewarding.

Being inspired

Most people know the exhilaration that can come from being part of an effective team. Working with like-minded, dedicated people, who are all working towards the same goal is another experience opened up to board members. Passion, commitment and spirit of generosity can be difficult to find in other arenas.

The challenges

While you should expect the majority of your experiences serving on a board to be positive, you should also be aware of the challenges that can sometimes come with board service.

Finding the time

Board members are volunteers who attend to their board duties on top of their other work and life commitments. Coping with time constraints – both your own and those of the people you are relying on to help get the job done – can present a challenge. Often the majority of volunteer work is done by a small proportion of volunteers. This situation can be found in some boards where a few members take on more and more of the work until they either end up resenting the burden, or become unable to be effective.

Changing board membership

In many boards, membership is in a constant state of flux. While some change in composition is healthy for a board, having to regularly organize replacements, familiarize new members and adapt to a constantly changing board culture can be a challenge.

Motivation

To be effective, board members must operate as a team. While keeping yourself motivated and focused can sometimes be a challenge, there can be even greater challenges in having to cope with an occasional lack of motivation among colleagues.

Responsibility

Being entrusted with overseeing an organization – no matter how small – can leave one feeling overwhelmed at times. The burden of responsibility (for example, needing to attain a set fundraising target) can lead to a good deal of pressure. On the other hand, some board members can mistakenly equate lack of pay with minimal responsibility, leading to hesitancy in making decisions that will affect the long-term future of the organization they are overseeing. This can impede the effectiveness of the board and can be frustrating for its members.

Challenging personalities

Boards are composed of people, and people have personalities – some of them challenging. The sometimes frustrating realities of human interaction do not stop when you enter a board meeting; indeed, they are often amplified.

Conflicting views

Just because you're headed to the same destination as your board colleagues doesn't mean you will all agree about how to get there. Conflicting views are inevitable.

Meeting fatigue

Meetings are meant to be inspiring, orderly and efficient, but the opposite may happen. Circular or irrelevant discussions can sometimes creep into board meetings.



4. Are you ready? Questions to ask and answer when considering a board position

Making a list of questions is the first step in assembling the information needed to help decide whether to accept a board position. There are two types of questions you should ask: those aimed at the board and those you should ask yourself. This list is intended as a guide only. There are sure to be other questions specific to your own circumstances that you will no doubt want to add.

Questions for the board

1. **How much time is required of a board member?**

Find out how often the board meets, where it meets and how long the meetings normally last. When assessing how much time a board role is likely to demand, keep in mind that you will also need to read the meeting papers before meetings and that you may be required to attend other functions and carry out other tasks between meetings.

2. **Why do you want me on the board? What skills or experience are sought from me and what new skills will I have the opportunity to develop?**

Knowing the board's needs and expectations will help you to assess whether you can capably fulfill the role asked of you. It is also important to find out what new skills and experiences you can expect to gain by serving on this particular board. Finally, it can be helpful to ask why a board vacancy exists.

3. **Who else is on the board? What are their backgrounds?**

A properly functioning board requires a good mix of skills and experiences. If all the other board members have similar backgrounds to you, you may want to consider if you can offer something extra.

4. **What are the organization's roles, mission and direction?**

It is important to have a good understanding of what the board's organization does, why it does it and what it plans to do in the future. This will help you to assess whether you can support and work towards the mission.

5. **What will my responsibilities be? Do you have a job description for the board members?**

Some boards will have a detailed job description to help incoming board members understand the tasks they will be expected to perform. If the board hasn't yet developed such a document, you could ask an existing member to describe what they do during an average year.

6. May I review some recent meeting minutes?

You should ask to see the minutes from several years – some experienced board members suggest going back as far as five years. Reading the minutes will give you a feel for the type of issues the board deals with, as well as the type of decisions that have been made in the past.

7. Has there been any litigation, or have there been complaints about the board?

It is a good idea to ask about the organization's history. A less than appealing public image may be a turn-off for some prospective members; others will see it as a challenge.

8. How financially viable is the organization? May I have a copy of the financial plan and the budget?

As a board member, you will be custodian of the organization's finances. In certain rare instances, you may even be held personally liable if things go very wrong. You should be fully informed about the existing financial position before you agree to take on these responsibilities.

9. Does the board offer insurance for its members?

To ensure you are covered in the unlikely event that your board is found to be negligent, it is important that you ascertain the level of insurance the board has purchased for its members. You should also find out when your coverage will expire as your liability may continue or come to light after your term as a board member finishes. The organization should also have an indemnity provision within the by-laws to cover board members, because most insurance policies actually exclude from coverage many acts for which a board member may need coverage.

10. What information or support will be available to assist me to do my job as a board member?

It is a good idea to find out what resources will be available to help you in your new role. In larger boards, these could include formal or informal mentoring programs, orientation sessions, a staff member to provide administrative support, office equipment, stationery or reimbursement for costs.



Questions for yourself

Once you have uncovered as much information as possible by speaking to board members, either informally or as part of a formal interview process, you will be in a position to consider some questions for yourself.

1. Can I commit the time and energy the position deserves?

Make a realistic assessment of the time required by a board position and compare this with how much time you actually have to offer.

2. Can I add value to this board?

Once you have found out why the board wants you and what skills you will be expected to contribute, you need to decide whether you are a suitable candidate. An honest self-assessment may be of more value than an assessment others have made of your skills and aptitudes.

3. Is this a supportive organization?

If you have special circumstances, such as a physical disability, it is important that you feel comfortable with the organization and its board. For example, are meetings held at accessible venues? Does the general atmosphere lead you to feel that board members are open and accepting?

4. What do I want out of this experience?

People join boards for many reasons. Understanding your own motivations will help you assess whether or not your expectations are likely to be fulfilled.

5. Can I hold this position with integrity and without conflicts of interest?

By examining the functions and past decisions of the board you can assess whether there are situations you might encounter that could impact your business or personal interests, or those of your family and friends.

6. What is the reputation and track record of the organization's head?

In order to govern effectively, the board needs to be able to rely on an effective manager. It is a good idea to consider the capabilities of the executive director.

7. Does the board clearly understand what its goals are and are those goals achievable?

A board that does not know where the organization is going is difficult to be part of as decisions could be inconsistent and performance may be irregular. Getting back on track will require hard work and may not even be possible. Similarly, a board that has unrealistic goals is setting itself up for failure.

8. Do I share those goals?

Once you have found out that the board has achievable goals, you need to decide if they are goals that you believe in. If you do not share the board's goals, it is unlikely you will be able to enthusiastically contribute to the board's activities.

Preparing for an interview

Your resume

Many board positions require a high degree of professionalism. If you are submitting a resume for consideration for a board position, put in the same level of effort as if you were applying for a job.

Provide information about your background, education, work experience, skills and specialties. Include any experience you have had with the not-for-profit or government sectors. Also include any interest areas you may have, as success in gaining a board position may rely as much on interest as experiences.

Interview tips

- Before a formal interview takes place, find out as much as you can about the organization and its functions so you can offer informed responses. Think about what sort of skills or experiences may be required and how you can demonstrate that you can fulfill the role.
- Think broadly about your skills and recognize that things learned in one arena can be adapted to another.
- Approach an interview with confidence and try to illustrate this through your body language. Speak clearly and maintain eye contact with the interviewers. Use positive language, and avoid language that belittles your experiences. An interview is no place for self-deprecation or excessive modesty. Be honest about your achievements.

- Seek clarification of an interview question if required. If you are asked about a specific skill that you have not yet acquired, use the question as an opportunity to tell the interviewers about things you do know about – “I am not familiar with that particular computer system, but I have used similar systems in the past and have always found it easy to pick up new skills.”
- When asked to detail your experience, provide examples to illustrate your explanations.
- Make sure you emphasize what you can offer the board and remember to express your passion for the cause – “I just love the fact that you have a broomball team here and I think it’s really important.”
- Avoid being over-accommodating. Part of being confident in your abilities is being prepared to say no.

5. Women and leadership: Navigating the boardroom

Membership on a board can be both rewarding and challenging for all board members. This can be particularly true for women who take up board membership in organizations where there have traditionally been few women in leadership roles.

Below are some examples of situations that may arise while serving on a board and some suggestions for moving forward. Not all of these situations will be experienced by everyone and the situations may be different than described. The ideas for effective approaches should be combined with your own set of strategies and life skills.

Facing outdated attitudes

Most boards will warmly welcome new members regardless of gender. Occasionally, women entering a traditionally male-dominated arena may find that it is not always easy to break into the team.

There may be sexist language or behaviour. This could range from expressions used (for example, chairman or sportsmanship) to sexual harassment and discrimination.

A woman taking up a board position in a traditionally male organization may also face the challenge of her role as a board member being seen through a prism of traditional ideas of a woman's abilities and strengths. This could take the form of being assigned roles such as the secretary or focused on so-called women's issues (family issues or childcare).

Consider this:

- There are many strategies for dealing with language or behaviour. Some women find the best option is to ignore it, others will challenge it head-on, and others still will use humour. It is up to each individual to find an approach that is right for her. However, be aware that choosing to do nothing guarantees the behaviour will continue.



Consider speaking to the chair about your concerns. If you are the chair, it is up to you to make a statement about what language is considered appropriate and to insist on an atmosphere of equality, professionalism and respect.

- Sexual harassment and discrimination are illegal and must not be tolerated. Familiarize yourself with legislation and board policies relating to these offences and be aware and ready to take action when someone steps over the line. Information about human rights legislation in each of the provinces and territories, as well as at the federal level, is available online.
- Set boundaries and be very clear about what type of work you are and are not willing to do.

Dealing with isolation

Joining a board that has few or no other women members can at times lead to a sense of isolation; a sense that you are doing this all by yourself and there is no one to talk to.

Consider this:

- Look for mentors on your own board or other boards who may have had similar experiences. Use your networks to find people who can provide information, support or advice.
- Focus on the personal qualities of your board colleagues, rather than their gender. People who can help and support you in your role can come in all guises and genders.

- Make use of online forums to find like-minded people with whom to discuss what you're doing and experiencing.
- There is always strength in numbers. When board vacancies come up, think about the women you know who would make good candidates. Put their names forward and make sure their nominations are given a fair hearing.

Addressing tokenism

Tokenism is one of the greatest threats to the legitimacy of efforts to foster greater diversity on boards. No one wants to be invited to sit on a board just to fill a quota and those who are perceived to be doing so will find it very hard to earn the respect of their colleagues. A related problem could occur if a woman is perceived as representing all women in her role. Women come from diverse backgrounds, have innumerable different life experiences and possess a wide range of opinions. One woman cannot possibly be representative of 50 per cent of the population.

Consider this:

- Before you agree to join a board, ensure you are being approached for the right reasons and that you have the appropriate skills and experience for the role. You want to feel confident that you are valued for your skills, not your gender.
- Recognize that someone always has to go first. Be proud of your role in promoting diversity.

Speaking up

Studies suggest that women and men communicate differently and these differences may extend to how conflict or confrontation is approached or dealt with.

Consider this:

- Be prepared to speak up. Before meetings, thoroughly read the agenda and other meeting papers and make a note of which items you would like to speak about and what you would like to say.
- If other board members' communication styles are habitually leading to you being shouted down or ignored, consider how you might be able to introduce a different way of doing things. Failing that, speak to the board chair as it is the chair's job to ensure everyone's voice is heard.
- If you feel you are being unfairly singled out or attacked by a board colleague, try to remain calm, defend your position, and stick to the issues.
- If a board colleague is behaving in a way you find threatening or intimidating, speak to the board chair. In extreme cases, you may need to consider making a formal complaint in line with your board's complaints procedures.

Work/life balance

When unpaid work is taken into account, women do the majority of work throughout the world.² It's not surprising that some women may find adding board service more taxing than their male counterparts. Similarly, any board member dealing with special circumstances may find serving on a board taxing (for example, athletes, a person caring for aging parents, or a coach who travels a lot with her team).

Consider this:

- Before taking up a board role, make an honest assessment of the time required and the time you have to give. Talk to your work colleagues, partner, family and friends about your plans and make clear your expectations that they will support you in your new role.
- Keep in mind the need to keep a balance in your life and don't let your board role consume you. Do what you say you will, but don't agree to take on tasks that you think may stretch you too much.
- Talk to your board colleagues about scheduling meetings at times that fit with your schedule (depending on your requirements and those of your colleagues). This may be at times that allow you to keep your training schedule if you're an athlete or allow you to maintain your role as a care provider to family members.
- Use your time-management skills to efficiently plan, organize and prioritize your board responsibilities. Avoid spending time on unnecessary tasks, and delegate when necessary.

² The United Nations estimates that women do two-thirds of the world's work although they earn only one tenth of the world's income.



Being On:

Understanding Your Board and How it Works

6. Overview of your legal responsibilities
7. Overview of your financial obligations
8. Handling conflicts of interest
9. To whom is my board accountable?
10. Navigating the key documents
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6. Overview of your legal responsibilities

Many people approach their role on a not-for-profit or public sector board more casually than they would a position on a commercial board. They shouldn't. Legally, and certainly ethically, they are subject to the same expectations and responsibilities.

This section is offered not as a definitive guide to your legal responsibilities and liabilities, as these will vary depending in which province or territory the board operates. Rather, it should be seen as a primer to give you a broad indication of some of the ethical and legal duties you need to adhere to during your term. The duties set out below are relatively standard, but if you check out the applicable legislation, regulations and rules relating to your particular board, you may find that special arrangements apply to you. Check the particular legislation under which your board was formed to see what specific laws and penalties you may be subject to or exempt from. If you are in any doubt about your roles and obligations, you should seek legal advice.

The fiduciary duty

When you join a board you are accepting a fiduciary duty (a duty to act honestly and in good faith for the benefit and best interests of the board itself and the organization you are overseeing).

You must not allow your personal interests or those of anyone else override the interests of your board role even if you have joined the board as the representative of another organization or board.

Some examples of how your fiduciary duties can be fulfilled include:

- Not taking advantage of your position to further your own needs
- Acting honestly and industriously
- Never using information gained through your privileged position to advantage a family member, friend or associate
- Providing adequate information to authorized people or members when requested and not misleading them in any way
- Disclosing any potential conflict of interest
- Acting with care and diligence
- Maintaining proper confidentiality
- Never knowingly placing the board or the organization it oversees in a potentially litigious position
- Ensuring all decisions made are to the advantage of your organization, not individuals or any other interest group
- Ensuring you act according to the constitution and rules of the organization

The fiduciary duties outlined above are almost entirely the product of case law (arising from court decisions). The following duties are statutory (created from legislation). There is, however, a substantial overlap between the two.

This fiduciary duty has two main branches: the duty to act with care and the duty to act with loyalty.

The duty to act with care

As a board member you must act competently or skillfully, and with diligence. The duty of competence or skill means a board member must act in accordance with the conduct expected of a reasonably prudent person. The duty of diligence refers to the obligation of directors to educate themselves about the organization's mandate and all aspects of its operations (for example, to be knowledgeable and ready to make informed decisions that affect the organization).

In general terms, you will meet the duties of competence and diligence if you:

- Make a decision to take, or not to take, action in good faith and for a proper purpose
- Do not have any material personal interest in the matter
- Inform yourself about the matter to the extent you reasonably believe is appropriate
- Reasonably believe that your judgment is in the board's best interests. The board member's belief is taken to be rational unless no reasonable board member could have held it. It must be noted, however, that in order to rely on this rule, the board member must actually make a judgment, and not merely do nothing

In addition, you are expected to:

- Attend meetings regularly (if not always as some boards will have minimum requirements)
- Make certain that your board undertakes good financial reporting practices
- Ask questions and seek more information when you believe it is required
- Define appropriate board policies and supervise their implementation
- Understand your board's core work
- Keep abreast of governance issues

As a board member, you may be able to delegate your powers. This will protect you from a breach of your duty of competence and diligence if, after making appropriate inquiries, you believe "reasonably and in good faith" that the delegate is reliable and competent. Similarly, you can rely on the professional advice of others such as an accountant, if the reliance is in good faith and you have independently assessed the advice.

Built into these duties is an understanding that board members with a high level of expertise may attract a higher standard of care than other members. This is because a board member with less expertise can more readily rely on the advice of another.



The duty of loyalty

The second branch of the fiduciary duty is that of the duty of loyalty. This means that the board member must act honestly, in good faith and in the best interests of the organization. In order to meet the duty of loyalty, a board member cannot act for an improper purpose (for example to improperly benefit themselves or a close other person) and cannot act in bad faith. Intentional dishonesty, making incomplete or misleading representations, and acting from an improper motive are all examples of bad faith. The board member must act in good faith, which requires that one act with pure intentions and with a view of serving the best interests of the organization.

Finally, in order to fulfill the duty of loyalty, board members should not put themselves in a position that would create a conflict between their duty to act in the best interests of the organization and their own personal interests. This is an important area of law for board members to understand and for this reason it is outlined in more detail in Section 8: Handling Conflicts of Interest.

Other relevant laws

In addition to the duties outlined above, there is a range of generally applied laws that board members should keep in mind as they carry out their role. Board members are, after all, responsible for ensuring that their board is entirely legally compliant. This list is not exhaustive, but it is a good starting point to indicate some of the areas of law board members would be advised to familiarize themselves with depending on the nature of the board they serve.

- **Environmental Law:** a vast branch of law that is generally concerned with pollution control, environmental and occupational health, ecologically sustainable development and resource management
- **Negligence:** governing cases where the duty of care is breached, causing a foreseeable kind of material damage to another
- **Discrimination:** all organizations and individuals are obliged to meet this legislation, which prevents unfair treatment of a person on the basis of prejudice
- **Contract Law:** could apply to a property lease, a computer rental agreement, an agreement to supply services, or other agreements
- **Privacy Laws:** designed to govern the way personal information about individuals is collected, stored, used and disclosed
- **Food Safety Laws:** including requirements for the handling, storage, transport and display of foods
- **Defamation:** designed to protect the reputation of individuals and organizations by allowing the right to sue for damages
- **Fundraising:** laws vary from province to province and, while many fundraising activities are not regulated, most provinces now require formal approval and licensing prior to some sorts of fundraising activities being initiated, specifically gambling activity such as bingos or lotteries. Others have regulations pertaining to donations over a particular dollar figure
- **Charity Laws:** many non-profit organizations are also charities and the duties of directors are heightened when applied to charities
- **Occupational Health and Safety:** designed to ensure that workers are safe and secure in their place of work



7. Overview of your financial obligations

When you join a board, you accept the obligation to look after any finances that your board may be required to oversee. Financial stewardship and oversight are among the most important functions of a board. In some cases, the board's financial responsibilities may be quite extensive (for example, for a board that is responsible for overseeing a large organization with debts, income and staff). In other cases (for example, an unpaid advisory board that does not perform any financial transactions), these responsibilities might be simple or non-existent.

This section is not a definitive guide to your financial responsibilities as these may differ from board to board. Seek legal or financial advice whenever you are in doubt about your roles and obligations. It is important to be very familiar with the organization's by-laws. Legislation does require certain clauses, but organizations have broad discretion over much of the content and there may be some provisions that affect individual board members.



Financial competence

Although board members are not generally required to have particular qualifications to be appointed (unless otherwise stipulated by any rules or legislation governing the board's operations), the law does impose standards of financial competence.

The board is expected to be capable of understanding the affairs of the organization it is governing well enough to reach a well-informed opinion of its financial capacity. The board also must be sufficiently up-to-date with the organization's dealings to allow it to respond properly to the organization's changing financial capacity. This requires some familiarity with financial reports.

Every year, most boards must ensure that a financial report is prepared. The preparation of such reports is not always simple and many boards seek professional help in doing so. Generally, these reports will include the following:

- A review of the year's operations and details of any important changes
- Information regarding the organization's primary activities
- Details of any circumstances that could affect, or has affected, the organization's operations or likely developments in future years
- Names of board members and the period for which they have filled the position
- All earnings from the organization and related organizations
- Information regarding the solvency of the organization, including income and expenditures

Different or additional reporting requirements may exist for your particular board, depending on the law or rules under which it operates.

It is worth noting that individual board members are not required by law to attend to the financial affairs of the organization personally (although this is often the reality, especially in the case of small organizations), but they must ensure that they engage people who are competent enough to handle the requirements of the specific situation. Board members can be personally liable for ensuring certain filings are done and for keeping proper records.

Board members should know enough about financial matters to understand the workings of the budgets and accounts.

Warning signs

Board members must ensure that their organization remains financially healthy, so it is important to remain vigilant to any situations that may spell trouble.

The following are some warning signs that an organization may be heading toward financial difficulties. These situations do not mean there is a problem, rather that questions should be asked.

Any deviation from the budget approved by the board at the start of the financial year

Changes to the budget can mean a change to the organization's bottom line. However, keep in mind that a budget is a plan, and things don't always go exactly according to plan. Make sure you receive regular updates

on how the organization is performing in relation to the budget, so you are aware of any problems that may crop up.

An unexpected reduction in revenue compared with previous years

Unexpected is the operative word here. Reductions in revenue are not of themselves a reason to be alarmed; income streams are often irregular. However, being aware of fluctuations, particularly if they are not anticipated in the budget, will ensure the board is aware of any potential problems and can take steps to overcome them.

An unexpected increase in costs in comparison with previous years

As in the case of reduced revenue, it is the unexpected nature of an increase that should attract the attention of board members, rather than the increase itself.

The incurring of any unusual, unexpected or significant expenses

A large cost that appears suddenly can throw a budget off track. When this happens it is important to confirm the expense is one time only and that it can be covered.

A failure to obtain independent valuation of major assets

Changes in the value of any assets need to be assessed by an independent third party before any changes are made to the accounts.

Significant variation in the amount of liability or debt in comparison with previous predictions

Spiraling debts are often the first sign of trouble. If the organization is spending too much, it is vital to get to the bottom of the problem.

Failure to achieve budget in three successive months or budget periods

Such a situation could mean that the organization is failing to meet cost and/or revenue targets, or that the budget is unrealistic.

A reduction in the value of net assets

Net assets are the value of total assets minus total liabilities. Any change in the net assets indicates a change in the organization's value.

Poorly performing fundraising activities

Many organizations derive at least part of their income from fundraising activities. If these activities are not bringing in the expected revenue, it may be time to start reducing expenditures or thinking about other alternatives.

A lack of clarity as to the source of funds

It is wise to know exactly where your organization's funds are coming from, as there may be conflict of interest, legal or ethical considerations to take into account.

Late reports

Late reporting can be an indication of deceptive behaviour, misleading practices, or an attempt to avoid accountability. Late reporting constitutes a failure of duties and may prevent a board from detecting a problem early enough to fix it. The cause of the delay should be uncovered immediately and processes should be put in place to prevent it happening again.

Vague answers to questions regarding financial capacity

Board members are duty-bound to ask questions and continue asking them until they are completely satisfied with the answers. If you are not getting satisfactory answers from the person responsible for ensuring your organization's financial health, it is important to find out why.



Audits

Most boards must have their accounts audited every year. An external auditor will produce a financial statement showing income and expenditure and a balance sheet showing the assets and liabilities. This report is usually included in the organization's annual report. Often, public sector boards need to submit this document to the government department that oversees the organization.

Keeping you and your board safe

Directors and officers liability insurance

Some boards will take out directors and officers' liability insurance to provide protection for board members sued individually for acts of negligence by the board. It is important to find out what sort of insurance is provided, the level of coverage, and if you will continue to be covered after leaving the board. You also should find out what the coverage includes and what is excluded, as there are usually limitations. For example, sexual harassment is typically not covered, and wrongful dismissal items may not be either. Of course, it is possible to add such coverage for a greater premium.

Professional indemnity

Professional indemnity insurance covers individuals against claims for breach of professional duty arising out of any negligent act, error or omission committed, or alleged to have been committed by the insured in the conduct of the insured's professional activities. This is insurance that the individual would purchase, as opposed to the organization.

The organization should include an indemnity clause in its by-laws so that the organization would reimburse the director for expenses in defending a suit. An indemnity clause is similar to indemnity insurance in terms of effect, but the reimbursement comes from the organization rather than the director's insurer. The organization needs to be solvent in order for the indemnity clause to be effective; if not, then there is no money to pay the indemnity.

8. Handling conflicts of interest

What is a conflict of interest?

Conflict of interest refers to a situation of competing professional or personal interests that a person may experience. Competing interests can make it difficult to fulfill one's duties impartially. Even where there is no evidence of wrong doing, a conflict of interest can create an appearance of impropriety and can thus undermine one's ability to act properly.

Conflicts of interest include both pecuniary and non-pecuniary interests. A pecuniary interest is an interest that an individual may have in a matter because of the reasonable likelihood or expectation of financial gain or loss for that individual or another person with whom that individual is associated. A non-pecuniary interest may include coach/athlete, player/club or family relationships; friendships; volunteer positions in other associations; or other interests that do not necessarily involve the potential for financial gain or loss.

Conflicts of interest also include both actual and perceived conflicts. An actual conflict exists when a person favours one side over another in her decision making. A perceived conflict of interest has to do with appearances and perceptions, and does not depend on whether a person would be conflicted and thus unable to make a decision fairly. The standard for determining a perceived conflict is whether a reasonable

outsider looking at the situation would believe that a conflict existed. Board members need to avoid even the perception of a potential conflict of interest.

Many people say that they cannot readily define a conflict of interest, but they know one when they see one. A good way to illustrate when this problem might arise is to provide some examples.

- A board member's child is selected for an elite team ahead of better players.
- A board member's daughter is placed at the top of a long waiting list for the childcare services provided by the organization she governs.
- A board member's family business is given a contract without any other quotes being asked for.

Situations such as these can cause damage to official and public confidence in the board and the reputations of individual board members, even those not directly involved in the conflict. Conflicts of interest may not always be illegal, but they are almost always unethical.

There are other situations that can give rise to potential rather than actual conflicts of interest. Examples of potential conflicts of interest include:

- A person serving simultaneously on two boards and is expected to help raise funds for both, finds she is expected to approach the same people or organizations for donations in her two different capacities.
- A board is planning to enter into a consultancy contract and a board member wants her company to bid.
- A board is planning to enter into a consultancy contract and a board member wants her sister's company to bid.

Scenarios such as these will not necessarily have to become actual conflict of interest situations, as long as correct procedures are followed and the decision that is made is truly in the best interests of the board.

Strategies for avoiding a conflict of interest

Board members do not live within the boundaries of their board work, but have a range of other personal and professional interests and relationships. It is no surprise that many board members will encounter a real, potential or perceived conflict of interest at some point.

Having a conflict of interest is not, in and of itself, evidence of wrongdoing. For many individuals it is virtually impossible to avoid having conflicts of interest from time to time. A conflict of interest can become a problem if an individual tries to influence the outcome of a decision for personal benefit.

- At a minimum, you should declare any conflict of interest or potential conflict of interest to the board of directors at the first meeting of the board and subsequently if a matter in which you have a conflict arises.
- Check if your board has a conflict of interest policy. Such policies usually stipulate when and how board members should disclose personal and financial interests, how they should deal with gifts made to them in the course of their board role, under what circumstances relatives or friends of board members can be hired, and penalties for breaching the policy. If your board has such a policy, commit it to memory and follow it. If your board does not have such a policy, speak to your colleagues about introducing one.
- Where the organization does not have a conflict of interest policy, minimum precautions will apply. Acknowledge the conflict at the meeting, do not attempt to influence others, either intentionally or unintentionally, remove oneself from the situation, and do not participate in a vote on the matter.
- Ensure your board has good policies and procedures in place and that all decisions are made fairly and transparently.

This will help remove any perceptions that your board processes are carried out in undue secrecy and that things are being hidden. It is a good idea for the board to have in place a competitive process to assess contracts and other business proposals where appropriate.

- Seek legal advice if you think you may be at risk of encountering a potential, real or perceived conflict of interest.

What to do when you have a conflict of interest

Despite your best intentions, you may find yourself exposed to a conflict of interest situation. There are steps you can take to protect yourself and your board from damage.

- As soon as you encounter a possible conflict of interest, notify the board immediately. Provide information about the interest and how it may conflict with your board role.

- If the matter is raised formally during a meeting, declare your interest and leave the room if possible, asking to be called back when the item has been dealt with. Ensure the minute-taker notes why and when you left and when you rejoined the meeting. If you cannot leave the room, excuse yourself from engaging in any discussion on the matter and never vote on a matter with which you have a conflict.
- Ask not to be sent any board or internal papers that discuss the matter, although this may be unavoidable if the notes are part of formal minutes.
- Avoid any informal discussions that might influence or be perceived to influence, fellow board members on the matter.
- Seek legal advice if you are in doubt about how to handle a real or potential conflict of interest. If you feel it is impossible to resolve the conflict, consider resigning from the board.



9. To whom is my board accountable?

The users

Your board's clients include all those who are using or benefiting from the service provided, or who will be affected by the decisions the board makes. For example, in the case of a board governing a sports complex, the users could include anyone who ever uses the facility.

Many boards oversee organizations with members (for example, a sports league). Members also fall under the users category. Members are often vitally important to the survival of not-for-profit organizations, so their views should be sought and listened to.

Funders and donors

Funders may include corporate, philanthropic and government sources, individuals, groups or business donors. Most government or large-scale funders provide explicit guidelines for accountability and reporting. This can create a challenge for the board to ensure that different sets of standards are met. While some donors may be considered more important than others, all have the right to expect that their money is used and accounted for appropriately.

Sponsors and partners

Sponsors and partners will usually have even more explicit requirements than funders, often including public acknowledgement or even naming rights. Usually sponsors' and partners' requirements will be spelled out in an agreement signed by both parties, which makes expectations easier to discern. Their interests must be carefully considered by a board if it wants to continue or expand the relationship. An equally important challenge for a board is the issue of determining whether a prospective sponsor is appropriate given the nature of the organization. For example, the board governing a children's sports league may struggle with whether or not to allow a liquor company to act as a sponsor.

Staff and volunteers

Some boards are responsible for overseeing an organization with staff. Staff and volunteers constitute an important group of your board's stakeholders and their views and interests will need to be carefully considered by the board.

The community

Public sector boards are ultimately accountable to the government, be it local, provincial/territorial or federal, which in turn is acting as an agent of the citizens. There is therefore an expectation that such boards will act responsibly, remain true to their missions, and in doing so, make an important contribution to society. Many not-for-profit, non-public-sector boards also see the broad interests of society as a whole as having some influence over their decision making.

First among equals

Such a wide range of stakeholders means board members face the considerable challenge of ascertaining exactly whom it is they are governing for, and what weight to give to these sometimes competing interests.

To complicate matters further, there are also some legal requirements to consider. Board members owe a duty to the organization itself, not to individual members or the group's employees. Therefore, it is important that all decisions made by a board member are viewed in terms of how they will benefit the particular organization they are charged with overseeing.

Duties to the organization's creditors, especially secured creditors, sit alongside those owed to the organization's members. This effectively acts as a limitation on the board's duty to act in the interests of the members. The board cannot authorize an action contrary to the interests of secured creditors if the organization is approaching insolvency. Put simply, when the board is in financial difficulty, board members must consider the interests of secured creditors before those of members.

In addition, ordinary creditors can seek legal recourse and obtain a judgment against the organization if they choose. Such a judgment then gives the ordinary creditor some priority over members though not over the secured creditor.

How can I keep on top of my board's accountabilities?

At the start of your board term and several times during your term, make a list of your stakeholders, including the members, users, funders, sponsors and partners, staff, community groups or individuals, and any other people who may have a stake in your board's activities.

You might also consider ranking them from most important to least important. This will help you to be clear in your own mind exactly who you are governing for, and what consideration you should give to those competing interests in making decisions.





10. Navigating the key documents

Some board-related documents may be unfamiliar to first-time board members. This section describes what sort of documents a board member may encounter and how to use them.

The annual report

The board's annual report outlines the activities that have taken place during the previous year and provides an outlook for the future. This key document is an important vehicle for fulfilling a board's duty to be accountable and transparent, and can also offer the chance to showcase the efficiency and effectiveness of the board, as reflected in the past year's achievements and milestones.

While content can vary, some of the more common elements include:

- General information about the board's mission and main roles, why and when it was formed and the rules it is subject to
- A board chair or president's report
- A report from the executive director or head person
- A summary of key activities and their results in the previous year
- A forecast for the future
- Reports and statements detailing the financial status of the board and the organization it is overseeing, including an auditor's report

Board rules, by-laws, constitution, statute

The operations and procedures of all boards are governed by rules or laws of some kind, and it is important for board members to have read and understood these documents.

Many public sector boards are formed via government legislation which will stipulate how the board must be set up, the board's power boundaries, the number of members it must have, how many members are required for a quorum, and length of board member terms. Boards may also or alternatively, be subject to additional rules, by-laws or a constitution.

Meeting rules can set out how often the board has to meet, how the board should deal with a tied vote, how and under what circumstances a special meeting can be held, and minimum attendance requirements for members. Some boards even have rules to restrict members' contributions to a certain number of minutes.

Various boards are also governed by rules or laws dictating what kind of people can serve as members. Rules such as these are designed to ensure the board maintains a good balance of the technical skills and community experience necessary for good governance.

Policies

Along with the rules and laws governing their operations, boards will often have a set of policy documents to guide board members in their conduct and decision making. The number and type of policies will differ from board to board, with smaller organizations tending to have a minimal number of policy documents. All board members should have a copy of their board's policies and be familiar with their contents. Some common ones include:

- **Mission and Vision:** describes the purpose of the organization and what it hopes to achieve.
- **Ethics/Conduct Policy:** sets expectations for and guides the behaviour of board members, including disciplinary measures for non-compliance.
- **Conflict of Interest Policy:** provides guidelines for identifying and dealing with potential or real conflicts of interest.
- **Grievance Policy:** outlines procedures for dealing with complaints.
- **Board-Staff Relationship Policy:** outlines, for organizations that have staff, the various responsibilities of board and staff members.
- **Financial Management Practices:** details standards and practices for management and reporting of finances.



Meeting agenda

A meeting agenda is a list or outline of items to be considered during a meeting. A typical agenda includes:

- A point form list or index showing the main items to be discussed during the meeting
- A copy of the minutes of the last meeting
- A president's report
- A financial report
- An executive director's report
- Committee reports for those boards that have committees
- General business, such as items for discussion or action during that meeting
- An item allowing for introduction of urgent business, which will include issues not on the agenda that cannot wait until the next meeting

Meeting agendas should be distributed to board members well ahead of meetings to allow time for detailed reading and clarification if required. It is important that all members have read and understood the agenda and any supporting documents before the meeting takes place.

Meeting minutes

Minutes are the official record of the actions and decisions of the board. They are taken every meeting and approved the next time the board meets. Generally, meeting minutes will include:

- The date and time of the meeting, including start and finishing times
- Attendees (including absences, apologies and noting when people have left and re-entered the meeting)
- A summary of the main points made during the discussion of each item
- The result of each item discussed, decisions made or deferred, sometimes also including the number of votes for and against

Meeting minutes are valuable as an orientation tool for new board members; they provide a history of the organization and its operations. Minutes are sometimes approved without much thought or even without having been read by board members. This is a dangerous practice as the minutes show who voted for what and what action the board has committed to. They may be referred to as the official record days, weeks and even years after a decision has been made. They should, therefore, not be treated lightly.



Financial papers

Financial accountability requires that all transactions be recorded, all payments authorized, and that the board does not authorize the expenditure of more money than it can afford. The board's financial documents should allow members to have on hand at any given moment what is owned, how much money is on hand, and what needs to be paid. Boards that receive government funding will often be required, as part of a funding agreement, to provide reports to the government with details as to how the funds are being used. Board members should become familiar with all financial documents, as financial accountability is one of the board's most important areas of supervision.

Financial procedures manual

Most boards will have a financial procedures manual which outlines financial processes and systems, the responsibilities for administrative tasks, authorization limits and procedures, and descriptions for how functions such as paying bills, depositing cash and transferring money between funds are handled.

Auditor's report

Most boards will have their accounts audited every year. An auditor produces a financial statement showing income and expenditure and a balance sheet showing the assets and liabilities. The auditor's report is usually included in the organization's annual report.

Budget papers

Budgets usually coincide with financial years and cover the two main areas of expenditure and income, showing how much money is

expected to be coming in and how much will be going out. As budgets are generally no more than an educated guess, they are often reviewed during the year to take into account any changes that have occurred.

Financial plan or strategic plan

While a budget serves a short-term function, a longer-range financial plan is designed to allow boards to plan for the future, anticipating spending and income for the next four years. Typically these long-range plans are created as part of a strategic plan. The strategic plan identifies the organization's vision, mission and objectives, and specifies items to be accomplished during the upcoming years.

Insurance documents

There is a range of insurance policies regularly taken out by boards. Among the more common are policies that provide:

- General liability insurance to protect against claims against the organization
- Directors' liability insurance to protect individuals against claims.

The higher the risk, the more insurance the board and its members will require. The board should have on hand details of what insurance it holds for its members, how much coverage is provided, and the length of coverage. You should read the policies and familiarize yourself with the language they use. If in doubt, ask an expert to explain these documents to you.

11. Overview of board meetings

Purpose of meetings

The primary reason for holding meetings is to allow the board to make decisions. All major decisions are made at board meetings, so it is impossible to be an effective member if you are not a regular attendee. However, meetings also serve other important functions, providing a forum where:

- Board members are regularly brought together to focus on their roles and responsibilities, identify problems and plan for the future
- Ideas are shared and discussed and then discarded, improved or implemented
- Tasks are delegated and reported on
- Regular updates about relevant issues are provided
- Members are encouraged and motivated, and can get to know each other

Board members will be involved in a variety of meetings during their term. This section primarily discusses regular meetings, but other types of meetings include:

- Annual general meetings used to recap the year's progress, chart a direction for the future and elect new members or office holders
- Extraordinary meetings held between ordinary meetings when urgent decisions need to be made
- Committee meetings held regularly or as the need arises to consider particular issues, depending on the focus of the committee
- Retreats held away from the boardroom, often for a full day or weekend, and designed to allow board members to take part in deeper discussions about directions and future plans.



Meeting structure

The best meetings are those that flow logically, keep members engaged and energized, elicit a range of useful ideas and information, and leave members feeling they have made a valued contribution.

Meetings can vary distinctly from board to board. Some are quite formal, following strictly defined rules and ensuring all members are addressed by their correct titles, for example, President Smith, Madam Chair. Others are far less formal.

Meetings can be held in a boardroom or in a more social setting such as a member's house or a restaurant. Meetings can also be held by teleconference or videoconference. In fact, some boards conduct most, if not all of their meetings by teleconference. Teleconferencing makes it feasible for a board to be composed of people from across the country; it also allows a board member to participate in a meeting who might otherwise not be able to attend.

Decisions may be made in a variety of ways, by formal voting or a more informal show of hands or verbal agreement. Some boards follow procedures based on Robert's Rules of Order, a guide to running meetings that specifies common rules and procedures for deliberation, debate and decision making.

Some meetings are held behind closed doors and are subject to strict rules of confidentiality; others are fully open to the public. Even open meetings may sometimes move into confidential mode, asking observers to leave while certain sensitive issues are discussed.

Motions and resolutions

A motion is a proposal for action. Moving a motion simply means putting the proposal forward to be voted on. Sometimes motions are amended or reworded before being put to the vote. If the motion is approved by the board, it is referred to as a resolution which can be legally binding on the organization.

A typical meeting

Although meetings will vary greatly from board to board, the following is a rough guide to how a typical board meeting might proceed.

1. Board members arrive and the chair declares the meeting open.
2. Attendances, absences and apologies are noted (throughout the meeting the minute taker will note when people leave or re-join the meeting).

3. The minutes of the last meeting are amended or accepted (it is usually assumed that all members will have read the minutes beforehand). Meeting minutes are described in section 10: Navigating the key documents.
4. Members are asked if there are any matters arising from the minutes. This offers members the opportunity to speak briefly about developments since the last meeting. For example, if a decision was made at the last meeting to investigate buying a piece of equipment and one board member was tasked with identifying options, the member could at this point report on how investigations are proceeding. This section of the meeting is usually brief and should be used for reporting purposes only, not as an opportunity to rehash old discussions.
5. Some boards will receive reports at this point in the meeting. The chair could, for example, report on functions attended and actions taken since the previous meeting. The executive director may also make a report. Often, the reports are presented for information only with no action required other than an acknowledgment that they have been read and accepted.
6. Committee reports come next, if applicable. As with the chair and executive director's reports, committee reports are generally accepted without the need for lengthy discussions. Issues that require decision making by the full board will usually appear under a separate item.
7. Some boards will have a consent agenda, which will include routine motions, such as to accept committee reports or approve normal expenditures. These items are carried automatically unless someone asks the chair to move any of them to the regular agenda.
8. Consideration of the agenda items begins. Meeting agendas are described in section 10: Navigating the key documents. Usually, each item will be considered separately in the order in which they appear in the agenda. Board members discuss or debate issues surrounding the item before a motion is put forward and a vote taken. Once the board has made a resolution, the meeting moves on to the next item. Sometimes an item will be deferred until later in the meeting (for example, to allow for a particular member to arrive) or until a later meeting (for example, to allow for more information to be prepared). Other items may be delegated to a committee for more detailed investigation and consideration.
9. Any urgent or general business that was not included on the circulated agenda is discussed next. Because details about these items have not been circulated earlier, decisions may need to be deferred to the next meeting to allow time for more in-depth consideration.
10. Confidential business, which is usually subject to a separate private agenda is often dealt with last. If it is an open meeting, observers are asked to leave to allow the board to consider these items privately.
11. The meeting is formally closed.

Top 10 tips on meeting etiquette:

1. Arrive on time and leave only when the meeting is finished.
2. Carefully read all items before the meeting.
3. Accept board decisions graciously, even if your view has been overruled. Avoid personal attacks or rehashing things that have already been decided.
4. Stick to the agenda. Avoid launching into discussions about irrelevant information.
5. Ask questions and insist on answers when you need clarification. Do not agree to decisions or actions you do not understand.
6. Take appropriate action to ensure you and your board are protected from any potential or real conflicts of interest you feel may arise.
7. Ensure you give the views of each board member respect and consideration; avoid speaking without listening or interrupting people when they are talking.
8. Your contribution is important: make an active contribution to debates and discussions whenever possible.
9. Answer any questions meeting participants ask, even if they appear naive.
10. Do not discuss confidential information outside the boardroom.

The role of the chair

Board meetings cannot take place without a board chair. The role of the chair is to ensure that the meeting is conducted efficiently and that meeting rules are followed. The chair should facilitate discussions, keep members on track and the meeting on time. When a topic has been fully discussed, the chair will often summarize the points and put the motion to the board for a decision or vote.

Between meetings

A board member's role is not limited to attending meetings. Before meetings, members should carefully read the agenda and ensure they clarify any points that are unclear. After meetings, members should review the minutes as soon as they are circulated and make note of any amendments they think are needed. Members should also carry out any tasks they have been assigned and keep track of their progress for reporting purposes at the next meeting.



12. Board committees

Many boards set up committees or sub-committees to help streamline their decision-making process.

Committees concentrate on and develop expertise in specific areas. Usually their role will involve examining and debating an issue and then making a recommendation to the full board. They may also be set up to take on a major project or task, such as hosting a tournament or event. In some organizations, committees consist only of board members. Others involve outside people with particular knowledge or expertise.

Because board committees often have members who are not members of the board itself, joining a committee is a good way to become involved with an organization without committing to becoming a board member. This is useful both for somebody assessing whether or not board service is right for them, as well as for the board itself to recruit, observe and assess potential new members.

Not all boards have committees and not all boards have the same committees. The following is a description of some typical committees.

The executive committee

Where there is a need for rapid or flexible decision making or where the board's meetings are infrequent, there can be a need for an executive committee to fill the gaps. Executive committees are usually made up of the office holders (chair, vice-chair and treasurer), the executive director, and perhaps one or two members elected by the board (members-at-large).

Under most boards' rules, it is necessary to formally delegate powers to the executive committee between meetings. Decisions are then reported to and endorsed by the full board at the next regular meeting.

Board development/nomination committee

This committee ensures efficient board processes. Tasks may include:

- Identifying priorities for and considering issues of access and equity in board composition
- Developing a prospect list to identify potential board members
- Meeting with prospective board members and recommending prospective candidates
- Conducting orientation sessions for new board members
- Organizing training sessions for the board and committees
- Suggesting new, non-board individuals for committee membership
- Establishing appropriate board evaluation processes

Budget and finance committee

This committee oversees the preparation and review of the budget and keeps track of all financial transactions for accountability purposes. Tasks can include:

- Establishing appropriate processes for budget preparations
- Identifying financial priorities
- Recommending financial guidelines and processes to the board
- Reporting any financial irregularities or concerns to the board
- Producing financial reports that are accurate and timely
- Identifying any opportunities for income generation
- Overseeing the management of short and long-term investments
- Recommending selection of an auditor to the board, working with the auditor and responding to the auditor's recommendations

Human resources committee

Boards that oversee organizations with paid staff are usually responsible for selecting the executive director, setting a salary and monitoring performance. A committee may be established to manage this process.

Boards usually do not have responsibility for staffing matters other than those relating directly to the executive director. However, some boards may also use a committee to guide the development and review and authorize personnel policies and procedures. This can include establishing a salary structure and annually reviewing staff salaries and benefits packages.

Development committee

This committee is the link between the board and the staff on programs or activities, and can focus on a number of areas, including athletic development, coaching development, and official development. The most common responsibilities of a development committee are:

- Facilitating discussions about program priorities for the organization
- Overseeing new program development and monitoring and assessing existing programs
- Initiating and guiding program evaluations



Marketing and public relations committee

This committee works on strategies to promote to the broader community the role of the organization the board is overseeing. This will usually include working with staff to develop a marketing and communication plan that:

- Identifies potential new markets for the organization's services or products
- Promotes the organization's services to the community
- Plans and organizes major events
- Builds a good relationship with the media

Ethics committee

This committee establishes and applies guidelines for ensuring ethical behaviour and works to resolve ethical conflicts. On many boards, the executive committee performs these functions.

Fundraising/development committee

This committee is responsible for overseeing any fundraising efforts.

Tasks may include:

- Establishing a fundraising plan
- Taking the lead in certain types of fundraising efforts, such as organizing and hosting a silent auction
- Involving all board members in fundraising, such as having them make telephone calls and send emails to ask for support, and monitoring fundraising activities to ensure they are cost-efficient
- Establishing and monitoring ethical guidelines for fundraising activities
- Maintaining links with funders, donors, granting agencies and sponsors, and ensuring they are acknowledged appropriately
- Identifying potential sources for funds and other resources



Ad hoc committees

Ad hoc committees oversee special tasks that come along from time to time. Examples can include:

Major Events Committee

Plans and coordinates major events, such as championships, tournaments and conferences

Policy Development Committee

Establishes policies to address emerging or ongoing issues

Research Committee

Conducts specific research and makes recommendations to the board on particular issues, such as possible joint projects, changes in legislation, or funding cuts

Executive Director Transition or Search Committee

Works on finding a new executive director, including developing guidelines and a search process and developing a shortlist of candidates

Capital Campaign Committee

Plans, coordinates and executes campaigns to raise significant amounts of funds beyond the usual year's activities, often for building or expansion projects

Committee benefits and drawbacks

There are benefits and drawbacks to forming and serving on committees. On the upside, committees can make better use of board members' time by allowing particular tasks to be delegated away from the full board and freeing it to concentrate on the big picture. Committees can reduce the length of full board meetings because issues have often been discussed and resolved to everyone's satisfaction beforehand. Working on a committee can allow a board member to make better use of her expertise by letting her concentrate on an area where she has a particular interest or skill. Committees can also help to broaden knowledge, particularly if members are rotated around the different committees during their term.

On the other hand, having too many or inefficient committees can spread board members' time too thin, leading to waning enthusiasm and a loss of effectiveness. Additional meetings also require increased administrative support.

Encouraging More Women to Join Boards

13. Doing your bit: How you can help
bring more women to boards

13. Doing your bit: How you can help bring more women to boards

Once you have settled into your board role, it is time to start thinking about how to use your knowledge, experience and influence to help other women to find path to take up leadership positions. There are several ways you can do this.

Spread the word – use your networks

Put your networks into action to promote the benefits of board service to other women. Talk to any women you think may be interested in what you're doing and why you're doing it. Tell them about the benefits of board service. Point out the talents they have and how they can use them to strengthen their community by joining a board.



Offer your time as a mentor

New board members sometimes need to be offered support, advice and encouragement. There is no better person to fulfill this role than someone who has been through the process, knows the ups and downs, and has some idea how to overcome any obstacles that might arise.

If you are an experienced board member, you can help support the development of others by taking an active interest in women who join your board or other boards and offering them your assistance.

You could also think about setting up a formal mentoring program for your board, if it doesn't have one already, so all new board members can make an easier transition to their new role.

Recommend others for board roles

From time to time you may become aware of vacancies on your board or other boards. Here is where you can use your influence to help encourage more board positions to be offered to women.

- Think about all of the women you know who would be suitable board candidates. Make a list so you have names on hand as soon as you hear about a board vacancy.
- Every time you meet a woman who you think would be a great board member, tell her about what you do and ask her if she would be interested in joining a board. Add her name and contact details to your list.
- Find out when terms are up for renewal. When a board vacancy arises, do not wait to be asked. Put forward a few names for consideration. Follow up your nominations to make sure your suggestions have been considered.
- Offer to help the people you have nominated.



Moving On: Leaving the Board

14. Leaving the board

14. Leaving the board

People end board service for any number of reasons, but most of them fall into one of two categories – either you no longer need the board or the board no longer needs you.

When you no longer need the board

You may feel that you have outgrown your board role when:

Your goals have been achieved

Some people join a board with a specific purpose in mind, for example, to oversee a specific project. Once that goal has been achieved, you may decide that it is time to move on.

You have stopped growing

Many people join a board to improve their skills or encounter new challenges. After a while it may seem that your development as a board member is stagnating.

You feel a need for new or different challenges

Even if you are still finding your board role challenging, the time may come when you will want to make a change in direction.

Your personal circumstances have changed

Changes in your work or personal life may leave you with insufficient time to devote to your board role.

You feel a problem has become unsolvable

Board conflict is not uncommon, but can usually be overcome. Occasionally, however, a board member may have a personality clash with another member that is making her role unpleasant, or there is a major problem she feels unable to solve.

You feel you have contributed enough

Many board members who are invited onto boards accept the invitation out of a feeling of altruism or a desire to give back to their community. Eventually, a board member may feel she has fulfilled this responsibility and would like to concentrate on other things.

You want to pass the baton

Many long-serving board members eventually feel an obligation to stand aside from their board role and give someone else a chance to contribute.

When the board no longer needs you

You may feel that your board no longer requires your services when:

Your term has finished

This is the most common reason for a person to leave a board. Some boards impose maximum terms to ensure a regular and orderly turnover of members, avoiding burnout and gaining new members with new ideas.

The needs or role of the board has changed

Sometimes board members are recruited to use their skills and experience to address a particular project or need. A person brought onto a board with a specific project in mind may feel she has outgrown her usefulness to the board once the project is complete. Similarly, boards can go through different stages of development, changing and adapting with changing internal or external circumstances. It is possible that a changing board will outgrow the need for a member's services.

Think and rethink

While it can be useful for boards to be exposed to new members and new ideas, it is important to keep in mind that good board members are never easy to replace. Think carefully before resigning a board role. Consider:

If your goals have been achieved or you feel you have stopped growing or need new challenges

Are there new roles that you could take on within your board? Could you work on developing new skills that could be of use to your board?

If your personal circumstances have changed

Is there any way you could continue to serve on the board? For example, if you have moved and find board meetings hard to get to, could you participate via teleconference?

If you are dissatisfied with your board or are experiencing friction with a board colleague

Is this a problem that affects the whole board and that needs to be solved in the long-term? Should you stay on to help fix the problems rather than leaving it to fester? Is there someone you could discuss the problem with (the board chair, for example), who may be able to provide solutions?

If you feel you have contributed enough and want to pass the baton to others

Could you contribute to the board in some other way, such as acting as a mentor to new members?

Exiting with grace

It is personally and professionally rewarding to end your board service neatly and amicably. Once you have made the decision to leave, think about the ways you can benefit your board, or make things easier for your successor. Some ways you can do this include:

Formally resign in accordance with your board's rules

Don't rely on a verbal indication of your intention to finish your board service; if you have never officially resigned from your board, you could leave yourself open to legal problems much further down the road.

Give as much notice as possible

It is not always easy to find a person with the right mix of skills, experience, time and inclination to take on a board role. Giving as much notice as possible (as much as 12 months) will give your board colleagues the chance to find the right candidate.

Replace yourself

If you know a woman who would make an excellent replacement for you on the board, put her name forward.

Be honest about your resignation

A swift, unexplained exit may be more comfortable for you, but it can be very destabilizing for your board. Explain clearly the reasons for your decision to leave and be sure to give constructive feedback.

Agree with the board chair what you will say about your resignation

Even if you are leaving your board in acrimonious circumstances, do not forget your obligation to act in its interests.

Ensure that you leave a history of the work you have done

Document any lingering ideas or organizational knowledge as this will be invaluable to new and future board members. Also, make it known that you would be happy to answer any questions about work that was carried out during your term.

Fulfill all outstanding commitments and refuse to accept any new work

When your time on the board ends, make sure it really ends. Do not load yourself up with work you have no hope of completing in the time you have left the board.

Return all property or material belonging to the organization

Remain loyal

A board position is for life. By all means if you have legitimate concerns about a board you are leaving, report them to the right people. But remember that being a disgruntled former member can cause problems for a board and will probably not paint you in a favourable light either.

Tying up any legal loose ends

Your legal liability does not vanish with your last board meeting. In fact, you may be liable for something your board did or didn't do during your term for several years after the end of your service.

Many legal actions are subject to a limitation period. This is the period during which a course of action may be commenced in court. The length of limitation periods varies depending on the cause of action and the province/territory in which the action is to be commenced. For example, actions in negligence typically have a limitation of six years, although this may be extended particularly if one is dealing with a minor. There is a limitation of two years for an action in contract. Actions involving a government authority have particular requirements and may require that notice be given of a possible action in very short order.

Boards need to have in place good risk management practices such as keeping and safely storing waivers of liability and other important records to help protect themselves from potential liability issues.

Before you leave the board, make sure that any insurance held for you extends for an adequate length of time after the completion of your service. It is a good idea to get legal advice about your continuing liability and what sort of insurance you need.

How you can stay involved

While it is important to avoid interfering in the work of your board once you have left, there are ways you can continue to make a contribution. Some examples include:

- Offer your services as a mentor or advisor to new board members to help ease their transition into the role
- Take a keen, but unobtrusive interest in the board and attend open meetings and other public events that may arise
- Sign up for any newsletters relating to the board's work and keep abreast of relevant issues
- Use your networks to help highlight the board's work
- Become a donor, or offer your services as a volunteer
- Offer to serve on any appropriate advisory committees that may exist and could use your help



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