

Creating a Board Member's Manual

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A board member's manual can be an important resource in enabling boards of directors to be more effective. A manual, such as that suggested here, can serve a number of purposes including being an orientation resource for new members, a tool for enabling directors to keep governing documents organized, as well as evidence of the organization's governance work. Although a board manual can be a "policy manual" which keeps all the policies in one place, as suggested here, it serves a broader function.

The format of manual should reflect the kind of "disciplined" thinking the board wants to practice in terms of the distinct elements of information about the organization and where responsibility for particular issues and policy decisions belong. The organization of the manual as a **package of paper documents** can also be the menu for the contents of a **USB flash drive or memory stick** of board resources given to directors or for an **online portal** where organizations have a login space for board members.

A board member's manual (or its electronic equivalent) should be the property of the organization, loaned to and kept up-to-date by each board member. When someone leaves the board it should be turned over to new board members.

Creating a board member's manual does not have to be a monumental task. Getting started on it is often the biggest hurdle. Handing out binders and a set of customizable tabbed dividers and is an easy first task. The board secretary can play a key role here in starting construction of the manual. He/she is normally the person with the responsibility for producing minutes, distributing reports and ensuring that the organization's legal documents are up-to-date.

As a dynamic resource, something always being updated, it is best that a board member's manual is contained in a three-ring loose-leaf binder. A binder with a 1x1/2 spine and tabbed dividers will provide lots of room for key documents. Any office supplies store can supply sets of tabbed dividers you can customize yourself as well as binders with plastic slip covers into which you can insert a cover page and spine incorporating the name and logo of your organization.

The following is a suggested structure for how an eight-section board member's manual might be organized. Yours need not follow these categories but might be informed by some of the ideas below.

Section 1: Organizational Information

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

- an organizational profile
- a list of board members with contact information
- an annual board planning calendar
- board member's job description and board members agreement form

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

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

Section 2: Governing Policies

Knowing where to look and understanding the governing policies of the organization is critical for all board members. They reveal a key aspect of the work of the Board. Therefore a section for board-level policies – a “policy manual” in effect, is essential. This section should include:

- Vision, mission and values statements
- Incorporation by-laws (sometimes called a “constitution”)
- Board process policies
- Operational policies (board level)

The organization's statement of **mission and values**, its long term objectives and goals are key governance resources. For some organizations these might be contained in its strategic plan.

Board process policies are ones that relate to how the board conducts itself and may include role or job descriptions for board members, the chair of the board and other officers. A code of conduct and conflict of interest policy that apply to board members can also be included here, as can committee job descriptions if there are any.

The other key policy category is that of **operational policies**, those instructions approved by the board, developed in consultation with the executive director, that constitute instructions on how she/he is to manage the organization and achieve its goals. These will certainly include policies on personnel and financial management practices. Boards should not hesitate to put draft policies in this section, policies the board is working on but has not finally approved.

Section 3: Minutes of Board Meetings

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

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

Section 4: Financial Reports, Fundraising Plan and Contracts

You will probably also want a separate section for **financial reports** including the regular statements prepared by the Executive Director or Treasurer and the current board-approved **budget**. A copy of your organization's latest audited year-end statements could also be put here. Like board meeting minutes, financial statements are quickly out-of-date especially if you are getting year-to-date and comparison-to-budget (variance) figures every month.

If you have a fundraising plan, an outline of it could be here too along with sample campaign letters and a description of key fundraising events.

If the board is responsible for negotiating, signing, monitoring and reporting in relation to **contracts for services** your organization is providing, such as those that frequently exist between the organization and government, a copy of these contracts.

Section 5: Executive Director and Committee Reports

It is common for governing boards to receive regular **executive director's reports** and these, along with **Committee Reports** may deserve their own section in the manual. Like meeting minutes these too become out-of-date and less important to governing work after a year or so.

Some boards may employ the executive directors reports as part of the documentary evidence used in evaluating their chief executive, especially where those reports contain information on meeting strategic goals. The recruitment and nominations committee reports may be valuable in the longer term where they contain names of board prospects, although a prospects list may need to be maintained more discretely.

Section 6: Operational or Administrative Policies and Procedures

Good governance practices suggest that boards should stay away from providing direction on every operational or management matter. Many boards have learned that their Executive Director needs the authority to, and should be held accountable for, creating detailed policies and procedures that flow from broader directions provided by board-level policies.

Whether or not your board plays a role in crafting and/or approving policies and procedures which describe internal processes and procedures, a separate section for these *may be useful as information* to board members. This might include specific personnel practices (hiring process, staff evaluation form, collective agreements, training plan, emergency response protocol), or financial management procedures (cheque signing, petty cash, payroll procedures, purchasing criteria).

If your board is following John Carver's *Policy Governance Model*, where the detailed policies are clearly the responsibility of the Executive Director, then such a section is useful in reinforcing the difference between governing policies (Section Two) and everything else.

Section 7: Board Education

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

This might also be the appropriate section too to place a board-self evaluation questionnaire and board application forms (used in recruiting). These could also go in Section 1 or 2.

Section 8: Notices, Brochures, and Misc

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

Other Board Member's manual suggestions:

- Start your board manual anytime; you do not have to have all the pieces in place.
- Choose a binder that allows one to create an attractive cover and spine so that the manual is attractive and easy to identify
- Make the creation and stewardship of the manual (encouraging its use) a designated director responsibility; it does not have to be the board secretary's job.
- Be sure that the board, staff and committees date all documents, especially policies.
- Three holes punch everything before it gets distributed to board members.
- Encourage board members to arrive at meetings with their manual in hand. If this practice wanes too much the manuals will become out of date quickly.
- Include some blank, lined pages for board member's own notes and reminders
- Include a question on member's use of their manual in your board self-evaluation. (e.g. "Have you kept your manual up-to-date?")