

Board Member Responsibilities and Expectations



The successful operation of any organization hinges on clear accountabilities and responsibilities. Therefore, it is very important to know what to expect when serving on a non-profit board of directors.

An incorporated non-profit organization is a group of individuals who have united for a common purpose under provincial legislation that provides a legal framework and governance requirements (such as the Societies Act). All registered non-profit organizations are required by law to be governed by a volunteer board of directors who adhere to specific laws and regulations. An incorporated non-profit organization is its own legal entity and is held in the board members' trust. Governance stipulates how the board can steer and exercise its authority over the organization. This is mostly done through the adoption of bylaws to define things such as membership, AGM, financial audit, and more.

Incorporated non-profit organizations range in size and structure. There are typically two kinds of board structures used to manage registered non-profit organizations. Usually, a smaller non-profit in its earlier life cycle manages through a working board where board members are heavily involved in the day to day operations, in addition to governance. Board members undertake both the brain and the brawn aspects of the organization.

On the other hand, there are policy boards where the board member's role focuses more on oversight, because there is a paid Executive Director to deal with the day to day stuff. Board members primarily commit to managing the Executive Director, strategic planning, risk management, creating policy, and other organizational planning.

Different variations of working board and policy board structure are appropriate at different times in an organization's life cycle. Ultimately, there is no perfect structure to fit the vast variations of non-profits

out there. It seems as the organization grows there is more need for administration. Based on need, the work of the board will change.

Regardless of the structure used, all board members are legally held responsible for decisions made at the board table. Under law, board members owe a duty of care. This means they must exercise skill and diligence as a reasonably prudent person would in comparable circumstances. Also, a board member's fiduciary duty commits them to act honestly and in good faith in the best interests of the organization.

For all non-profit organizations, board members have the following responsibilities: stewardship of resources; strategic direction; risk management; effective internal controls; management of an Executive Director (if applicable); meeting attendance; diligence with paperwork; and sometimes fundraising.

This sounds like a lot of responsibility and it is. Yet, board members act as a unit and the bulk of the work is shared. With defined roles and good governance board members can work together to achieve some really great things toward that common purpose for which they originally united