Board Development

Developing Policy

Policy Governance

Policy governance is the primary function of a governing board. The board carries out this function to:

- Establish and clarify the organization's mission, rules, regulations and procedures; and

- Direct actions of the board, its committees and staff.

The board and its committees work with the staff to develop policy. The governing board is the only body authorized to approve policies on behalf of the organization. Staff develop procedures required to implement policy.

Objects and Bylaws

The objects and bylaws are the incorporating documents for a society. They establish the organization's legal mandate.

- The objects outline why the organization was formed and describe its fundamental goals and objectives

- The bylaws outline the governing rules and regulations of the organization (how the organization is to be governed, how powers are to be exercised) and provide ground rules the board uses to develop its structure, clarify roles, responsibilities and functions, and establish meeting and voting procedures

See: Board Development: *Drafting & Revising Bylaws for Not-for-profit Organizations in Alberta: A Guidebook*. Edmonton: Muttart Foundation and Alberta Culture and Community Spirit, 2008.

What is Policy?

A policy is an expression of the will of the board.
It is a:

- Governing principle
- Framework for carrying out work
- Way for the board to delegate authority while maintaining control
- Definition of what is to be done

A policy provides framework, parameters, terms, conditions, and procedures to guide the actions of committees, staff, and volunteers.

Types of Policies

Framework Policies

Framework policies clarify the organization's philosophy, mission and vision, and outline the beneficiaries the organization will serve.

Famework policies include:

Belief statement:
Clarifies the organization's values, philosophy, beliefs and principles and provides the context for other framework statements (1 sentence to 3 pages in length)
> *e.g., The XYZ Co-operative Playschool believes that early education is important, that pre-school children learn through play, and that those who get together regularly for structured play will integrate well into their families, their communities and, when the time comes, their schools.*

Note: These statements may form the preamble to a policy manual or be included with each policy.

Vision statement:
Provides a picture of what would happen if organizational values and beliefs became reality, describes the way things could be (1or more sentences long, often written as slogans)
> e.g., …*working with families to provide positive educational experiences for pre-school children*

Mission statement:
Declares what business the organization is in and how the organization will work toward its vision, and explains what is unique about the organization, and what it adds to society (1-10 sentences long)
> e.g., *The XYZ is a parent-governed playschool that provides regular, affordable, structured play sessions for children under the direction of a professional teacher with the assistance of volunteer parents or care providers.*

Target statement:
Defines the clients, consumers, customers or audience the organization serves by answering the questions: Whom does this organization target for services? Who benefits from the services and who are the priorities for service? (1 - 4 sentences long).

e.g., The XYZ programs are provided for the benefit of 2 to 5-year-old children from the community, their parents and caregivers; while registration fees are kept to an affordable level, they may be waived upon request for families that have demostrated the need for assistance.

Aim statements:
Build on the mission statement to clarify the end results of the organization in major areas (1- 4 sentences long)

e.g., The XYZ aims to provide play sessions with a variety of   activities: unstructured play; arts and crafts; role playing; activities to develop large and small motor skills; music;   storytelling, etc. in order to appeal   to the interests and needs of different children...

Board Self-governance Policies

Board self-governance policies state how the board will govern itself and the organization. These policies set out the principles, rules, governing style, roles, responsibilities, and functions of the membership, board, board members, and board committees. Self-governance policies include:

Policy-making:
Clear, comprehensive statement that sets out the procedures, terms and conditions under which policy is made

e.g., The Policy Committee will draft policies for the consideration of the board...

Governing style:
Defines the management style the board will use; covers the type of board (policy governing or administrative governing), committee system, and board structure

e.g., The policy governing board delegates its administrative responsibilities to the executive director who implements policies established by the board and manages the day to day activities of the organization...

Robert's Rules of Order Newly Revised shall be the final authority as to parliamentary procedure where they do not conflict with any provisions of the Society's bylaws.

Role, responsibilities and functions:
Answers the questions: What are the roles, responsibilities and functions of the board, board members, the officers, board committees, and the membership? What do they do? How do they do it?

e.g., *The board shall issue a Terms of Reference Statement for each committee, including: Name and type of committee, general purpose or mandate, key duties and responsibilities, composition and appointment, meetings, resources, specific annual objectives, reports and target dates, review and evaluation, approval and review date...*

Board member's code of conduct:
Addresses such issues as conflict of interest, individual authority and loyalty to the organization
e.g., *If an issue arises in which a board member finds himself or herself in a potential conflict of interest position with the organization, he or she must declare the conflict to the executive committee of the board...*

Board recruitment, orientation, training and evaluation:
Outlines preferred board composition, nomination, etc.
e.g., *The 8-member board will strive to maintain a balance according to gender and age, as well as representation by location, language and discipline...*

Operational Policies

Operational policies outline the board's directions for the personnel, financial and program functions. They direct the actions of the executive director (or executive committee), staff and service volunteers. The number and complexity of operational policies depends on the size and complexity of the organization and its stage of development.

Operational policies should be prepared for each functional area of the organization: personnel; programs and services; and financial.

A simple operational policy includes:

Statement of Intent (Why)
- Philosophical basis (the why explains beliefs and values)
- Desired outcome of the policy
- Expectations for board and staff

Regulations (What)
- Restrict or limit actions (the what)
- Provide direction for procedures

Benefits of well written policies

Policies need not be time-consuming, difficult to write or restrictive, but they can save a lot of time, energy and, in some cases, legal difficulties if well written.

Collectively, framework, self-governance, operational and advocacy policies:

- Foster stability and continuity within the organization

- Enhance board and staff efficiency;

- Clarify governing style, roles, responsibilities and expectations; and

- Clarify the organization's role within the community and why it warrants support.

Procedures (How)
- Set out methods and actions
- Generally, procedures are developed by staff or an executive committee and do not require the approval of the board.

A more complex and lengthy operational policy might require a title page, table of contents, definitions, and refer to related legislation.

Advocacy Policies

Advocacy policies set out the organization's response to matters affecting its relationship to the community and society. Advocacy policies establish how the organization will promote its mission to the public and how it will respond to controversial issues or sensitive matters.

Advocacy policies create public awareness of a problem the organization perceives to exist or support for the solution it is trying to bring about. Advocacy policies may come from the membership through resolutions at the Annual General Meeting. The board may then develop advocacy policies that specify the position the organization takes on a particular issue and guides the work of the personnel involved in advocacy.

For example:
The ABC Association will provide a liaison between the membership and all levels of government on related issues.

The ABC Association will encourage and support position papers, conduct research, participate in consultation processes, monitor government policy and legislation, etc. on behalf of the membership.


About the Author:

Catherine C. Cole is a heritage consultant based in Edmonton. A Board Development Program instructor in the late 1980s, she has written policies for Historic Sites Service/Alberta Community Development, the Heritage Branch of British Columbia, Parks Canada and several community museums. Catherine was a member of the Advisory Committee for the Resource Centre for Voluntary Organizations at Grant MacEwan Community College.

Types of Policy

- Framework
- Board Self-governance
- Operational
- Advocacy

Formulate

Evaluate
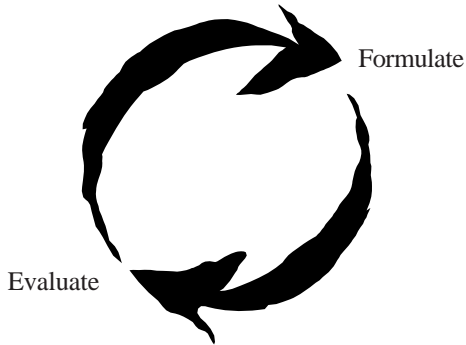
The policy development process is cyclical ... it should be part of your annual planning cycle.

BOARD
DEVELOPMENT
P R O G R A M

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Policy Development Process

Once the need for a policy has been identified—by the board, staff or by someone from outside the organization—here are the steps to follow:

1. *Planning and Preparation:*
   - Review the organization's policy on policy-making, committee terms of reference, job descriptions, and policy format

2. *Leadership*:
   - Ensure board and committee chairpersons and senior staff understand and are committed to the process

3. *Participation:*
   - Committee members and staff work together to formulate policy
   - Policies may be written by a number of different people: a board member, a staff member, a volunteer, a committee, or a consultant
   - Review existing policies (written and unwritten), past minutes, policies of similar organizations, discuss with board members and senior staff
   - Prepare the first draft

4. *Follow-through:*
   - Submit the first draft to the appropriate committee, or to the board as a whole, for review
   - Identify and resolve any outstanding issues
   - Revise the first draft as required and re-submit for further review
   - Note: policies require board approval; procedures do not

5. *Evaluation:*
   - Approval of the policy should be recorded in the board minutes, publicised as appropriate, and the policy integrated into the policy manual
   - Every board member should have a copy
   - Responsibility for implementation, review and evaluation should be clearly stated
   - Each policy should include a date for automatic review

Note: Policies may be taken more seriously when printed on letterhead, or feature the organization's logo.