



The Board Member's Roles and Responsibilities



Ernie Ginsler, Chair, District Peace Initiatives



Why Me?

- 17 years nonprofit CEO
- 22 years consultant in nonprofit governance, management, and planning
- Past club President
- Past AG



Your board determines whether your club will be effective or ineffective; your members happy or disheartened

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To Whom is the Board Primarily Responsible?

- 1 Rotary International**
- 2 District**
- 3 Club Membership**
- 4 The Board Itself**
- 5 Other _____**

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Fiduciary Duty

- **Act at all times in the best interests of the organization**



Administrative Stuff

- **Is your club incorporated?**
- **Do you know where your letters patent are kept?**
- **Have you read your Letters Patent?**
- **Does every member of your club have a copy of the Club Constitution and By-Law?**
- **Have they read them?**



More Administrative Stuff

- **Does your Club have a current strategic plan?**
 - **Does the board use it in planning?**



Legal Expectations

- **Fiduciary Duty**
- **Duty of Knowledge**
- **Duty of Diligence**
- **Duty to Act in Scope of Authority**



Duty of Knowledge

- **Get to know and understand the:**
 - **Articles of incorporation**
 - **Internal procedures in the by-laws**
 - **Vision, values, mission**
 - **Purpose**
 - **Goals**

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Duty of Diligence

- **Review the meeting agenda & materials**
- **Attend meetings**
- **Take notes, review, and comment when necessary on the previous minutes**
- **Express one's views during the meeting**
- **Vote on motions**
- **Take actions to preserve the integrity and reputation of the organization**

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Duty to Act in Scope of Authority

- **Be aware of the inherent limitations on the activities of the organization, as expressed in Provincial/Local legislation/ policy and your incorporation, by-law, and other legal documents.**

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The Board's Role

- **Determine mission & values**
- **Ensure effective organizational planning**
- **Determine & monitor programs/services**



**"All in favor of taking action,
please submit a report."**

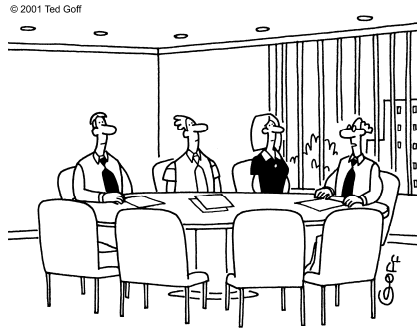
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The Board's Role

- Ensure adequate resources
- Ensure resources are managed effectively
- Enhance public image
- Assess board's performance



"All in favor of taking action,
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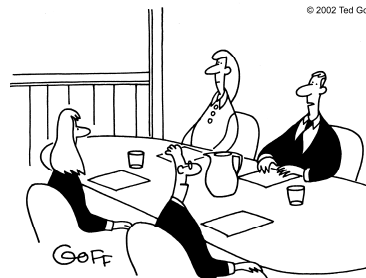
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Determine Vision, Mission and Values

- Vision
- Mission
- Values



"Our task, then, is to decide
how to decide how to decide."

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RC Kitchener Mission Statement

The Rotary Club of Kitchener is a leading-edge community leader that supports the work of Rotary around the globe with a local focus on families and children in need

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RC Kitchener Values

- **Inclusive in terms of membership,**
- **Visible in our work in the community,**
- **Irreplaceable as a contributor to the individual agencies that we support,**
- **Bring hope worldwide and at home**

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What Well Functioning Boards Do



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Ensure Effective Organizational Planning

- Board planning
- Strategic planning



"This plan will be much easier not to implement than the last plan we didn't implement."





Assess board's performance

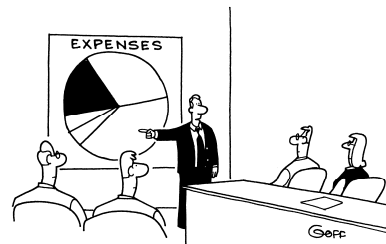
- Annual board plan, with objectives
- Annual board evaluation
- Annual board member evaluation



Ensure resources are managed effectively

- Understanding financial statements
- Financial policies and procedures
- Realistic budget

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"This is the portion of the expenses we like to call 'unknown.'"



Enhance public image

- **What happens in the board room stays in the board room**
- **Spread the good news**
- **Advocate**



Board Liability

- **Directors and Officers Liability Insurance (District Policy)**
- **Accountability**
- **Transparency**



The Club Constitution and Bylaw

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The By-Law

Legal processes

- **Board qualification and election**
 - Disqualifying board membership
- **Membership qualification**
 - Disqualifying membership
- **Annual and Special Members Meeting Process**
- **Financial authority and reporting**
- **Decision making**

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Board Meeting Agenda

- **Indicate which items are “for information only”**
- **Indicate which items are “for discussion”**
- **Indicate which items are “for decision”**
 - **If the item is coming from a committee, indicate the decision wanted: “approval of budget”, “approval of public education material”, “approval of hiring”, etc.**



ROTARY CHARITIES

Rotary Foundations



- Kitchener RC Charitable Foundation
- Kitchener Conestoga Community Aid
- Kitchener Conestoga International Aid
- Mississauga Lakeshore RC Foundation
- RC Brampton Community Charity
- RC Orangeville Highlands Foundation
- RC Wellington Charitable Trust
- RC Burlington N. Foundation
- RC Burlington 4-Way Fund
- RC Cambridge-Preston-Hespeler Charitable Foundation
- RC Guelph Charitable Foundation
- RC Guelph S. Charitable Foundation
- RC Oakville Charitable Trust
- RC Woodstock Oxford Charitable Trust
- RC Brampton Charitable Foundation
- RC Brampton Heart Lake Charitable Foundation
- RC Burlington Central Trust
- RC Cambridge Sunrise Charitable Trust
- RC Guelph Trillium Charitable Foundation
- RC Kitchener Grand River Charitable Foundation
- RC Kitchener Westmount Charitable Foundation
- RC Milton Charitable Trust
- RC Mississauga Foundation
- RC Oakville Trafalgar Foundation
- RC Oakville West Charitable Foundation

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Charitable Status Revoked

- RC Acton Charitable Trust
- RC Brampton Charitable Trust
- RC Fergus Elora Charitable Trust
- RC Oakville North Foundation
- RC Tavistock Charitable Foundation

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CLUB/FOUNDATION CROSSOVER

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Club/Foundation Cross-Over – CRA

- **Clubs that establish parallel foundations are intermingling committees**
 - **Example: the “Car Draw” committee reports to the club board even though it’s run under the charity**
- **Authority and reporting have to be clear**
- **None of the following are allowed:**

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Club/Foundation Cross-Over – CRA 2

- **The Foundation financial statements are approved at the club board meetings**
- **The members of the club are the members of the foundation**
- **The members of the club board are the members of the foundation board**

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Impact on Governance

- **Ensuring an arms length relationship between the Club and the Foundation is not just desirable... it's required!**

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Being a Capable Leader

- **Be prepared**
- **Facilitate, don't dominate**
- **Know what you decided**
- **Know what the tasks are**
- **Know who is going to do them**



Questions?

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