The Board Members’ Checklist

The following self-assessment helps to clarify the roles and responsibilities of not-for-profit Board members, and provides a Board Members’ Checklist so that you can identify areas where you need to know more information. It also provides a Board Self-Appraisal Checklist, which is can be used to evaluate the current performance of the Board.

You will need to read the roles and responsibilities and then complete the checklists provided.

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Option 4 for Board self-appraisal—Board Members’ Checklist

A Board member –

a) accepts the appointment of Board member through a process of election, selection or appointment, according to the rules of the organisation,
b) agrees to meet the requirements and fulfil the duties as laid down in the rules of the organisation for Board members,
c) agrees to bring her/his individual contribution of competency, knowledge and skills to the position of Board member,
d) contributes to the making of informed decisions by the board on behalf of and in the interests of the organisation’s members, and
e) contributes to the achievement of the organisation’s agreed objectives in the interests of and on behalf of the organisation’s members.

What do Board members need to do?

a) act in good faith in the best interests of the organisation,
b) be attentive at the Board meetings and recognise that they will share in the ownership of and responsibility for decisions and actions of the Board,
c) exercise a degree of skill and care relevant to their individual ability and experience,
d) exercise powers granted by the Constitution and the relevant incorporation or registration legislation,
e) avoid conflicts between the interests of the organisation and their own personal, professional or external interests,
f) refrain from or prevent any action that would adversely affect their discretion in carrying out the duties of Board member, and
g) ensure that the organisation conducts its affairs so as to achieve and promote its aims and objectives.

What do Board members need not to do?

a) must not act dishonestly or be negligent or careless in attending to their duties or responsibilities,
b) must not make improper use of information gained as a Board member:
   - to their own advantage,
   - to another’s advantage, or
   - to the detriment of the organisation,
c) must not commit the organisation to debt or obligation knowing there is reasonable doubt that the organisation may not be able to meet the debt or discharge the obligation when it falls due,
d) must not authorise or issue misleading or false information,
e) must not conceal, destroy or falsify official documents or records of the organisation,
f) must not act in contravention of the rules of the organisation, and
g) must not demonstrate misconduct, disloyalty or behave in a criminal manner.

What do Board members need to know?

a) how to perform their duties in accordance with all legal and ethical responsibilities, requirements and standards, and to understand that penalties may exist where these responsibilities and requirements are not met,
b) how to ask questions of themselves and others about:
   - their role,
   - the current activities of the organisation, and
   - the future viability of the organisation,
c) how to be able to recognise problems and know how to bring them to the attention of the Board,
d) how to make informed decisions,
e) how to develop policies and procedures that will create a safe environment of direction and protection for management and staff in their responsibility to provide quality programs, services and opportunities for service-users,
f) how to recognise the changing environment within which the organisation operates and interacts,
g) the nature and extent of the responsibilities of Board members as outlined in the Constitution and in relevant legislation, and
h) the organisation’s rules and regulations, objectives and priorities.
i) their rights as Board members:
   - to receive or have access to internal and external information concerning or affecting the organisation’s affairs,
   - to recommend the appointment of an auditor,
   - to inspect and receive reports on the accounting systems and financial records of the organisation, and
   - as defined in the Constitution,
j) the rights of all members of the Association as set out in the Constitution and in the relevant legislation.

What do Board members need to be?

a) at least 18 years of age (and may need to be under 72 years of age),
b) honest in all actions,
c) diligent, i.e. careful and persevering,
d) committed to the organisation, Association members, staff and service-users,
e) able and willing to keep abreast of the organisation’s affairs in order to be financially accountable,
f) able and willing to bring an informed and independent judgement to be on matters that come to the Board for decision, and

g) attentive at Board meetings, recognising that they will share in the responsibility for and ownership of decisions and actions.

What does the CEO do in her/his relationship with the Board?

a) advise and inform the Board on matters relevant to the governance function and Board decision-making,

b) implement major policy decisions of the Board,

c) exercise the powers of management, i.e. undertake the management of the organisation in accordance with her contract of employment and the policies, guidelines, discretions and delegations established by the Board,

d) report to the Board in frequent and reliable manner to enable Board members to:
   - make informed decisions,
   - oversee the financial viability of the organisation, and
   - accept accountability for the organisation’s activities.
The following Checklist presents 29 questions which indicate the basic range and information about which a Board member should have a reasonable level of familiarity and confidence.

Each Board member is invited to read through the previous pages and then use this Checklist as an individual and anonymous self-assessment exercise:

- Where the answer to a question indicates familiarity and confidence, place a tick in the column headed ‘Confident’.
- Where the answer to a question indicates a lack of familiarity and confidence, place a tick in the column headed ‘Need to know more’.

It is most important that each question be answered in either column by each Board member.

The anonymous (i.e. un-named) completed checklists can then be collated by the Board Secretary or Chairperson – there should be one checklist with a total in each column for each question, representing the total responses from all Board members to each question.

The collated Checklists, with the total numbers presented in each box, can then be discussed at the next Board meeting, or at a whole Board Development Session. Discussion should be structured around:

1. items on which a greater number of Board members have expressed a need to know more
   - immediate action should be planned by facilitating a full-Board discussion in order to increase the nature and extent of confidence for all Board members
2. items on which a greater number of Board members have expressed confidence:
   - immediate action should be planned by facilitating a full-Board discussion in order to maintain the nature and extent of confidence for all Board members
3. additional areas of Board member responsibility which may not have been included in the Checklist, but which become obvious through these full-Board discussions.

Again – it is most important that all Board members complete the Checklist, and that all responses are anonymous, which means no names are to be written on any checklist.
## The Board Members’ Checklist

### Board membership

1. Am I confident that I have skills, knowledge or other expertise which can benefit the organisation through my role as a Board member?

2. Do I know and understand my role as a Board Member?

3. Do I know and understand my duties and responsibilities as a Board member?

4. Do I know and understand my rights as a Board member?

5. Do I have sufficient time to give to my duties and responsibilities?

6. Do I know and understand the role of the Board?

7. Do I know and understand the responsibilities of the Board?

### Conflict of interest

8. Am I confident there is no financial, personal or business gain for me which could or could be seen to cause a conflict of interest for me as a Board member?

9. Am I confident there is no other real or potential conflict of interest which could affect me in my role as a board member?

### Business principles and practices

10. Do I understand the principles of long-term planning?

11. Do I understand the principles of policy development and monitoring?

12. Do I understand how to evaluate the decisions and activities of the Board?
13. Do I know and understand the organisation’s strategic/business plans, including objectives and priorities?

<table>
<thead>
<tr>
<th>Board process and information</th>
<th>Confident</th>
<th>Need to know more</th>
</tr>
</thead>
<tbody>
<tr>
<td>14. Do I understand the procedures followed within the organisation for information dissemination?</td>
<td></td>
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<tr>
<td>15. Do I understand the information I receive in my capacity as a Board member?</td>
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<tr>
<td>16. Do I understand the legislative requirements which affect the organisation?</td>
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<td>17. Do I know and understand the organisation’s legal form and structure?</td>
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<td>18. Do I know and understand the Constitution?</td>
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<tr>
<td>19. Am I confident that minutes and reports provided to the Board contain sufficient information and analysis for the Board to make decisions as required.</td>
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<table>
<thead>
<tr>
<th>Board decision-making</th>
<th>Confident</th>
<th>Need to know more</th>
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</thead>
<tbody>
<tr>
<td>20. Am I confident the Board always has timely access to the information it needs to make effective, efficient and humane decisions?</td>
<td></td>
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<tr>
<td>21. Am I confident that the board always acts or makes decisions in a timely way when actions are required?</td>
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### Finances

<table>
<thead>
<tr>
<th>Question</th>
<th>Confident</th>
<th>Need to know more</th>
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</thead>
<tbody>
<tr>
<td>22. Do I know and understand the organisation’s financial reporting and control systems, including financial reports to Board meetings?</td>
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<tr>
<td>23. Am I familiar with the budget projections for the coming year?</td>
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<tr>
<td>24. Am I confident the organisation is operating within its means?</td>
<td></td>
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<tr>
<td>25. Am I confident the annual report presents an accurate picture of the organisation’s finances and activities?</td>
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</table>

### Board relationships with CEO

<table>
<thead>
<tr>
<th>Question</th>
<th>Confident</th>
<th>Need to know more</th>
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<tbody>
<tr>
<td>26. Do I understand the CEO’s role in relation to the Board?</td>
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<tr>
<td>27. Am I confident the Board has an open and positive working relationship with the CEO?</td>
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### Community image

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<thead>
<tr>
<th>Question</th>
<th>Confident</th>
<th>Need to know more</th>
</tr>
</thead>
<tbody>
<tr>
<td>28. Am I confident the organisation has a positive reputation in the community?</td>
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<tr>
<td>29. Am I confident about the nature and scope of services and activities offered or provided by the organisation?</td>
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</table>
**Discussion Worksheet No. 7: Option 4 for Board Self-Appraisal**  
**– Board Member Checklist**

<table>
<thead>
<tr>
<th>Headings with Option 4</th>
<th>Comments for full-Board discussion toward improving board performance</th>
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</thead>
<tbody>
<tr>
<td>Attendance of individual Board members at Board and general meetings, and effectiveness of Board meeting procedures.</td>
<td></td>
</tr>
<tr>
<td>The manner in which the Board directs and monitors operational effectiveness and financial viability.</td>
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<tr>
<td>The manner in which the Board approaches continuous quality improvement and risk management.</td>
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<tr>
<td>The effectiveness of the board’s decision-making procedures.</td>
<td></td>
</tr>
<tr>
<td>The effectiveness of the working relationship between the board and the CEO, and delegation of authority through the CEO to the point of service delivery.</td>
<td></td>
</tr>
<tr>
<td>The development of strategic and business plans, and achievement of strategic goals.</td>
<td></td>
</tr>
<tr>
<td>The effectiveness of Board linkages and networks in strengthening the organisation’s effectiveness and viability.</td>
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<tr>
<td>The effectiveness of the Board’s succession-planning activities.</td>
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Each Board Member should be familiar with the total contents of this Governance Kit.

After each Board Member has read through Option 2, Board Structure and process Performance Indicators and Objectives, the whole Board will agree on 4 or 5 objectives for measurable improvement in Board performance to be achieved within the next 12 months.
When the objectives are agreed upon, actions needed to achieve each objective in turn should be scheduled through the next 12 months period, with responsibilities allocated to individual board members to ensure they are carried out as planned, and as scheduled.

A date should also be set for the Board to appraise their own performance against these objectives in 12 months’ time.
Self-Assessments

Reporting on the value of your Board’s performance in your Annual Report

The Annual Report is a document of accountability from Board members and the Board as a whole to the organisation’s membership base. As its name suggests, it is a formal report on the previous financial year’s performance from the governing body to the members who elected that body to act on their behalf and in their interest.

A dynamic annual report should:

1. Fulfil legal requirements
2. Introduce the Board as the governing body, and comment on the performance of the board through the previous financial year
3. Promote your organisation’s capacity and capabilities
4. Feature the extent to which the lives or lifestyles of your valued service-users are improved or enhanced as a result of your services
5. Inspire and motivate your membership, staff, volunteers
6. Assure your funding and financial base of your wise governance, sound management and operational effectiveness
7. Educate your community and clientele
8. Recruit new Board, sub-committee or working group members
9. Attract quality staff
10. Attract support or sponsorship
11. Support collaborative alliances or networks that will strengthen or expand your influenced.

Annual General Meeting

The annual general meeting is the formal occasion at which the governing body is required to present its annual report on governance, management and operational activities, complete with an audited, accurate and up-to-date account of the financial status and activities of the organisation for the immediate past financial year.

Projections are also appropriate for the immediate future in both the operational and financial areas of the organisation’s activity.

The annual general meeting is the venue for the formal election of the new board members, re-election of eligible existing Board members and for questioning the retiring Board.

There are particular legal requirements leading up to, during and following the AGM that must be complied with—and the annual report is one of them.