

**2015 ACORN Conference & Trade Show
Delta Prince Edward Hotel, Charlottetown, PE**

Workshop Title: Vendors as Board Members

Speaker(s) & their title(s): Michelle Wolf – certified coach, workplace education trainer and Director of Training for Farmers' Markets of Nova Scotia (FMNS)

Executive Summary

Michelle presents the topic of board governance, discussing information specific to the non-profit sector governance. Topics include board duties, liability, director's information, and do's and don'ts for board members. The session finishes with the group discussing qualities of effective board members.

Detailed Notes

-There are 3 duties that board members are legally obligated to perform:

- 1) Fiduciary duty – as a board member, you need to support the decisions of the board. Board decisions can be made public but board discussions and disagreements are confidential.

- 2) Duty of diligence – you act prudently and in the best interest of the organization.

- 3) Duty of obedience – you are bound to be obedient to your own governance documents.

-Being a board director is not just a matter of going to meetings:

- As a board director, you are potentially responsible for the organization's financial situation.
- In order to protect your personal assets, it is important to make sure that your board has director's insurance.

-Risk management:

- Assessing potential points of risk in the organization and taking practical measures to minimize risk.
- You need to keep a signed copy of all board meetings. This is a reporting requirement of a board.

-Michelle discusses the importance of a director's information package:

- The board is responsible for governance, policy, AGM, etc., not operational activities.
- You should be selective about your board members; not all vendors should be placed on a board.
- Board members need to be given job descriptions and a director's information package.
- A director's information package will provide education to prospective board members on their legal duties and share information about the other board members.

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- Write a code of conduct or conflict of interest policy for the board, which will govern how board members act.

-There tends to be three models for boards in the farmers market sector: 1) No staff and working board, 2) Coordinator and working board, 3) Manager or executive director & policy board

- These tend to grow from the first to the third with age and size of the market
- The way to build financial and organizational sustainability is to get to the 3rd model as quickly as possibly

-There may be board members who are responsible for operational duties in the farmers' markets. However, hold separate meetings for volunteers and board members, the two should NOT be combined. This will help you understand the difference between board work and volunteer work.

-Boards are policy entities:

- A policy is based on why the organization exists, the values and mission
- The policy describes what you want
- The volunteers and staff handle the procedures, which describe how you will manifest and bring to life the "what"

-Michelle distinguishes between an executive director/ manager and a coordinator:

- The difference is in who makes decisions and sets work plans
- Coordinators work under a manager or board, on projects, budgets and work plans
- ED/managers work under the board on projects, work plans and approved budgets. They are given autonomy to handle operational and day-to-day management.

-Michelle discusses the do's and don'ts of board members (see governance excellence resource sent by Michelle via email):

- **Do** concern yourself with whether your organization is achieving its mission and goals, maintaining high standards, complying with policy and remaining fresh, creative and innovative.
- **Do** focus on policy, where staff will be responsible for implementation.
- **Do** raise hard issues, ask penetrating questions and press for the rationale behind plans or decisions at meetings. State your opinion but support the majority's decision once it has been made (i.e. follow your fiduciary duty).
- **Do** remember that staff neither reports nor answers to individual board members.
- **Do** formally evaluate staff performance once every year or two. Thank and acknowledge them.
- **Do** attend board meetings. If you think the meetings don't make valuable use of the time, let the chair know.
- **Do** make sure you contribute more to the market in terms of time, work and money than you take from it. The market is an organization beyond its "use" to you.

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- **Do** focus on your organization's needs as a whole. Your foremost duty is not to represent anything but the organization's best interests as a whole.
- **Do** rely on ad hoc and standing committees and a general volunteer base for operational activities. The board's actual focus is small and specific.
- **Do** be an ambassador and champion for your organization.
- **Do** adhere to board member's terms and use the nominating process as an opportunity to assess the board members' performance.

- **Don't** automatically re-nominate board members. Disengaged members may be staying on out of guilt when they would really love the chance to leave gracefully.
- **Don't** micromanage or get caught up in operational details; don't direct staff on market day or outside of meetings.
- **Don't** avoid conflict in the boardroom by sharing your disagreements only with likeminded board members. At the same time, don't rehash issues.
- **Don't** criticize staff except in appropriate boardroom sessions or through an evaluation process.
- **Don't** make unnecessary demands on staff and don't ask for special favors.
- **Don't** assume other people will see the value in your organization and its fundraisers and events if you don't. The board needs to be engaged.
- **Don't** speak for the board except when explicitly authorized to do so.
- **Don't** have committee or volunteer meetings unless there is something important for the committee to do.

-Michelle asks the audience to discuss qualities of effective board members:

- Willingness to delegate and spread responsibility
- Actively participate
- Listening

-Michelle outlines some common problems and misconceptions with boards:

- "Board members are board members even outside of the boardroom"
- "Our market manager or ED reports to me"
- "I'm sick of monthly board meetings"
- Confusion between policy and procedures

-Michelle discusses how to have board meetings that matter:

- Know WHY you are holding the meeting and what decisions need to be made
- Get outside facilitators when you can
- Use agendas (they should speak to the issues, and not be the same)
- Board meetings are not for reading reports; board members need to come prepared.
- Pick ripe, juicy topics and frame a question. E.g. "What trends are coming up in the local food movement in the next three years that we will need to respond to?"
- Keep the budget in check and keep track of the organization's finances
- Create a culture of questioning and honoring diversity among board members
- Follow-up – each person should leave with next steps