

BOARD GOVERNANCE CHECKLIST

The board's primary role is to oversee management and ensure that the non-profit organization's affairs are being conducted in a way which achieves the organization's strategic objectives. A board of directors should regularly assess their responsibility levels of the following areas:

GOVERNANCE	YES	NO	NEXT STEPS
Does the board understand the key elements essential to the organization's success (reputation, charitable status, funders, volunteer levels, etc.)			
Is the board actively involved in approving objectives for the management team and in monitoring management's performance?			
Has the board identified the organization's various stakeholders, the expectations each stakeholder group has for the organization and the appropriate methods of communication to and from each?			
What internal controls exist over the use of resources, approving expenditures and investing funds? Is the board responsible for reviewing and approving budgets? What decisions need board approval?			
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Has the board articulated its responsibilities in a formal mandate and published its mandate so it can be read and understood by management and the organization's stakeholders?			

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RISK AND CULTURE	YES	NO	NEXT STEPS
What are the organization’s policies and processes for assessing and monitoring major risk exposures on an integrated, system-wide basis?			
What are the key risks, vulnerabilities and plans to address them?			
Has the organization defined its risk appetite with the board’s input and approval?			
Does the board consider the relationships between strategy and risk?			
Is the board getting the information it needs from across the organization to enable it to make key decisions?			

STRATEGIC PLANNING	YES	NO	NEXT STEPS
Does the board provide “active oversight” in developing the strategy?			
Does the board possess a good understanding of the risks to the strategy – those that may limit value creation or even cause the strategy to fail – and the risks of the strategy – those associated with each scenario of the strategy?			
Does the board ask probing questions, including those that challenge assumptions of the strategy presented?			
Does the board assess potential new risks the strategy can create? Can those be managed?			
Does the board prepare for a scenario where its strategy fails? What risks and rewards do other paths represent?			

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INTEGRITY	YES	NO	NEXT STEPS
What is the board's role and responsibility for setting the organization's values and its philosophies?			
Does the organization have a code of conduct that governs the behavior of board members, management, staff and volunteers? Is the code understood and reflected in the organization's policies? Is there a policy regarding whistleblowing?			
Is the board satisfied that stakeholders' concerns have been adequately addressed and that their interests have been incorporated in the organization's code of conduct and other value statements?			
Does the organization encourage an environment in which information is exchanged freely within the organization, while respecting confidentiality? Does an atmosphere exist in which people feel they can ask questions openly?			
Do the board and management set an example in exhibiting their commitment to the organization and its success?			

PERFORMANCE	YES	NO	NEXT STEPS
How often does the board review the organization's performance and its progress towards achieving its annual goals?			
Does the board receive the appropriate information in terms of scope, level of detail and timeliness, necessary for directors to understand the organization's performance?			
Are the organization's annual goals realistic and achievable for does the organization often need to make mid-year adjustments to its target objectives?			

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Is the board satisfied that the organization is using its resources appropriately and that stakeholder objectives are being met?			
Does the board communicate its analysis of the organization’s performance to its stakeholders in a clear and transparent manner and with an outlook where it discusses its expectations of the next short to medium term?			

MANAGEMENT	YES	NO	NEXT STEPS
Does the board clearly understand the skills and expertise required to manage the organization?			
Is the board actively involved in approving objectives of the management team and in monitoring management’s performance?			
Does the organization have a robust “leadership pipeline” in place? What strategies does management follow for recruiting, retaining and developing future leaders for the organization?			
Which demographic trends are affecting – and are likely to <i>affect</i> – the organization and its ability to execute its plans? Is the board aware of other talent-related risks facing the organization? How are they being addressed?			

The Effective Not-for-Profit Board: A value-driving force. Deloitte Centre for Corporate Governance, 2013
 Deloitte LLP. http://www.deloitte.com/assets/Dcom-Canada/Local%20Assets/Documents/Public%20Sector/ca_en_gov_Effective-NPO-Board_061113.pdf