

11.1 THE NPO BOARD

1. Board composition

- Hiring and firing - the board needs to have a clear policy on how members are recruited and how they resign or are asked to leave, and how long a member may serve on the board.
- Conflict of interest - board members should not have a personal interest in any tenders or contracts put out by the NPO, and should be very clear on what constitutes a conflict of interest (XX)
- Uncompensated - NPO board members should not be paid although their justifiable expenses (for travel, etc) can be met.
- Diverse character, mix of skills and experience, gender, etc - the board should have members with different skills and experience that can be used to the benefit of the NPO, and the members should be diverse (different cultural, gender mix).
- Size - each board needs to decide how many members it needs in relation to the NPO's size and responsibilities

2. Board responsibilities

- Planning and evaluation, assess organisational effectiveness - A board needs to make sure that the NPO works as efficiently as possible and stays focused on its aims and objectives.
- Financial oversight, approve budget and salary structures - The board should receive regular reports on income and expenditure and make sure that budgets are kept to. It should make sure that accounts are audited where necessary and submitted to the board for approval. It should approve the annual budget and salary levels, including increases.
- Fundraising co-responsibility - Board members should play a major role in raising funds for the NPO, together with the CEO and responsible staff.
- Setting direction, policy and boundaries - The Board should be responsible for setting the NPO's aims and objectives through strategic planning. It should decide what the vision and mission (general objectives) of the NPO are and what it needs to do to achieve these.
- Oversees CEO, support, select, evaluate - The board is responsible for appointing, supporting and evaluating the performance of the CEO.
- Approving personnel policies - The NPO's personnel policies on hiring firing, leave, remuneration, training, handling of conflicts, etc. should be discussed and approved by the board.
- Ensuring compliance with legislation and annual reporting - If the NPO is registered with the NPO

Directorate, SARS or the Registrar of Companies, the board is responsible for ensuring that the reporting requirements are met in full and on time. This includes the payment of UIF and PAYE on behalf of staff and any other legal obligations.

- Building and maintaining organisation's reputation - Board members need to ensure that the NPO's reputation is protected and developed.
- Maintaining clear division between role of board and that of CEO - The board needs to make sure that there is a clear understanding of what are the responsibilities and duties of the CEO (the running of the organisation) and what are the board's own responsibilities (ensuring this is done effectively and legally, and setting the aims and objectives to be achieved by the organisation)

3. Board conduct

- Training of board members - Board members should receive training to ensure they understand and can meet their responsibilities.
- Set expectations of members - The board should clearly outline for members what their duties and responsibilities are as board members.
- Establish policies on attendance, participation, noncompliance procedures - The number of board meetings, attendance requirements and penalties for non-attendance or compliance with board policy should be clearly set out.

SOURCE: <https://www.cabsa.org.za/book/export/html/1190>