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TITLE: BOARD MEMBER (DIRECTOR)

RESPONSIBILITIES:

The Board of Directors is the legal authority for the Cambridge Memorial Hospital Foundation. As a member of the Board, a Director acts in a position of trust for the community and is responsible for the effective governance of the organization. A Director is a steward of the faith, goodwill and resources that the community has invested in the Foundation and is also a source of inspiration, leadership and accountability for the organization.

QUALIFICATIONS:

- ◆ Knowledge, skills or experience in one or more areas of Board governance such as finance, strategic planning, policy development, volunteer management, etc.
- ◆ Interest or experience in the charitable sector and volunteerism;
- ◆ Commitment to the work of the Cambridge Memorial Hospital Foundation and concern for the organization's continued growth and development;
- ◆ Honesty, integrity and a developed sense of values;
- ◆ An ability to listen, analyze, and think clearly and creatively;
- ◆ Community-building skills with sensitivity to and tolerance of differing views;
- ◆ Willingness to learn new skills such as how to cultivate and solicit funds, recruit board members and other volunteers, as well as a willingness to learn more about the program areas of the organization.

LENGTH OF TERM:

Directors are expected to serve for an initial three-year term. They can be re-elected for one additional term, serving a maximum of six consecutive years.

*The Cambridge Memorial Hospital Foundation Board of Directors consists of fourteen directors who satisfy a set of criteria set out in the Foundation's By-laws. This includes a qualification requirement that one director be a current or retired member of the professional staff of Cambridge Memorial Hospital. The term for this position is one year however, the director is eligible for re-election to a maximum of three consecutive years.

REQUIREMENTS:

- ◆ A time commitment of five hours per month (includes Board preparation, meeting and committee time);
- ◆ Participate in a formal orientation session and be informed about the organization's mission, policies and programs;
- ◆ Directors are responsible for raising funds for the Cambridge Memorial Hospital Foundation. They are also responsible for participating in fundraising activities.
- ◆ Attend monthly Board meetings and the Annual General Meeting. Adequately prepare for, and actively participate in the discussions and deliberations of the Board;
- ◆ Serve on at least one committee or task force of the Board and take on special assignments as necessary;
- ◆ Govern the Cambridge Memorial Hospital Foundation by the policies developed by the Board and participate in ongoing policy development and review;
- ◆ Help define the vision, mission and values of the Cambridge Memorial Hospital Foundation, and help identify the strategic goals, objectives and priorities of the organization;
- ◆ Monitor and evaluate the effectiveness of the Foundation's governance and programs, and be accountable to the Foundation's donors and other stakeholders for the same;
- ◆ Serve as a goodwill ambassador for the Foundation in the community, promoting the mission, programs and services to prospective volunteers and donors;
- ◆ Support the Foundation financially, according to his or her own means, by participating in the Foundation's annual appeal. The Foundation's goal each year is to achieve 100% Board participation in the annual campaign as prospective donors often look critically at the level of Board giving to gauge the level of commitment within the organization;
- ◆ Respect diversity of opinion within the Board while respecting collective decision making processes;
- ◆ Support the Chair in attending to discipline in Board attendance and matters related to the Foundation's by-laws and other rules that the Board establishes for itself;
- ◆ Honor the confidential nature of Board matters. Be aware of and abstain from any conflict of interest.

MAJOR DUTIES:

Directors, trustees and officers of charitable organizations have duties and obligations to the organization, to the other directors, to employees, and to the public at large. The directors of a

charitable corporation must meet a standard of care that is comparable to those of a trustee. The Ontario Public Guardian and Trustee (Charities Bulletin #3) defines these duties as follows:

1. Duties on Appointment. A new director or trustee should know the purpose of the charity, be familiar with the general requirements of charity law and the Corporations Act, and review the past administration of the charity.
2. Duty of Care. Directors and trustees must exercise the level of diligence; skill and care that a prudent person would use in conducting his/her own business. This includes acting in good faith at all times, protecting the charity from undue risk of loss and from excessive administrative expenses.
3. Duty of Loyalty. When making decisions, Directors must show undivided allegiance to the organization's welfare. This duty broadly commands Directors to be faithful to an organization's best interests and not to use their organizational position or knowledge to advance another agenda. The prospect of personal gain or gain for another party with which the Director is affiliated must not enter into the decision. Directors are thereby obliged to avoid real or perceived conflict of interest situations.
4. Duty of Diligence. Directors and trustees should attend meetings and be prepared for the business at hand. This includes participating in decision-making. Directors should not rely on the opinion of others, but should ask questions and be certain in their own minds and on reasonable grounds that a decision is appropriate under the circumstances. Directors should be as fully involved as possible, asking for clarification when uncertain about an issue or the impact of a decision.
5. Duty of Obedience. Directors are required to be faithful to the organization's charitable objects and mission. This means that Directors must ensure that the property it receives is used only to carry out the organization's mission and by extension, that assets earmarked by donors for specific purposes, are only used for those purposes.
6. Duty to Act Gratuitously. A Director or trustee can only be remunerated for other services by court-order.
7. Duty to Account. Because Directors and trustees are responsible for charitable property, they must be able to account for the uses of that property. This duty includes the maintenance of proper books and records, preparation of audited financial statements where required by law, and to provide information when requested by the Public Guardian and Trustee.
8. Duty to Manage Assets. While they may retain appropriate staff or consultants, Directors and trustees are responsible for controlling the organization's assets subject to investment policy provisions.

CHECKLIST FOR DIRECTORS:

- Always act with a view to the best interests of the organization;
- Understand and comply fully (in spirit and letter) with the conflict of interest policy;
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- Be informed about your organization's mandate, its constating documents (letters

patent, by-laws) and its incorporating statute;

- Discuss matters that are before the Board fully and with frankness and candidness;
- Actively avoid conflicts of interest and where a conflict arises, disclose the conflict and do not participate in the discussion/decision;
- Exercise due diligence, care and skill in carrying out responsibilities as a director or officer;
- Fulfill fiduciary duties of good faith, honesty and loyalty;
- Get independent or outside advice where it is required to ensure that decisions are well-informed;
- Ensure effective internal monitoring and reporting systems are in place, including for financial matters but also in areas where there is high risk or regulatory requirements;
- Attend meetings and, if not available, be informed about the issues and decisions through minutes and agenda items and any required follow-up;
- Keep abreast of the organization's activities and how those activities fit within its mandate and its strategic/annual plans;
- Ensure that the resources are available or become available to implement decisions;
- Monitor compliance with statutes and regulations, especially those that regulate directly in the fields in which the organization operates;
- Never forget that the role of the director is to manage the affairs of the organization;
- Obtain information that source deductions have been remitted and that any taxes collected on behalf of governments are remitted;
- Prepare adequately for all Board and committee meetings;
- Question whether the matters being discussed are within the mandate of the organization and the decision is authorized by the by-laws;
- If there are any concerns or objections, state them clearly and ensure that they are recorded in the minutes, especially if there is a reason to believe there may be a contravention of the law or a risk of liability;

Donald J. Bourgeois. The Law of Charitable and Not-For-Profit Organizations. Third Edition. Toronto: Butterworths, 2002.