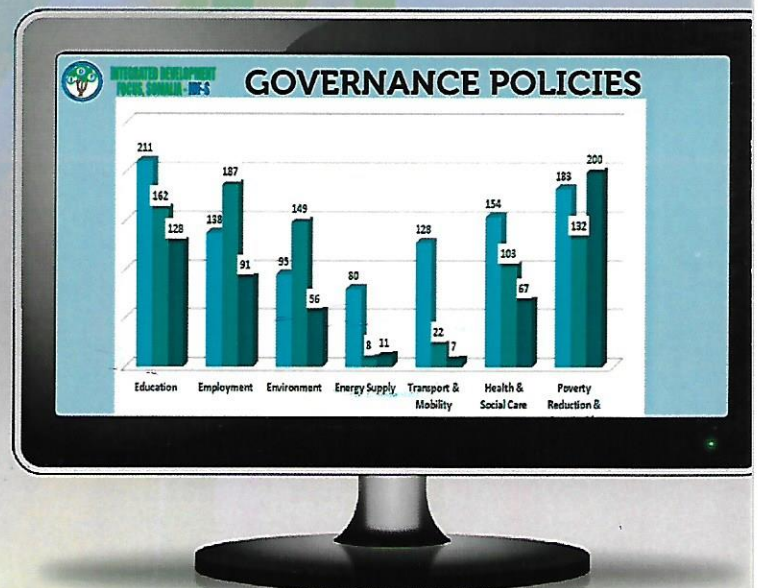




**INTEGRATED DEVELOPMENT  
FOCUS, SOMALIA - IDF-S**

# **GOVERNANCE POLICIES AND PROCEDURES MANUAL**





# **INTEGRATED DEVELOPMENT FOCUS – SOMALIA (IDF-S)**




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**POLICY APPROVAL**

<b>APPROVING AUTHORITY</b>			
<b>Title</b>	<b>Name</b>	<b>Signature</b>	<b>Date</b>
IDF Executive Director	Ali Mohamed Noor		15/07/2018
IDF Board Member	Lul Mohamed Adli		15/07/2018
IDF Chairperson	Ibrahim Abdulkadir Ibrahim		15/07/2018



## 1.0 BACKGROUND AND INTRODUCTION

### 1.1 About the Manual

- a) The changing environment for development organizations such as IDF creates the need for effective governance structures and reforms. This environment is characterised by amongst others heightening accountability expectations, quests for professionalisation of NGOs & increased competition for limited funds.
- b) NGOs are also required by various statutory stipulations to have good and sound governance structures for purposes of accountability, oversight and strategic leadership.
- c) The stipulations of this manual shall apply to all IDF board members. This manual sets out various elements of the IDF governance as well as its operations where:
  - i. Governance refers to the overall oversight initiatives of the board towards the purpose, plans and policies of the overall organization and;
  - ii. Board operations refer to the activities conducted by board members

### 1.2 The IDF Board of Directors (BOD)

- a) The BOD represents the ownership of IDF and shall comprise members of the board of directors, organizational members (staff), benefactors and any other persons who may be invited by IDF board from time to time – any of these members may be considered as member of IDF - BOD
- b) The Board of Directors (BOD) shall be in charge of IDF, policies, programs and direction
- c) It is the responsibility of the board of directors through the Chair to organize annual meetings, reviews to provide directions.
- d) Annual meetings are announced by personal notification and by the means of announcement in recognized media at least three weeks (21 days) before it is set to start.
- e) The chair person of the board of directors shall be responsible for the agenda for discussions during the annual meeting and is tasked with the responsibility of ensuring that these are collected from and distributed to the members at least 28 days before the meeting.
- f) The meeting may carry out its business if it is attended by at least 50% of the members. If the number of participants in the annual meeting is lower than half, a new annual meeting is arranged in maximum 10 days, and decisions are passed by a simple majority of the present members. The Board of directors annual meeting takes decisions with a simple majority (50%+1) of those attending the annual meeting (open vote).

## 2.0 BOARD SELECTION & ORIENTATION

### 2.1 Overview

- a) The IDF Board of Director are pulled professionals that are expected to provide technical advice to the organization
- b) The BOD shall be constituted o voluntary bases
- c) The board shall also have overall responsibilities for accountability, credibility and sustainability of IDF.
- d) The business of IDF shall be overseen by the BOD who may exercise all such powers of the Board, not inconsistent with any existing board regulations, statutory or legal stipulations.

### 2.2 Board Membership

- a) Members of the Board of Directors shall be constituted through democratic elections by the officials of IDF and shall consist of seven (7) members, however the organization may from time to time register an increase of members as may be deemed necessary by the board. The Executive Director (and the board secretary) shall be an ex-officio member of the board.
- b) IDF may elect as a board member, any person, corporation/organization or body who or which shall signify in writing his/her or its consent to become a member provided that no case shall the members exceed the authorized number of board members.
- c) Board Directors other than the CEO shall serve for five (5) years but may be re-appointed for a further term not exceeding 5 years. Earlier removal from membership may be due to expulsion, resignation, incapacitation or death.
- d) Meetings of the Board shall be held at least three times a year. The quorum for the disposal of business shall be five.
- e) A member of the board who fails to attend three consecutive meetings without being excused or otherwise fails to perform his/her duties and shall cease to be a member. His/her position may be declared vacant and shall be filled as provided by these laws
- f) The Board shall direct the affairs of the organization and may be assisted in this role by a number of board committees as may be deemed necessary from time to time by the board

### 2.3 Selection & Recruitment of the Board members

Those desirous of being IDF board members shall make an official application for the same. The prospective board members should pledge to undertake the responsibilities of members and complete the prescribed pre-membership orientation program. IDF board membership shall be open to any persons that fulfill the following criteria:

- a) Be at least 30 years old or above
- b) Be of sound mind
- c) Are presently residing in any one of IDF's countries of operation
- d) Are well-respected persons in the community (be of repute)
- e) A successful businessperson, practicing professional & or recognized religious leader.
- f) Shares the values of IDF and are willing to adhere to its rules and regulations.
- g) Have good working knowledge about non-profit organizations and development work (this being IDF's core business)
- h) Posses an identity card/birth certificate and or academic certificates (if required).
- i) Be free from any criminal records.
- j) Be honest, of good integrity and is well known by the local community leaders.
- k) Have good inter-personal relationship skills

All persons that fulfill the above criteria and who have the time and willingness to serve are qualified to be appointed as board members, except if/where:

- a) Holding any elective position in the state government.
- b) Having conflicting interest with the business of the organization
- c) Being full time employee of the organization (except the Executive Director who is a non voting member)
- d) Having been convicted of any crime involving moral inaptitude/decadence, gross negligence, or gross misconduct in the performance of their duties or found culpable in any administrative case involving such offense.
- e) Having been absent from three consecutive board meetings without being excused.

IDF board recruitment processes aims to enlist board members who will show up for all meetings and act in a very dedicated and participative manner. In recruiting board members, IDF shall endeavor to balance:

- a) The (functional) expertise needed to establish and achieve current strategic goals;
- b) A wide diversity of values and perspectives (diversification).
- c) Degree of passion for the mission of IDF (be passion-driven)
- d) Time and energy to actively participate in the board activities.
- e) The representation of the major constituents of the organization

#### **2.4 Orientation and Training of Board Members**

- a) All new board members shall be given a tour of the IDF's facilities & projects and be provided with the information they need to perform effectively.
- b) The responsibility for developing and implementing an effective program of board orientation is shared between the Executive Director and the (present) BoD.
- c) A Board Development Committee, if available, shall be responsible for planning an annual and ongoing board education and training program for all of the board.
- d) New board members shall receive an advance orientation program training to prepare them for their work as well as detailed information about IDF, the workings of the board, expectations and any other vital information.
- e) It is important that prospective board members are familiar with the mission, vision, major goals, and strategies of the organization.

### 3.0 BOARD OFFICIALS AND THEIR RESPONSIBILITIES

#### 3.1 Overview

The board shall elect from among themselves the following officers 1) The Chairperson (and if need be a Vice Chairperson); 2) Honorary Treasurer and 3) Honorary Secretary

All the above posts shall be voluntary and non executive but the Board may at its own discretion set, budget for & authorize payment of such charges, remuneration, stipend, allowances or honoraria as shall be deemed fit for specific purposes and duties performed by (any of) the directors. The duties and responsibilities of these officers are enumerated in the sections that follow.

#### 3.2 The board Chairperson

The leadership mechanisms of the chairperson shall include

- a) Exercises personal and consultative leadership in motivating other BOD members, subcommittees, staff and the target community.
- b) Influences the establishment of goals and mission for the organization and its projects with the help of the executive committee.
- c) Works in a participatory approach with all stakeholders in the organization.
- d) Promotes interest and active participation of the stakeholders by means of meetings and or any other relevant forms of consultations.
- e) Works out that the programs and policies of the organization to reflect the needs of the target community and other stakeholders interests.

#### Job Description for the Board chairperson

1. Preside over the meetings of the organization and the BOD
2. Shall (co) sign contracts, approve the policy and procedures manuals and receive funds/grants and any other form of support from the key stakeholders.
3. Advise the executive committee on administrative and managerial matters of the Organization.
4. Provide oversight in supervising, guiding, and coordinating of various functions and activities of IDF.
5. Convene and Chair meetings of the Board after developing the agenda with the Board secretary/executive director
6. Based on the feedback from BOD members & management, ensure the preparation and presentation of an annual program to the annual BOD meeting for approval.
7. Propose/participate in the selection of an internal auditor to audit the accounts of the organization.
8. Act as spokesman of the organization, and monitor and assess its performance and effectiveness.
9. In consultation with BOD members/management, oversee the appointment of senior management staff.
10. Support and defend policies and programs adopted by the BOD.
11. Include an agenda of review of duties and responsibilities of Board members in every first meeting of the BOD in a year. This meeting will also assign specific sub committee and overseeing duties among its, secretary, treasurer & other members.
12. Serves as the chief volunteer of the organization
13. Is a partner with the Executive director in achieving the organization's mission
14. Provide leadership to the Board of Directors, who set policy and to whom the Executive Director is accountable.
15. Appoint the chairpersons of various board committees, in consultation with other Board members.
16. Serve as an ex officio member of various board committees & attend their meetings when invited/deemed appropriate or necessary.
17. Discuss issues confronting the organization with the Executive Director and help develop strategies of dealing with the same (in consultation with other members)



18. Help guide and mediate board actions with respect to organizational priorities and governance concerns.
19. Review with the Executive Director any issues of concern to the Board.
20. Monitor financial planning and financial reports.
21. Play a leading role in fundraising activities
22. Formally evaluate the performance of the Executive Director and informally evaluate the effectiveness of the Board members.
23. Evaluate annually the performance of the organization in achieving its mission.  
S/he shall perform such other duties as the board of directors may direct him.

### **3.3 The Board Vice Chairperson**

- a) This position is typically successor to the Chair position
- b) He or she performs Chair responsibilities when the Chair cannot be available (see Chair Job Description above)
- c) Reports to and works closely with the Board Chairperson and other staff
- d) Participates closely with the Chairperson to develop & implement officer transition plans.
- e) Assists the board chair in performing any of the above responsibilities
- f) Performs other responsibilities as may be assigned by the board from time to time.

### **3.4 The Honorary Treasurer**

The treasurer must abide by the policies that BOD establishes. Such policies cover the following:

- a) The frequency and type of financial statements to be received by the BOD and the accounting method to be used by the organization.
- b) The authority for making and implementing procedures relating to investments.
- c) The collection and disbursement of funds.

#### **Job Description for the Hon Treasurer**

- a) Take custody of all money, securities and financial documents of the organization.
- b) Ensure the keeping of complete records of IDF's transactions
- a) Verify the correctness of the cash position of the organization in all financial statements and reports submitted to the Board and executive committee.
- b) Generally monitor and ensure that the financial affairs of the organization are properly and effectively managed.
- c) Maintain full and complete records of all assets, liabilities, income & expenses
- d) Ensure the safe keeping of the IDF's money, securities and books of accounts.
- e) Ensure compliance with all directives of the IDF board pertaining to finance.
- f) Advise on the investment and or disposal of the property of the organization.
- g) Administers financial matters of the organization
- h) Provide annual budget to the board for members' approval
- i) Ensure development and board review of financial policies and procedures

### **3.5 The Board Secretary**

The board secretary shall be responsible to:

- a) Keep detailed records of each meeting of the organization.
- b) Ensure the maintenance/management of records of the board & IDF in general.
- c) Inform all BOD members of the time and place of the meetings at least a week prior to their taking place.
- d) Day to day management of the organization's operations
- e) Carry out all necessary communication for the successful operation IDF and serve as custodian of all records of the organization, including all correspondences.

- f) Ascertain whether or not the organization's activities are conducted under the provisions of the current (by) laws, decrees & other applicable statutory stipulations.
- g) Ensure minutes are distributed to members timely/shortly after each meeting
- h) Is sufficiently familiar with legal documents to note applicability during meetings
- i) Fulfillment of such other duties as may be determined by the Board.
- j) The board secretary shall also be the Executive Director and will in this regard carry out all other duties prescribed in the job description of the Executive Director.
- k) Hand over to his successor all books and other properties in his/her position that belong to the organization.

### **3.6 Chairpersons of Special Board Committees**

These include the chairpersons e.g. of the programs committee, finance committee etc. and shall be responsible to:

- a) Set tone for the committee work.
- b) Ensure that members have the information needed to do their jobs.
- c) Oversee the logistics of committee's operations.
- d) Report to the Board's Chairperson.
- e) Report to the full Board on respective committee's decisions/recommendations.
- f) Work closely with the Executive Director and other staff as agreed to by the board
- g) Assign work to the committee members,
- h) Set the agenda, run the meetings, and ensure distribution of minutes of meetings.
- i) Initiate and lead the committee's annual evaluation.

### **3.7 Non Official Board Members**

They shall be expected to:

- a) Regularly attend board meetings and other important relevant meetings.
- b) Make serious commitment to participate actively in committee work.
- c) Volunteer for, willingly accept assignments and complete them well & on time.
- d) Stay informed about committee matters.
- e) Prepare well for meetings, review and comment on minutes and reports.
- f) Get to know other committee members and build a collegial working relationship that contributes to consensus.
- g) Actively participate in the committee's annual evaluation and planning efforts.
- h) Participate in fund raising for the organization.

## 4.0 BOARD DUTIES AND RESPONSIBILITIES

### 4.1 Major Duties of Board of Directors

The board is ultimately responsible for the performance of the organization in all areas of its work. The IDF board shall amongst others be responsible for:

1. Ensuring sustainability (legal existence & organizational, financial and program sustainability)
2. Appointment & setting of the terms of the Executive Director (ED) to whom responsibility for the administration of the organization is delegated.
3. Regularly evaluating the ED's performance on the basis of a specified job description (also leadership, administration, financial, program and staff)
4. Recruit and determine terms & conditions of services for senior management staff.
5. Offer policy/ strategic direction to the organization via broad policies and objectives.
6. Assign priorities (focus areas) ensure adequate organizational capacity
7. Ensure the presence of sufficient resources for the organization's operations
8. Guarantee public accountability and integrity
9. Have annual audit completed for (the total) organizational revenue
10. Ensure compliance with statutory and regulatory laws/requirements
11. If/Where relevant, report change of name, address, or amendments to constitution and change of Trustees to the NGO registration bureau
12. Comply with laws that affect employers including tax, insurance, medical etc.
13. Ensure reporting (and accountability) to donors & the public.
14. Record minutes of the board and annual meeting
15. Comply with the terms of donations; promises made to donors are legally binding. Funds given for specific projects or programs need to be kept separate.

### 4.2 Major Responsibilities of Board of Directors

- a) Determine the Organization's Mission and Purpose
- b) Support the Executive Director and Review His or Her Performance
- c) Ensure Effective Organizational Planning and Ensure Adequate Resources availability
- d) Manage Resources Effectively & Efficiently
- e) Determine, strengthen/monitor the Organization's Programs and Services
- f) Enhance the Organization's Public Image
- g) Serve as a Court of Appeal
- h) Assess Its Own Performance; Monitor and evaluate IDF work.
- i) Ensure legal and ethical behavior and maintain accountability
- j) Recruit and orient new board members and assess board performance
- k) Ensure that true and accurate records and accounts records kept of the Organization's money its properties, capital, resources, liabilities ad income and expenses.
- l) Advice /Authorize investment and or disposal of the organization resources.
- m) Receive and evaluate reports. Study the same for appraisal and action. The Executive Director to prepare the report and inform the Board.
- n) Receive and approve programme proposals; Guide the allocation and use of IDF resources.

The Board may delegate to any officer or employee or committee of the organization/ itself such of its powers as deemed appropriate in each and every case in order to ensure the fulfillment of the above roles and responsibilities.

#### **4.3 Oversight Roles and Responsibilities of Board of Directors**

- a) *The Volunteer Role* – The Directors are viewed as volunteers, unpaid helpers who believe in the organization's mission and are there to “do good.” They may thus donate money/time instead of receiving payment for their services.
- b) *The Advisor Role* - Board members are recruited to be advisors because they possess a particular expertise that the organization lacks – financial, legal, and marketing etc. They are expected to provide counsel when called upon to do so.
- c) *The Special-Interest Representative Role* – Directors may provide a particular point of view for a unique constituency (ensuring diversity in board composition)
- d) *The Ambassador Role* – IDF expects its board members to play an active role in marketing the organization to potential donors/supporters. They are expected to fund raise aggressively and bring potential new partners to the organization.
- e) *The Manager Role* - The Executive Director develops and executes the necessary programmatic, fund-raising, financial & operational plans to carry out that strategy.

#### **4.4 Separation of Powers between Board and Management**

- a) The BOD shall formulate policies; oversee the management team & organization
- b) The BOD has legal accountability over the organization and management team.
- c) In case of conflict between BOD & management the issue shall be solved through arbitration using existing laws of the land.

#### **4.5 Board Meetings**

- a) IDF board members shall do their work, primarily in their board meetings. The meetings shall therefore be carefully planned, facilitated, documented and be made highly participative with focused deliberations that result in strong, strategic decisions. All decisions arrived at through board meetings shall be captured in meeting minutes and then closely monitored for implementation.
- b) All board meetings shall have a carefully designed agenda that are then circulated at least two weeks before the said meeting. The agendas should include
  - Strategic topics to be addressed in that meeting,
  - Specification of how each topic is to be addressed in that meeting (for example, to make a decision, assign further research, etc.), and
  - Specific times to address each topic.
- c) All business discussed or decided at Board meetings shall be recorded in the minute book which at next meeting after approving any alternations or variations and not as alternation to original record, the meeting shall authorize the Chairperson to sign and date the minutes as the true record of the proceedings.
- d) The Board of Directors shall cause minutes to be made and provided to:
  - The names of the members of the Board present at each meeting of the Board and of any committee appointed by the Board.
  - All board and any committee appointed by the Board.
- e) No regulations made by the Board during any meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made.

**NOTE:** The details on the types of board meetings, proceedings at board meetings as well as notice for board meetings are elaborated in IDF Constitution

## 5.0 OPERATIONAL BOARD COMMITTEES

### 5.1 Overview

- a) IDF shall establish various board committees to assist in dealing with issues that require more close and regular attention. The committee shall be elected during the first quarterly meeting of the board members. The lifespan of any committee will be two years.
- b) The membership of any committee shall not exceed four persons and shall be headed by a committee chairperson.
- c) The following committees shall suffice, although, IDF board may from time to time establish other ad-hoc committees to deal with any issues that it may deem fit.

### 5.2 The Finance and Resource Mobilization Committee

IDF shall establish and maintain a Fundraising Sub-Committee to achieve effective oversight and policy direction with regard to financial sustainability. The committee shall have the following responsibilities

- a) Carry out overall control of fund raising and resource mobilization activities
- b) Approve all written project proposals and related budgets to donor agencies
- c) Authorize any investments or incoming generating activities
- d) Participate where applicable in persuading the local community and private sector to contribute and participate in project implementation
- e) Disseminate fundraising feedback to organization stakeholders
- f) Review and approve all annual financial plans, budgets and reports/accounts
- g) Review audited annual accounts and advise the board on the same.
- h) Oversee IDF financial controls & risk management, financing and or investments
- i) Advise on all financial and (human resources) administration issues
- j) Review from time to time the salaries and terms of service of all cadres of staff
- k) Propose such disciplinary action as may be fit against any senior member of staff guilty of gross misconduct, failure to perform duties as required or found in breach of any service regulation

### 5.3 The Programs Committee

The Board members shall elect a programs/projects committee from among its members. The functions of this committee shall include amongst others

- a) Strive to improve the image of the organization.
- b) Review all project plans/proposals and or implementation on a regular basis
- c) Review all project reports including evaluation reports
- d) Receive and review IDF project reports every six months
- e) Meet stakeholders once every year
- f) Undertake lobby and advocacy tasks where applicable
- g) Make media contacts regularly
- h) Carryout networking activities.
- i) Persuade donors to give necessary support to the organization either in kind or cash.
- j) Set the performance terms of senior programs' positions within the organization.

## 6.0 BOARD INFORMATION

### 6.1 Overview

- a) Good governance depends on enlightened decision making. Board members in turn need to be knowledgeable about the organization's status and needs if they are to make sound decisions that advance its mission.
- b) IDF shall endeavor to have an effective board communications system that focuses on information related to decision making, stimulate participation, and support an appropriate balance of responsibility between board and staff.
- c) The IDF board information shall include:
  1. Decision information to be used to make decisions, such as establishing selection criteria for the Executive Director. Such information shall focus on the future rather than designed to measure current/past performance.
  2. Monitoring information to enable the board assess whether its policy directions are being met. It looks to the past and provides a specific survey of performance against criteria e.g. an annual review of an organization's strategic plan.
  3. Incidental information for the general information of the board and not related to board action. Committee reports are frequently in this category.
- d) All Board information shall be:
  1. *Concise* - be communicated as quickly or as briefly as possible
  2. *Meaningful* - presented in relationship to a significant factor, such as a goal set by the board, past performance, or comparative data
  3. *Timely* - be relevant to the current agenda
  4. *Relevant to responsibilities* - be helpful to board in discharging responsibilities
  5. *Best available* - be the best available indicator of the situation/condition
  6. *Context* - clarity on why this information is important
  7. *Graphic presentation* - be presented better graphically than in words if possible

### 6.2 Basic Ingredients of a Board Information System

The following checklist is a suggestion of the kind of information that will be required by the IDF board from time to time.

1. At least two weeks before each board meeting:
  - a) Agenda for the board meeting
  - b) Information about issues for discussion, when appropriate
  - c) Financial information
  - d) Committee reports
2. At least two weeks before the board meeting at which it is discussed (e.g. at the annual meetings):
  - a) Annual budget
  - b) Audit report
  - c) Strategic plan
3. After each board meeting:
  - a) Minutes
  - b) Notice of next meeting
4. Monthly:
  - a) Financial & Narrative report
  - b) Significant published articles about the organization

5. Quarterly:
  - a) Financial & Narrative report
6. Regularly, when appropriate:
  - a) Memo from ED summarizing current activities, accomplishments, and needs
  - b) Updated material for board handbook
  - c) Advance copies of publications, brochures, or promotional material
  - d) Annual report

### 6.3 The Board Manual/File

This is an important element in the orientation and training of new and current directors as well as being an indispensable tool and central resource during the Board's work throughout the year. IDF shall maintain a board manual/file with the following preferred Features

- a) The manual should be well planned (include essential items only)
- b) The manual should be organized (e.g. sections, table of contents etc).
- c) The manual should have pockets to hold brochures and similar items.
- d) All materials should be dated.
- e) The manual must be kept current.
- f) It must be updateable and allow for materials to be added and removed.
- g) It should be of a reasonable size/weight so it can be brought to meetings and used.
- h) Don't include duplicate or similar items and, where possible, use summaries instead of longer documents
- i) The manual may be prepared by staff, but it should be done with input by and in consultation with the Board Directors. Board members should regularly evaluate its usefulness and provide suggestions for improvement.

The board manual/file shall contain amongst others the following information:

1. Names of board members, their biographies/CV, terms of office and a statement of their responsibilities;
2. A list of committees and task forces, with their terms of reference, time frames and membership;
3. A brief written history of the organization and/or a fact sheet about the organization;
4. Mission and vision statements;
5. Strategic framework or plan, and the current annual operating plan;
6. Minutes from recent board meetings;
7. Board policy manual (this document)
8. The prior year's annual report and audit report;
9. Current annual budget and latest financial statement;
10. Banking resolutions;
11. Current list of major donors or partners and/or stakeholder;
12. Organizational chart and staff information;
13. Annual calendar; and,
14. Promotional material and Web site information.

#### **6.4 Books of Accounts and Key Records**

- a) The organization shall keep up-to-date and in a proper business like manner such accounts and such books as the Rules and Regulations may from time direct and in particular shall keep the following books of accounts.
  - A minute book giving details of proceedings at board meetings.
  - Minute books giving details of proceedings of board committees.
  - The income & Expenditure and balance sheet of IDF
  - A general ledger containing such accounts is as necessary to reflect properly the business of the IDF.
  - Such other books & records as the Board may decide or that the Treasurer and Finance and Administration Officer may prescribe.
- b) It shall be the duty of the Board of Directors to cause proper accounts to be kept and audited in the manner required by the IDF Constitution
- c) The books of accounts shall be kept at the main IDF office and shall be subject to reasonable restriction as to the time and manner of inspecting the same that may be imposed by the Board in the Annual Meeting. These shall be open to inspection by any member at all reasonable times during usual business hours.
- d) The Board of Directors shall from time to time in accordance with the provision of the Act, cause to be prepared and to be laid before the Board in Annual Meetings such income and expenditure accounts, balance sheets and any other reports as may be required by law and or other statutory stipulations
- e) Proper books of account as are necessary shall be kept to give a time and fair view of the organization's transactions.
- f) The books of accounts shall be kept at the registered office or at other places as the board may think fit, and shall always be open to the inspection of the Directors.
- g) The board shall from time to time determine whether and to what extent, times, places and under what conditions and regulations the accounts and books of the organization shall be open to the inspection of members who are not Directors.
- h) Auditors shall be appointed and their duties regulated by the Board.



## 7.0 ETHICAL GUIDELINES FOR BOARD MEMBERS

### 7.1 Overview

An overriding concern for development organizations today is ethical governance (flow from the standards set by policy and leadership authenticity, and the ethical conduct of each board member). IDF wishes to articulate ethical guidelines to board members to protect the sanctity of both the organization and the members.

Ethical problems evolve in situations where expected standards or norms are not met, whether they have been clearly articulated by the organization or not. Some of the ethical issues include for example the following:

- a) Being loyal to the organization and its members
- b) Dealing with the public, staff and board peers in a straight forward manner
- c) Not exercise individual authority over the organization or the staff
- d) Speaking positively of the organization to the public
- e) Maintaining confidentiality of board business
- f) Avoiding conflict of interest such as if, where, when a board member:
  - Makes a decision motivated by considerations other than IDF's best interests
  - (Or close family member) personally contracting with the organization
  - Learns of & exploits an opportunity for profit which may be valuable to him/her personally or to another organization of which he/she is a member
  - Assists a third party in their dealings with the organization, in anticipation of favorable or preferential treatment being granted the third party,
  - Receives gifts or loans from the organization

### 7.2 Ethical Guidelines for IDF Board Members

- a) IDF shall pursue the basic ethical principles of fairness and honesty for its board and staff.
- b) The board shall be responsible to ensure that it has a clear understanding of its roles, responsibilities and functions, and further ensure that this information is clearly articulated and conveyed to all board members.
- c) All board members shall sign standards of ethics to ensure that members are aware of the ethical stance of the organization and bring a fresh commitment to ethical governance, refreshing the commitments of existing members.
- d) The code of ethics shall be reviewed every two years to maintain currency with organizational shifts (growth, circumstances, risks etc). The following ethical standards shall apply as a minimum to IDF Directors.

#### **General**

- a) To hold the betterment of the organization as a priority, including during all participation in discussions and voting matters.
- b) A responsibility to contribute to the board any suggestions of ways to improve the organization's policies, standards, practices or ethics.
- c) Not abuse ones position as a board member by alluding to entitlement or expecting special treatment beyond regular members.
- d) Declare any conflict of interest, be it real, potential, or apparent, which is not immediately obvious regarding matters under discussion.
- e) Refrain from participating in the discussion and leave the meeting at the board's request where a conflict of interest emerges.

**Information**

- a) Not knowingly take advantage of or benefit from information that is obtained in the course of official duties and responsibilities
- b) Be alert to information which the organization can use to develop improved policies and strategies
- c) Protect the organizations information and not release or share confidential information without the written permission of the person who provided it
- d) Maintain confidentiality of all information which the board deems ought to be kept confidential

**Resources**

- a) Be mindful of resources in their trust on behalf of the organization, and establish policies to ensure security of resources
- b) To be reimbursed only for legitimate expenses incurred on duty and to keep these reasonable and justifiable.

**Gifts and Hospitality**

- a) Reject offers as gifts, favors etc from business contacts which can be regarded as bribes.
- b) Will not routinely accept the hospitality of others e.g. when meals are taken with business colleagues, to pay for as many meals as do many colleagues.

**Representing the Organization**

- a) Board members represent the organization informally and formally to other associations, societies, government officials and this should be done in a manner as to leave others with a positive impression of the organization.

**Interpretation & Enforcement**

- a) The board chairperson is ultimately responsible for immediate interpretation, application and enforcement of the board members' code of ethics policy.
- b) All complaints concerning a possible code of ethics violation shall be made in writing to the board chair with a copy provided to the complainant.

**Delegation and Penalties**

- a) Should the board chairperson be the subject of a written complaint, the vice chair shall perform the duties normally assigned to the chair in this matter.
- b) Penalties imposed for breach of the code of ethics may include, but are not limited to, the following:
  - Excluding the board member from portions of all future meetings and discussions which relate to the stated conflict of interest, and/or
  - Censure of the board member, in private, in public, or both, and/or
  - Removal of the board member from office by a resolution passed by a vote of two-thirds of the members voting at an annual or special general meeting of IDF, provided that notice of such a proposed resolution is given with the notice calling the meeting.

## 8.0 REMOVAL OF BOARD MEMBERS

### 8.1 Criteria of removing board members

- a) Any member of IDF board found violating the code of conduct shall be subjected to a disciplinary committee consisting of Chair, Secretary of the Board of Directors and one board member. The accused member shall be given a chance to defend him/herself. If found guilty of breach, the committee will reach a conclusion and make judgment on the matter, and shall give the final verdict in written. The judgment of the Board of Directors shall be final.
- b) The Board may by resolution propose to the annual meeting for removal of any member of their body from office, but if such member should be aggrieved at his or her removal he or she may appeal to a special meeting to be called for this purpose. In the meantime, he or she shall cease to act as a member of the Board and to hold any other office under IDF.
- c) The other members, in the case of such a vacancy may act notwithstanding any such vacancy provided always that in case the members of the board shall at any time not be reduced in number to less than the minimum number prescribed by this constitution.
- d) This (reduced) number shall be the quorum for the purpose of filling up vacancies in their body and of summoning an Annual Meeting but not for any other purposes. Provided also that the Board may co-opt any person or persons to advise them in any capacity, which they shall think fit.
- e) Any board member shall cease to be a member of the board of IDF if:
  - They give a one month's notice in writing to the IDF of the intention to resign from the membership. Upon the expiry of such a notice, the said member shall have his/her membership ended.
  - On his/her retirement signified in writing
  - On expiry of five years as a member of the board (where no extension is desired by self or other board members)
  - They are convicted of any criminal offence and imprisoned by a court of law for a period of not less than three months without the option of a fine.
  - The member has in the opinion of the board conducted themselves in a manner detrimental to the wellbeing, reputation or image of IDF and after accord of a reasonable opportunity of defense is deemed guilty of the offense by 2/3 of board
  - If a receiving order is made against him or her or makes an arrangement or composition with his creditors (declared bankrupt).
  - If he or she fails to attend the meetings of the Board for a period of 9 months or three straight board sittings, except by special leave of the Board.
  - If he or she becomes of unsound mind.
  - If s/he is removed from office by a resolution duly passed under this constitution or IDF.
  - On his/her death

### 8.2 Indemnity

Every board member, agent, auditor, secretary and other officers for the time being of the organization shall be indemnified out of the assets of the organization against any liability incurred by him/her in defending any proceedings, whether civil or criminal in which judgment is given in his/her favor or in which he/she is acquitted.



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