

Roles and Responsibilities

of Museum Boards of Trustees



Canadian Art Museum Directors Organization

Guidelines: Roles and Responsibilities of Museum Boards of Trustees

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The CMA would like to acknowledge the financial assistance from the Department of Canadian Heritage which has in part made these guidelines possible. The CMA kindly acknowledges Dr. Yosef Wosk for his generous contribution to this project. Dr. Wosk has been a member of several Museum Boards of Trustees in Canada.

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Approved by
Canadian Museums Association
Canadian Art Museum Directors Organization

Introduction

Museum boards are facing increased concern about accountability. Some face changes in governance within non-profit organizations and municipalities. New models of board governance have been introduced. Board members and staff need to have a strong, common understanding of the roles and responsibilities of museum trustees. They also need to keep up with government and community initiatives affecting Canadian museums.

There are more than 2,400 museums in Canada including art galleries, community museums, historic sites, science centres, botanical gardens, multi-disciplinary and specialized museums. Most are governed by boards of trustees that are usually composed of dedicated volunteers from the community.

Adoption of these Guidelines

These *Guidelines* are intended to provide direction to trustees of all Canadian museums, whether large or small. They reflect current understanding of the roles and responsibilities of museum trustees and replace the first set of guidelines introduced by the Canadian Museums Association (CMA) in 1991.

Museums are strongly urged to adopt these guidelines and use them as a checklist for developing or improving internal museum policies and procedures with respect to board roles and responsibilities.

What type of board structure does your museum have?

This document addresses the roles and responsibilities of members of governing boards of non-profit museums. There are two distinct types of governing boards:

- Policy boards have full-time professional staff. Their role is primarily establishing vision, policy and resources.
- Administrative boards have no professional staff. They often assume hands-on responsibilities in addition to governance responsibilities.

Some museums have advisory boards instead of, or in addition to, governing boards. Their roles are not the same as governing boards but are defined by the governing body through terms of reference. Municipal, provincial and federal government museums all have their own by-laws or other incorporating documents that outline the responsibilities of management or advisory boards distinct from those of elected officials.

1. The Role of the Board of Trustees: The Public Trust

All board members are fiduciaries who have the museum's collections, property, premises and resources in their care as assets in trust for present and future generations. By law, the board of trustees is publicly accountable for the museum's resources and activities, for the care of the museum's collection to professional standards, and for ensuring public access within the constraints of its security and preservation. The board's role is to set policies in consultation with staff for the effective administration of the museum, and to monitor adherence to these policies. Implementation of policies and development of internal practices is the role of professional staff.

2. The Responsibilities of the Board

The board of trustees has the following primary responsibilities:

- *Purpose* – establishing and implementing the museum's mission and vision;
- *Continuity* – providing continuity for managing and implementing the museum's affairs;
- *Progress* – setting the rate of progress the museum takes in reaching its mission and vision; and
- *Identity* – securing community support and appreciation for the museum's mission, vision, mandate, beliefs and long-term direction.

▶ 2.1 Purpose

The board of trustees establishes the museum's mission, vision and mandate. The board should review its by-laws and constitution on a regular basis and amend as necessary to ensure that they remain relevant to the museum's evolving role in society.

▶ 2.2 Continuity

2.2.1 Hiring and Monitoring Performance of the Director

The board appoints the director, whether paid or unpaid, who in turn appoints all other staff and service volunteers. Individuals should not serve as board members and staff simultaneously. The director should not be a member of the board of trustees. Former trustees should not be hired as staff, nor should former staff serve as trustees, for a period of at least two years.

The board should:

- Undertake a formal search process, with appropriate confidentiality;
- The decision to engage or dismiss the director must be ratified by the full board;
- Set out in writing as a basis for mutual agreement the job description, salary, benefits, conditions of employment and relationship with the board, including provisions for performance reviews and arbitration;
- Monitor the performance of the director through its policy, planning and budget review processes;
- Use regular performance reviews to communicate its evaluation, expectations and recommendations for particular actions; and
- Ensure that, should the need to terminate the

employment of the director arise, the process is undertaken in a professional and ethical manner, in accordance with the best interests of the museum and relevant legislation.

▶ 2.2.2 Policy Development

With the input of professional staff and/or consultants, the board is responsible for formulating and approving framework and operational policies and for monitoring staff progress in implementing policies. In establishing written policies, the board provides trustees and staff with clear authority and guidance needed to carry out their respective roles: trustees formulate, monitor and evaluate policy and staff implement it.

The board should require the circulation of a policy manual that incorporates all adopted policies and ensure that reports are submitted to appropriate government agencies as required. Museums may develop as many internal policies as required for sound management. The following are suggested policy areas for all museums:

- Framework policies (e.g., constitution, by-laws, mission, vision, mandate, board self-governance policies, code of ethics);
- Operational policies (e.g., collections, conservation, risk management, interpretation, personnel, financial management.); and
- Advocacy policies.

▶ 2.2.3 Planning

The board should ensure that a long-range plan is prepared and monitored. The plan should outline the objectives for each function of the museum for the specified planning period, specify the expected outcomes, indicators and impacts, and guide the board and staff in

providing the space, facilities, financial means and human resources to achieve these objectives.

▶ 2.3 Progress

The board is responsible for the safety, security and preservation of the museum's collections, providing environmentally-controlled storage facilities and ensuring the physical security and preservation of the collections. These facilities must meet professional museum standards for the fulfilment of such basic functions as acquisition, preservation, research, exhibition and education and should comply with all relevant codes for staff, volunteer and public safety.

In order to ensure that the museum has the financial resources necessary to meet the long and short-term goals approved by the board and demonstrate financial accountability, trustees must:

- Establish budgeting, financial reporting, contracts, fundraising and sponsorship policies.
- Oversee and participate in fundraising activities, raise funds for the museum from both public and private sources, and use their influence to assist museum development staff and volunteers in raising these funds.

- Ensure that adequate systems are in place for budgeting and financial reporting.
- Approve and monitor the budget.
- Ensure the museum's financial assets are protected and cared for.
- Ensure that there is an annual financial review or audit as required.

▶ 2.4 Identity

The board of trustees provides an important link between the museum and the community. Trustees represent the views of the community in policy development, communicate the mission and vision of the museum to elected representatives and the public, and advocate greater public involvement and increased moral and financial support for the museum.

The board has a responsibility to advocate not only for its individual museum, but to become involved in discussion of broad public policy issues impacting the larger arts and heritage community.

3. Board Self-Governance

The board must govern itself effectively and efficiently, independently from museum management. Just as museums differ in their histories, stage of development, governance model and board composition, museum boards differ in the ways in which they organize and direct their work.

▶ 3.1 Board Chairperson

The role of the chairperson should be clearly specified in the bylaws or authorizing documents. A board's effectiveness depends upon its chairperson. That person provides leadership, ensures that the board adheres to its bylaws and constitution, sets the agenda and facilitates group decisions at board meetings, and motivates the board to fulfil its responsibilities. However, the chairperson does not have more authority than other board members. Quorum is required for critical decisions, which should be respected by all members of the board. Trustees should not be held accountable for actions taken by the chairperson independently. The chairperson plays a leading role in fundraising activities and places the interests of the museum first in all dealings with trustees, the Director, staff and volunteers, the public, government and other funders.

▶ 3.2 Trustees

Job descriptions should be prepared for all trustees and every officer of the board. They should include the position, authority and responsibility, requirements, term, general duties, evaluation, review date and approval date.

▶ 3.3 Committees

Standing committees and ad-hoc committees facilitate board decision-making. A member of the board may chair committees but it is often advantageous to also involve outside individuals on committees or as chairs. The mandate, authority, membership, term and budget of each committee must be established by terms of reference approved by the board. Committees do not set policy, but may formulate policy for the review and approval of the board. The number and responsibility of committees varies from one museum to another.

▶ 3.4 Board Recruitment

The board should establish an annual recruitment process to replace trustees whose terms have expired or who have not fulfilled their responsibilities. The nominating committee should assess the qualities of continuing board members and identify the background, skills, knowledge and experience needed in new trustees to address current challenges. Museums should recognize the need to reflect the communities they serve at the board level as part of their strategy to be relevant in an increasingly multicultural and diverse society.

▶ 3.5 Board Orientation and Development

New board members should participate in board orientation including review of these guidelines and of other orientation material such as the CMA video, *The Guardians*, on the role of museum trustees.

The board should provide opportunities for all of its members to develop their knowledge and skills as museum trustees by attending museum conferences, becoming involved in trustees' special interest groups and participating in courses, seminars and board retreats as well as through reading relevant publications. Board members should be made aware of support organizations such as the CMA, the Canadian Federation of Friends of Museums and the Museum Trustee Association.

▶ 3.6 Evaluation

Regular self-assessment of the board as a whole identifies the strengths and weaknesses of the board.

Individual board members should be evaluated prior to their re-nomination. A committee or external evaluator may be charged with evaluating the performance of serving board members and recommending re-nomination as appropriate. Trustees should cooperate in an evaluation process initiated and led by the chairperson.

▶ 3.7 Board Manual

Every trustee should receive a copy of the Board Manual, containing information needed to carry out board responsibilities, including:

- Mission, vision and mandate;
- Background information on the museum and its history;
- Constitution, bylaws or other authorizing documents;
- Board structure and procedures;
- Trustees' job descriptions;
- Board committee structure and terms of reference for each committee;
- Policy manual;
- Relevant legislation and codes of ethics;
- Financial summary: annual budget, financial statements and most recent audit;
- Current long-range plan;
- The CMA's *Guidelines: Roles and Responsibilities of Museum Boards of Trustees* and special video on role of trustees, *The Guardians*; and
- List of current board members with their contact information.

4. Board Conduct

Board conduct influences staff effectiveness and the perception of the museum in community. The board of trustees is a collective entity. A board can act only at legally constituted meetings at which a quorum exists or through a proper delegation of some part of its authority to its officers, committees and the museum's professional staff, with subsequent adoption of their actions.

▶ 4.1 Attendance

Attendance at meetings and functions is a primary responsibility of trustees. Trustees should be aware that they are responsible for the actions of the board even if they are absent from a meeting. The board may adopt a policy requiring, for example, 65% mandatory attendance for board meetings, openings, fundraising events, and volunteer and member appreciation events. Poor attendance should impact eligibility for re-nomination.

▶ 4.2 Liability

Trustees should be aware of their legal responsibilities and liabilities in fulfilling their role as public trustees. Due diligence is essential. The board should seek legal advice and obtain insurance as required. Museums should contact the CMA for information about directors' and officers' liability insurance available through its group insurance program.

In order to minimize liability, each trustee must:

- Participate in approving the annual budget, audit, financial report, and periodic financial statements;
- Support the museum's mission, vision and mandate;
- Regularly attend board and assigned committee meetings;
- Prepare for each meeting;
- Comply with and monitor implementation of museum policies;
- Be familiar with board and assigned committee minutes;
- Adhere to the roles and responsibilities of the board and its committees;
- Know who is authorized to sign cheques and for what amounts; and
- Monitor the community's response to the museum's programs and services.

▶ 4.3 Adoption of a Code of Ethics

The board should adopt a code of ethics, either the *CMA Ethics Guidelines* or its own adopted code based upon national and international codes.

▶ 4.4 Avoidance of Conflict of Interest

Objectivity is essential for guiding the museum and for public confidence in the museum. Real and apparent conflicts of interest must be scrupulously avoided. This means for example that:

- Private collecting practices should be declared, and any advice sought from the museum's professional staff or any collection-related decisions that might benefit the trustee recorded.
- Private business interests should be declared and the trustee should withdraw from any decisions on purchase of goods or services that might benefit the trustee directly or indirectly. Consultants who are trustees should not do paid work for the museum while serving on the board.
- Artists who are trustees may not donate works of their own art to the permanent collection or be considered for an exhibition of their work, either solo, group or juried.

▶ 4.5 Collegiality and Confidentiality

Trustees owe positive loyalty to the board and should never divulge its deliberations and decisions to any outside body or person before they are made known to the staff and public through the agreed-upon channels of communication. Trustees must accept that decisions are made on a majority basis after due deliberation and that it is the obligation of board members to abide by and support, rather than undermine them. Equally, board

members may not publicly criticize other board members or museum staff.

▶ 4.6 Board-Director Relations

The director (often known as chief executive officer) advises the board on policy development, implements policy, develops guidelines, and is responsible for day-to-day management of the museum. The board and the director should respect each other's sphere of responsibility and be appropriately supportive.

This means, for example:

- Trustees will give the director unflinching support as long as responsibilities are carried out effectively in accordance with approved policies and plans.
- The board appoints the director and delegates responsibility for appointing, evaluating and dismissing staff to the director according to the personnel policy.
- Following staff representation to the director, and at the director's invitation, the board may receive employee concerns and grievances according to established policy.

Trustees should expect from director or his/her designate:

- Attendance at board and committee meetings as an ex-officio member;
- Full reports and recommendations on the finances and programs of the museum;
- Timely and pertinent information on matters pertaining to fulfilment of the board's roles and responsibilities and their proper conduct as set forth in the *Guidelines*; and
- An open, honest relationship that puts the interest of the museum ahead of personal enthusiasm and career goals.

▶ 4.7 Board-Staff Relations

The board or director may find it appropriate to hire consultants to assist with planning, policy development and personnel issues. The director is responsible for the hiring, training and evaluation of all other staff and service volunteers according to established policies. The board ensures that day-to-day responsibility for collections care, public access, education and other functions are delegated to staff that is appropriately trained and adequate in numbers. The size of the staff and its nature (whether paid or unpaid, permanent or temporary) will depend on the size of the museum, its collection and responsibilities. When board members perform service volunteer work they are acting as volunteers, not as board members, and in that capacity report to staff.

Resources

Board Development Program, Alberta Community Development

#907 Standard Life Centre, 10405 Jasper Ave.
Edmonton, Alberta, T5J 4R7
Tel: 780-427-2001

Alberta's Board Development Program provides assistance to Alberta's not-for-profit boards in the area of governance and provides practical resource materials that focus on board governance, some of which are available online at: www.cd.gov.ab.ca/bdp and some for sale from the Resource Centre for Voluntary Organizations at Grant MacEwan College www.rcvo.org.

Canadian Federation of Friends of Museums

www.cffm-fcam.ca/

317 Dundas St. West
Toronto, Ontario M5T 1G4
Tel: (416) 979-6650
Fax: (416) 979-6674

The CFFM is the national voice promoting museums and Canadian heritage throughout Canada for the benefit of all Canadians, specifically endorsing and encouraging volunteer participation and the support of friends of museums.

Canadian Museums Association

www.museums.ca

280 Metcalfe St., Suite 400
Ottawa, Ontario K2P 1R7 Canada
Tel: (613) 567-0099
Fax: (613) 233-5438

The CMA is the national organization that unites, represents and serves museums and museum workers across Canada, and works passionately for the advancement, growth and stability of the museum community in Canada. See: directors' and officers' liability insurance program, publications such as the *CMA Ethical Guidelines* (1999) and the video—*The Guardians* (2002): a valuable tool for all non-profit cultural institutions.

Canadian Centre for Philanthropy (CCP)

www.ccp.ca

425 University Ave., Suite 700
Toronto, Ontario M5G 1T6
Tel: (416) 597-2293; 1-800-263-1178
Fax: (416) 597-2294

The CCP is a national, charitable organization with a mandate to advance the role and interests of the charitable sector for the benefit of Canadian communities. The Centre

accomplishes this mission through various programs, including Public Affairs, Research, Imagine, and Membership. See, for example: *Highlights from the 2000 National Survey on Giving, Volunteering and Participating*. Available online at: www.givingandvolunteering.ca/reports.asp?fn=view&id=23226.

Museum Trustee Association

www.mta-hq.org/

2025 M St. NW, Suite 800
Washington, DC 20036-3309
Tel: (202) 367-1180
Fax: (202) 367-2180

The Museum Trustee Association (MTA) is dedicated to providing ongoing board education programs, services and resources for museum trustees.

Voluntary Sector Roundtable

www.vsr-trsb.net/main-e.html

The VSR began in 1995 to bring about collaboration within the voluntary sector on issues of common concern. It has given leadership to three major initiatives aimed at strengthening the sector's capacity and its relationship with the federal government: The Panel on Accountability and Governance in the Voluntary Sector (1998); Working Together (1999), and the Voluntary Sector Initiative (2000-2005).

See resources at www.boarddevelopment.org/

Research reports are available online at www.vsi-isc.ca/eng/index.cfm; Broadbent, Ed et al. *Building on Strength: Improving Governance and Accountability in Canada's Voluntary Sector; Panel on Accountability and Governance in the Voluntary Sector*. Available online at www.vsr-trsb.net/pagvs/Book.pdf.

Volunteer Canada

www.volunteer.ca

330 Gilmour St., 2nd Floor
Ottawa, Ontario, K2P 0P6
Tel: (613) 231-4371; 1-800-670-0401
Fax: (613) 231-6725

Volunteer Canada is the national voice for voluntarism and provides leadership on issues and trends in the Canadian volunteer movement and actively engages in research, training and other initiatives to increase community participation across the country. See: *Canadian Code for Volunteer Involvement. Volunteer Canada*, 2001. Available online at: www.volunteer.ca/volunteer/pdf/CodeEng.pdf.