Policy Governance Model*
Overview

Governing boards of non-profit organizations fall within two distinct types:

- Policy boards – primarily responsible for establishing vision / mission / outcomes, policies and resources. The focus is on policies and not on operating decisions.
- Administrative / management boards – assume hands-on management responsibilities in addition to governance responsibilities.

The Board of the Alberta Museums Association operates as a policy board using the Policy Governance Model. ™ Under this model:

- The Board is accountable to the membership (the owners) for achieving what should be done and avoiding what should not be done.
- The Board has one employee, the Executive Director, who is accountable to the Board as a whole.
- The Board speaks to the Executive Director with one voice, through policy.
- The Board's only official contact with the Secretariat staff is the Executive Director – the Executive Director is responsible for staff.
- There is a clear separation of governance (through Ends policies and monitoring) from management (staff Means).
- Ends are written statements of how the world will be different as a result of the actions of the organization — they identify the need to be met (what good), the recipient of the need (for which group), and the cost or relative value of providing the need (at what cost). Means are the practices, processes, activities, and methods that will enable the organization to move toward the Ends.
- The Board's focus is on Ends and not Means. The Board prescribes the Ends of the organization and sets prudence and ethics limits on the Means available to the Executive Director in achieving organizational Ends.
- The Board does not involve itself in staff Means (e.g., annual planning, programs, services, staffing) except to define, through the Executive Director, the limits of prudence and ethics. Staff Means are the responsibility of the Executive Director.
- The Board governs through four major policy categories:
  - Ends Policies: what good, for which group, at what cost (e.g., vision, mission, values, and outcome statements)
  - Executive Limitations: what is unacceptable for the Executive Director (e.g., statements of limitations on financial condition, treatment of staff)
  - Governance Process: how the Board will operate (e.g., governing style, board job descriptions, code of conduct, conflict of interest)
  - Board - Executive Director Relationship: how the Board relates to the Executive Director (e.g., Executive Director job description and monitoring)
- The primary functions of the Board are to set policy, monitor policy, review and evaluate policy, and evaluate the Executive Director.

For more information on the Policy Governance Model, see **www.carvergovernance.com/pg-np.htm**

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