

# Board Induction Process

## A. Introduction

A properly-functioning governing body is vital to the success and longevity of any Christian organisation. The effective operation of that body largely depends on the free exchange of information and ideas between its members. Ensuring new members are quickly brought up to speed with the organisation (including its strategy and the environment within which it operates) is an important aspect of every governing body's role.

Not only is it good practice to have a board induction process, it is a legal requirement under the ACNC legislation for charities to take reasonable steps to make sure that their responsible persons (ie board members) are subject to, understand and carry out their legal responsibilities. Having an appropriate induction process will ensure that the organisation does not breach this law.

The responsibility for an effective induction process should be shared between the existing board, the CEO of the organisation and the new board member, but the leader of that process would normally be the chair of the board.

For convenience this paper uses the words 'board' and 'board member' in relation to a governing body and its members. While a governing body may use different titles for its governing body and its members (eg parish council and councillors, committee and committee members), the principles are the same.

## B. Confirmation of appointment

The first step upon the appointment of a new board member is for the chair of the organisation, in addition to making any congratulatory phone call, to send a formal letter or email of appointment as soon as possible after the appointment (see the resources section below for a template). That letter should specify the date of the appointment, its term if any (for example, it may be until the appointment is ratified by the next AGM, or it may be for a year, or it may be for 3 years). This information is usually found in the organisation's constitution, bye-laws or rules. If the appointment is subject to a condition (for example, a formal consent to act as a director if the organisation is a company limited by guarantee) that has not already been fulfilled, the letter should include the appropriate form for completion and instructions about where to send the completed form (usually the chair or the board secretary).

The letter should also foreshadow that further information will be provided very shortly, together with details of the board induction process.

## C. Information pack

It is important to provide the newly appointed board member with enough information to get up to speed on the organisation and its procedures as quickly as possible. Accordingly, if the following information has not already been provided as part of the recruitment process, it should be sent to the new board member as soon as possible after the appointment:

### 1. *Organisation information*

This would include for example:

- The organisation's constitution
- Any Vision and/or Mission Statement
- The Statement of Faith
- The most recent Annual Report
- The most recent Financial Statements
- The Strategic Plan or equivalent
- Board Minutes for the last year
- The risk management matrix or equivalent
- The name and website address of any government regulator relevant to the organisation
- The CMA Standards Council Principles and Standards of Responsible Governance (see the resources section below) and any other codes to which the organisation is a signatory

### 2. *Board information*

This would include:

- Names and contact details of all board members, preferably with a short biography
- The structure of the board, including any formal roles or positions (eg chair, secretary, treasurer)
- Details of any committees (roles, responsibilities, membership and reporting lines)
- Governance Manual or equivalent (if in existence) or a list of all applicable policies and how to access them
- Details on how the board operates in practice (for example, how documents are circulated, amended and stored, expectations regarding attendance at events, expectations regarding preparation and pre-reading of documents, reimbursement or not of travel expenses)
- A board calendar, including meeting dates, places, times, duration, whether electronic or face-to-face, and any other significant events

### 3. *Board member information*

This would include:

- A job description for any specific position to be filled by the new member (for example, a particular office such as treasurer, or membership of a particular committee)
- Details of any insurance for board members

- A summary of the legal duties and potential liabilities for board members (see the resources section below for a sample)
- Details of any board evaluation process
- Opportunities for development/training

## **D. Induction process**

The extent of the induction process itself will depend on the type of organisation and the particular role if any which the new board member will be filling. It will also depend on what has been done during the recruitment process. For example, an incoming treasurer will need specific briefing on the finances of the organisation and may need to meet senior accounting staff at the organisation.

However, because relationships and a sense of teamwork on a board are very important, the following steps would be typical for a medium sized organisation as soon as possible after appointment:

1. A face-to-face meeting with the chair to run through the way the board works and deal with any questions arising out of the Information Pack in that regard.
2. A face-to-face meeting with the CEO to run through how the organisation works, its key programmes and organisation structure and deal with any questions arising out of the Information Pack.
3. A social time (either separately or immediately prior to the first face-to-face board meeting) to be introduced to any board members who the new member has not yet met.
4. Appointment of a mentor or buddy from one of the existing board members who can meet separately with the new board member for one-on-one backgrounding before and after say the first 2 board meetings after appointment and then as required for say the first 6 or 12 months after appointment.
5. If appropriate, a tour of the offices of the organisation and an introduction to any key staff. If the organisation has overseas programmes, set up a process to visit one or more of them within the foreseeable future.

## **E. Useful resources**

1. Sample appointment letter - [appointment letter](#). This letter should be tailored to include the information referred to in section A above.
2. Paper on the legal role and potential personal liability of board members - [Legal obligations of board members](#)
3. CMA Standards Council Principles and Standards of Responsible Governance - [CMASC Standards](#)
4. ACNC Governance Standards - [ACNC Governance Standards](#) (but note, if you meet the CMASC Standards, you are deemed to be highly likely to meet the ACNC Standards)
5. ACNC External Conduct Standards – [ACNC External Conduct Standards](#) (note, this is only appropriate if the organisation operates in any way outside Australia)