Ten principles guiding effective library governance

- Build a solid governance framework that includes by-laws, policy and an achievable plan that is based on why you exist: your mission.
- When you’ve built it, make sure it works and keep it in shape.
- Know who you are there to represent and how to connect with them.
- Make good decisions on their behalf.
- Know what it is that you need to achieve.
- Assess what you have accomplished and report progress regularly.
- Know what information you need and where and how to get it in order to manage risk.
- Know who you need on the board and who you need to run the library.
- Know where and how to get the resources you need.
- Remember, you are not there to manage – you are there to govern.

Fiduciary duty
As a member of a library board, your fiduciary duty is to act honestly and in good faith and in the best interests of the library. This means that the interests of the library take precedence over your personal interests or those of any other group with which you are associated.

Meeting requirements
The Public Libraries Act, RSO 1990, c. P.44:
- Board shall hold regular meetings once a month for at least 10 months each year and at such other times as it considers necessary.
- Meetings are open to the public.
- Majority of members must be present.
- Chair may vote with other members.
- Tie vote is deemed to be negative.

Membership
- Members are appointed by municipal council according to rules set out in the Act.
- Minimum size for a library board is five members.
- The number of municipal councillors on a library board may not exceed one less than the majority; a county board may have a bare majority of councillors.
- Library or municipal employees may not be board members.

Municipal integration
Ontario public libraries enjoy varying levels of integration with their municipalities. One library may operate with separate financial policies and processes, while another may simply adopt its municipality’s policies. Many boards have forged closer ties with their municipality to maximize their effectiveness and to collaborate in achieving common goals. While the library board is an independent body and responsible for directing the disbursement of library funds, it can be advantageous to align agendas and streamline business processes with its municipality. Both the library and the municipality serve the same public and address issues common to both bodies.
Power to oversee the library's finances

Financial oversight involves:
- Understanding the implications of a budget and a financial report;
- Recognizing if the allocation of monies aligns with board priorities;
- Ensuring that financial policies are in place to control receiving, processing and disbursing money, to ensure fiscally-sound budgeting, to comply with current municipal legislation with respect to purchasing and hiring, to manage risks, and to limit liability to the library and the board.

Financial oversight does not mean:
- Simply approving a budget or financial report;
- Approving a cheque register;
- Challenging a miniscule amount on a budget line.

The Public Library Board and the Chief Executive Officer: Who Does What?

Monitoring and evaluation

Evaluates library performance annually or more often if appropriate

Board meetings

Plan for meeting goals and objectives

Approves plan

PLANNING

GoVERNANCE PROCESS

Board Responsibilities

CEO Responsibilities

Existing local and provincial laws
Knows local and provincial laws
Knows local and provincial laws

New legislation affecting libraries
Responds to new legislation
Responds to new legislation

Library records
Ensures records are kept and protected in compliance with privacy legislation
Keeps complete and accurate records regarding refinance, personnel, inventory, insurance, annual statistics, membership
Approves annual reports for Government of Ontario
Prepares, submits annual reports to Government of Ontario

Accountability
Municipal/Council and Government of Ontario
Board

Attends/participates in all

Board chair supports and participates in planning and delivery

Attends/participates in all

Financial oversight involves:
- Ensures that there is provision for succession management
- Contributes input to succession management
- Identifies the skills and competencies necessary for the incoming board to meet new term challenges
- Liaises with municipal staff on board appointments with input from outgoing board
- Interacts with individual board members to ensure that they are engaging and participating
- Provides necessary data to demonstrate progress
- Adjusts plan accordingly

Financial control measures
- Ensures safe financial control measures are in place to expend funds
- Secures its own bank account and directs the disbursement of funds
- Recognizes if the allocation of monies aligns with board priorities; understanding the implications of a budget and a financial report
- Interprets policies and procedures to library staff and public
- Establishes procedures for implementing policies
- Establishes the library as an essential community service
- Demonstrates accountability to the community
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- Establishes the library as an essential community service
- Demonstrates accountability to the community

Policies provide the necessary framework for all of the operations and priorities of the library and allow for a smooth transition from old to new boards. Library policies include:
- Advocacy
- Children's services
- Circulation
- Collection development
- Community information
- Customer service

Policies must be framed within the limitations set out in government legislation and regulations. * Required under the Municipal Act.

PLANNING

Community needs for library service
Assesses needs

Mission and overall direction
Defines mission and overall direction

Library goals and objectives
Develops and approves

Plan for meeting goals and objectives
Approves plan

Monitoring and evaluation
Evaluates library performance annually or more often if appropriate

Adjusts plan accordingly

POLICY DEVELOPMENT

Board Responsibilities

CEO Responsibilities

Library policy
Analyzes CEO policy recommendations
Debates policy issues and implications
Approves policy
Reviews and revises policies as necessary

Advises board on policy development framework and format
Provides information sources and policy examples
Establishes procedures for implementing policies
Interprets policies and procedures to library staff and public
Maintains policy manual and ensures its accessibility

Governmental (Public Libraries Act, RSO 1990, c. P.44, sec. 23 (1-3)) ALLOWS a board to:
- Build a strong and communicative relationship with municipal council
- Develop a dialogue with the community and respect CEO expertise
- Ensure that the present and anticipated needs and board's plan are understood by the community
- Establishes the library as an essential community service
- Advocates library's role in the community
- Respects CEO expertise
- Forges relationships with community groups and leaders
- Builds a strong and communicative relationship with municipal council
- Maintains a dialogue with the community
- Is aware of the municipal planning context
- Develops strategic partnerships with community groups and leaders
- Demonstrates accountability to the community
- Ensures that the present and anticipated needs and board's plan are understood by the community
- Establishes the library as an essential community service
- Advocates library’s role in the community

Legal Issues

Existing local and provincial laws
Knows local and provincial laws
Knows local and provincial laws

New legislation affecting libraries
Responds to new legislation
Responds to new legislation

Library records
Ensures records are kept and protected in compliance with privacy legislation
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Board

Attends/participates in all

Board ...
### Power to set fees

The Public Libraries Act, RSO 1990, c. P.44, sec.23 (1-3) ALLOWS a board to charge for:
- use of parts of the library building not being used for library purposes;
- library services for non-residents;
- some services not outlined in Regulations.
A board is NOT permitted to charge for:
- admission to the library;
- using library materials in the library;
- reserving or borrowing circulating materials specified in Regulations.

### Power to hire the CEO

The Public Libraries Act, RSO 1990, c. P.44 gives a library board the sole right to hire the library’s chief executive officer.

### Conflict of Interest

A library board member must disclose any direct, indirect or deemed pecuniary interest prior to consideration of any matter. Once the interest is disclosed, the member is prohibited from participating in the decision-making process.

### Standard of care

A library board member is required to carry out his or her duties with the same care and attention that would reasonably be expected from someone of his or her knowledge or experience.

### Table: Board Responsibilities vs. CEO Responsibilities

<table>
<thead>
<tr>
<th>FINANCE</th>
<th>Board Responsibilities</th>
<th>CEO Responsibilities</th>
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</thead>
<tbody>
<tr>
<td>Annual budget</td>
<td>Analyzes preliminary budget and proposes necessary changes Officially adopts budget</td>
<td>Consults with municipal staff and advises board on municipal budget policy requirements and procedures Prepares preliminary budget in conjunction with board based on present and anticipated needs and board’s plan</td>
</tr>
<tr>
<td>Budget presentation to Council</td>
<td>Presents budget to council in accordance with municipal budget policy and procedures</td>
<td>Participates in budget presentation, supplying facts and figures, analysis and comments as requested</td>
</tr>
<tr>
<td>Sustainable resources</td>
<td>Determines revenue sources in relation to special project needs and/or funding gaps</td>
<td>Identifies options for generating additional revenue to support special project needs and/or funding gaps</td>
</tr>
<tr>
<td>Financial control measures</td>
<td>Appoints a board Treasurer Secures its own bank account and directs the disbursement of library funds Ensures safe financial control measures are in place to expend budget with due diligence and in accordance with board policies</td>
<td>If the CEO is Treasurer, oversees all accounting functions and prepares regular financial statements Monitors the budget Identifies and addresses problems as they arise</td>
</tr>
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<tr>
<th>PERSONNEL</th>
<th>Board Responsibilities</th>
<th>CEO Responsibilities</th>
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<tbody>
<tr>
<td>CEO selection</td>
<td>Hires CEO</td>
<td></td>
</tr>
<tr>
<td>Board-CEO relationship</td>
<td>Builds a strong relationship that recognizes board authority and respects CEO expertise Delegates to the CEO the authority for the organization and operation of the library and its staff</td>
<td>Builds a strong relationship that recognizes board authority and respects CEO expertise</td>
</tr>
<tr>
<td>Staff selection</td>
<td></td>
<td>Hires and directs all staff adhering to board policies. May seek board input on senior staff selection</td>
</tr>
<tr>
<td>Employee performance appraisal</td>
<td>Evaluates CEO performance annually</td>
<td>Ensures that annual performance appraisals are conducted on all staff</td>
</tr>
<tr>
<td>Salary scales and union contracts</td>
<td>Approves</td>
<td>Negotiates salary and working conditions for staff including union contracts as applicable</td>
</tr>
<tr>
<td>Grievances</td>
<td>Ensures that appropriate steps are in place to handle any grievances that have not been satisfactorily resolved by the library’s grievance procedures</td>
<td>Handles all grievances and keeps the board informed</td>
</tr>
<tr>
<td>CEO succession management</td>
<td>Ensures that there is provision for succession management</td>
<td>Contributes input to succession management</td>
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<th>GOVERNANCE PROCESS</th>
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<td>Board orientation and development</td>
<td>Board chair supports and participates in planning and delivery Board members engage and participate</td>
<td>Supports and facilitates planning and delivery</td>
</tr>
<tr>
<td>Board performance</td>
<td>Evaluates regularly Individual board members conduct annual self-appraisal</td>
<td>Contributes input to evaluation process</td>
</tr>
<tr>
<td>Succession planning</td>
<td>Identifies the skills and competencies necessary for the incoming board to meet new term challenges</td>
<td>Liaises with municipal staff on board appointments with input from outgoing board</td>
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<tr>
<td>Legacy planning</td>
<td>Summarizes highlights, successes and challenges of the term to provide the incoming board with a framework for moving forward</td>
<td>Provides input and support to the board for developing a legacy plan</td>
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Leadership

The stakeholders of today’s libraries expect strong leadership. Modern governance must reach beyond budget oversight and a regular strategic planning exercise. A library board must embrace new ideas, probe its basic values and raison d’être and forge relationships to generate a comprehensive and efficient service that reflects its community’s unique needs.

Legislation to consult

The Public Libraries Act, RSO 1990, c. P.44
http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90p44_e.htm
The Municipal Act, 2001, SO 2001, c. 25
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http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90m50_e.htm
http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90m56_e.htm
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To be an effective board member…

1. Know your job.
2. Be open to continuous learning.
3. Recognize that only the board has the authority to act on behalf of the library; individual board members have no authority to act on their own.
4. Share in the responsibility for the effective functioning of the board by ensuring full discussion of issues and making reasoned decisions.
5. Build your knowledge and understanding of the broader library community.

Your Board’s Path to Library Leadership by Design

Each column highlights the fundamental responsibilities in achieving effective leadership and sound library governance. Below each responsibility are the component tasks. Use this chart to find the resources your board needs in OLBA’s “Leadership by Design – One Place to Look” database.

www.accessola.com/olba/oneplacetolook

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