

What is the role of the governing board with regard to the law?

The funds, properties and assets of the organisation legally vest in the board. They belong to the board, but for the benefit of the beneficiaries. So the sway of properties, funds and assets is with the board. Not with the CEO nor the CFO. The board is the ultimate authority.

- The board has to be acquainted with the mission and vision of the organisation.
- Operate the organisation within the framework of the organisation's own charter and the statutes governing the organisation.
- They should not derive personal benefit from the organisation.
- They are jointly and severally responsible.
- They should oversee the administration and accounts.
- They set policies through process of periodic meetings and resolution.

Policies such as HR policy, fund raising policies, finance policies and investment policies will be in a written form in a good organisation. Even fund raising policies are in place in a good organisation. The CEO can guide the board to adapt the policies. But it is the role of the board to make the policy.