

NNNGO GOVERNANCE POLICY

Responsible Department: Board of Trustees

Approved by: Chairman, Board of Trustees.

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Contact person:

Oyebisi Oluseyi

Executive Director, NNNGO.

seyi@nnngo.org

Approved by:

GOVERNANCE PROCESSES

2.1 Governance Principles/Processes

The Board supervises the organisation on behalf of Management, Staff, Beneficiaries and the Community in which the organisation functions.

The Board is a governing body that speaks with one voice.

The Executive Director hires all employees and is accountable to the Board as a whole. Individual Board members, including the Chairperson and Committees, lack the authority to direct the activities of the Executive Director.

The Board leads through policy using a framework that defines four categories of Board Policy: Ends, Governance Process, Board Executive Relationships and Executive Limitations.

The Board states the expected Ends (goal or result) directing the Executive Director to determine the “means” to achieve these Ends.

When developing Policy, the Board starts with the broadest level, gradually moving towards more specific statements. The development of policy stops at the level where the Board can accept any reasonable interpretation of the policy and any action generated by the policy.

When the Board approves policy, the Executive Director is empowered to make all further decisions.

The Board monitors the Executive Director solely based on organizational performance, written policies and expectations.

The Chairperson oversees the performance appraisal of the Executive Director.

Board committees are to assist the Board in doing the job; not to advise or assist staff in doing their job.

The Board’s ongoing agenda is based on its job description that is focused on governance issues rather than management issues.

The Board’s major work is with Ends determination and linking with the people affected.

2.2 Recruitment of the Board of Directors

Nominations to the Board of Nigeria Network of NGOs are generally sought by a board nominating committee and governed by a Nominating Committee Chairperson. The Executive Director or board members may make nominations, and as stated in Section 836 of the Companies and Allied Matters Act (CAMA) 2020, trustees will be members of the Board.

Membership of the Governing body shall be reflected:

- The founding principles and values of the organisation
- The community we serve (geographic communities, the stakeholder communities, diversity)
- Board membership shall comply with the following formula:
- The board must always reflect diversity in gender, geography (since Nigeria Network of NGOs is a national organization) and expertise. There must be an uneven number of board members, and a minimum of 5 at any point. The board can have a maximum size of 11 members.
- Board membership is voluntary, there will be no remuneration to board members. When funding allows, costs will be covered under the following circumstances:
- The majority vote on attendance to a relevant or related workshop to enhance board member skills (i.e. fundraising workshop) where expenses only shall be covered.
- Expenses incurred while undertaking the business of Nigeria Network of NGOs (i.e., photocopying/printing costs, vehicle expenses with prior approval, travel expenses related to doing the business of Nigeria Network of NGOs, the purchase of Board related materials with prior approval).
- Board membership will be for a 3-year period at first, with the possibility of renewal. All board members must attend at least 50% of board meetings each year, with at least one being a physical meeting and the other being either physical or virtual. A board member that misses two consecutive meetings may be invited to excuse themselves from the board given their inability to commit time to meeting responsibilities, among others.

2.3 Role of the Board

The role of the Board is to act as trustees for the beneficiaries' receiving services from Nigeria Network of NGOs. The Board is responsible for creating vision for the organization, articulating its values and principles, setting goals, developing effective governance policy, meeting and monitoring standards.

Accordingly, the contributions of the Board will be to:

- Determine what Nigeria Network of NGOs should accomplish or provide.
- Determine if Nigeria Network of NGOs delivers service efficiently and effectively.
- Advocate for the beneficiaries of Nigeria Network of NGOs.
- Articulate the vision, values, principles which form the foundation for policies.
- Approve governing policies which, at the broadest levels, define:
 - **Ends:** Mission, vision, goals, impacts, benefits and outcomes.
 - **Governance Process:** specifications of how the Board conceives, carries out and monitors its own role.
 - **Board-Executive Director relationship:** How authority is delegated and monitored.

- **Executive Limitations:** constraints on executive authority which establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
- Monitor achievement or compliance with policy only against criteria it has previously set, using:
 - **Internal Reports:** Reports authorized by the Executive Director
 - **External Reports:** Reports from outside individuals or agencies
- Evaluate the Executive Director's performance based on organizational performance and written policy.
- Using the results of monitoring to improve performance:
 - Reviewing existing policies.
 - Revising existing policies.
 - Formulating new policies.

When the Board approves policy, the Executive Director is empowered to make all further decisions.

2.4 Governance Style

The Board will govern with a style which emphasizes outward vision, encouragement of diversity in viewpoints, strategic leadership, clear distinction of Board and Staff Roles, collective decision-making, and a focus on the future and pro-activity.

Consequently, the Board will:

- Enforce upon itself and its members, whatever discipline is needed to govern with excellence.
- Be accountable for accomplishment of its obligations.
- Direct, control and inspire the organization through careful establishment of written policies which reflect the values and perspectives of the communities we serve.
- Focus chiefly on intended long term impacts (Ends), not on the administrative or programmatic means of attaining those effects.
- Be an initiator of policy, not merely react to staff initiatives.
- Use the expertise of individual member to enhance the ability of the Board as a body, rather than to substitute their individual values for the Board's values.

The Board will monitor and regularly discuss the Board's own process and performance. Ensure the continuity of its governance capability by retention and development of Board members.

Self-monitoring will include at least annually comparison of Board activity and discipline to its governance process and Board/Staff Relationship policies.

Continuous development will include orientation of the new members to the Board's adopted governance model and periodic Board discussion of governance process through improvement.

The Board will consider the key determinants of health and wellbeing in developing goals and priorities.

2.5 Fundraising and Resource Mobilization

Nigeria Network of NGOs affirms the position that while core funding for social service programs remains the responsibility of various levels of government, the need to get support from local, regional and international partners is critical given that many African governments do not play this critical role yet. We also believe in the development of stronger links to the community, through fundraising, providing additional resources to enhance services and building broader public support for social programming. We are committed to fundraising based on ethical standards and within a socially responsible framework.

Nigeria Network of NGOs will actively solicit and accept financial support from donors who agree with this philosophy and whose organizational practices meet these standards. In addition, other income sources such as contributions will be pursued.

Nigeria Network of NGOs shall not accept financial support from public officials (including politicians) and those who rely on child labour in contravention of the United Nations Convention of Children's Rights. As a holder of an Economic and Financial Crimes Commission's Special Control Unit on Money Laundering (SCUML) certificate, we confirm that if any donor is found to have used proceeds of corrupt processes to finance any of our activities, the funds will be returned, and the authorities will be alerted

Nigeria Network of NGOs commits to managing responsibly the funds that donors entrust to us, and to report our financial affairs accurately and completely. To demonstrate transparency, we commit to publishing audited accounts on our website within 1 month of the approval of the audit by the Board

Nigeria Network of NGOs is committed to responding to donor or prospective donor questions or concerns about fundraising activities promptly and fairly.

Budgeting

The Executive Director will consider the Board's priorities, protect the financial integrity of the organization, and demonstrate an acceptable level of foresight.

Consequently, the Executive Director will not prepare a budget which contains insufficient detail to enable accurate projection of revenues and expenses, separation of capital and operational items, cash flow and disclosure of planning assumptions.

Prepare a budget which is not based on Board Ends, goals and long-term planning.

Budget expenditures to exceed revenue at the end of the fiscal year, unless otherwise authorized by the Board.

Fail to budget sufficient funds for Board Meetings, Board Development, fiscal audits and legal fees.

Financial Stability

The Executive Director will not jeopardize the financial health and stability of Nigeria Network of NGOs or effective and efficient use of financial resources.

Consequently, the Executive Director will not expend more funds than have been received in the fiscal year unless authorized by the Board.

Indebt the organization in an amount greater than can be repaid within 90 days and/or cannot be met by an existing bank line of credit or other financial arrangements.

Use any Long-Term Reserves apart from those designated specifically for such needs.

Allow cash to drop below the amount needed to settle payroll and debts in a timely manner.

Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.

Allow short-term advances or loans from funding sources to be overdue or lapse.

Permit current liabilities to exceed current assets.

2.6 Role of the Chairperson and Deputy Chairperson

- The Chairperson assures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties. The Chairperson is the only director authorized to speak for the board (beyond simply reporting Board decisions), other than specifically authorized instances.
- The Chairperson ensures that the Board behaves in a manner consistent with its own rules and those legitimately imposed upon it from outside the organization.
- The authority of the Chairperson flows from Board policies on Governance process and Board/Executive Director relationship, except where the Board specifically delegates portions of this authority to others. The Chairperson is authorized to use any reasonable interpretation of the provisions in these policies.
- The Chairperson is empowered to chair Board meetings with all the commonly accepted power of that position (e.g. ruling, recognizing). However, with the approval of the Board, the Chairperson may assign responsibility for chairing the Board meetings to other individual Board members.
- The Chairperson has no authority to make long-term, permanent decisions about policies created by the Board. Therefore, the Chairperson has no authority to supervise or direct the Executive Director but will conduct the Performance Measurement activities on the Executive Director.

- In an emergency involving alleged/potential misconduct of the Executive Director, when it is impossible to canvass or convene other Board members, the Chairperson may take appropriate action. The Chairperson will advise the whole Board as soon as possible.
- The Chairperson is to ensure the Deputy Chairperson is informed of current and pending Board issues and processes.
- In the temporary absence of the Chairperson, the Deputy Chairperson shall assume all rights, obligations and authority of the Chairperson. In the event of serious ill health or untimely demise, the Deputy Chairperson shall assume the acting role of Chairperson until such time a Board meeting can convene to elect or appoint a new Chairperson.

2.7 Board Committees and Mandates

Nigeria Network of NGOs has four standing committees:

- Board Development (Deputy Chairperson as typical convener)
- Finance and Resource Mobilisation (Treasurer as typical convener)
- Audit Committee
- Nominations and Promotions Committee
- The Chairperson has oversights of all committees, and the Executive Director will provide secretarial support for all committees.
- All Board Committees are chaired by a non-staff board member who reports to the Board regarding Committee business, decisions and activities.
- The Executive Director acts in a resource and coordinating capacity in relation to any committee (e.g. ensuring that meeting notices are sent, minutes are taken and distributed, relevant material is compiled and distributed, meeting rooms/spaces booked, refreshments if applicable are arranged, and other necessary resources are made available as required).
- Minutes must be taken at all committee meetings. A copy of all Board and Board Committee Minutes is filed with the Chairperson, and is available to all board and staff members, with the rare exception of Minutes of a private personnel review.
- Experts can be invited to serve on board committees without the need for them to become board members of Nigeria Network of NGOs, if the decision is unanimous or backed by a majority vote when brought up for a vote by the Chairperson

2.8 Remuneration and Reimbursement for Expenses

Board membership is voluntary. There will be no remuneration to non-staff board members for serving on Nigeria Network of NGOs committees. Costs will be covered under the following circumstances:

- With prior approval from the Board
- When travel/transportation expenses are incurred and documentation supplied
- Educational reimbursement expenses (i.e. workshops attended) solely on the behalf of Nigeria Network of NGOs and documentation supplied

2.9 Board Member Code of Conduct

The Board and its members will operate in an ethical and businesslike manner, including proper use of authority and appropriate decorum when acting on behalf of the Board. All conducts that contravene the Companies and Allied Matters Act's provisions regarding trustees are prohibited.

Consequently, Board Members will:

- Represent unconflicted loyalty to the interests of the programs and communities we serve. This accountability supersedes any conflicting loyalty to advocacy or interest groups.
- Conduct themselves in a manner which represents the Board in a positive light, taking no private action that will compromise the Board and its decisions.
- Not attempting to exercise individual authority over the organization except as explicitly set forth in Board policies. Specifically, Board member will recognize that:
 - Any interactions, outside of board sanctioned duties, they as individuals, have with the Executive Director and staff lack authority
 - Individual interaction with the public, press or other entities has the same limitations.
 - Judgements of the Executive Director are made only by assessing the performance against explicit Board policies through the official process.

2.10 Annual Agenda

To accomplish its job consistently with Board policies, the Board will follow the annual agenda. The Board will focus Board attention on governance priorities using a systematic approach.

The Board's periodic meetings will include, but are not limited to, the following on the agenda:

- Call to Order
- Chairman's Welcome Remarks
- Changes to the Agenda
- Minutes of the Previous Meeting
- Matters Arising from the Minutes
- Executive Director's report
- Comments, Announcements and Any Other Business
- Next Meeting
- Adjournment

2.11 Communication and Support to the Board

With respect to providing information and support to the Board, the Executive Director will not fail to keep the board informed and supported.

- Consequently, the Executive Director will not fail to submit the required monitoring data in a timely, accurate and understandable fashion, directly addressing provisions of the Board policies being monitored.
- Let the Board be unaware of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established.
- Operate without a communication plan.
- Fail to marshal as many staff and external points of view, including issues and options as needed for fully informed Board choices.
- Present information in unnecessarily complex or lengthy form.
- Fail to provide a mechanism for officials, officers or committee communications.
- Fail to deal with the Board except when fulfilling individual requests for information or responding to officers or committees duly charged by the Board.
- Fail to report in a timely manner an actual or anticipated noncompliance with any policy of the Board.
- All communications within Nigeria Network of NGOs will support the mission, vision, values and goals (or ends) of the Board.
- Consequently, the Board will develop a communications plan which identifies who the Board communicates with, and what is communicated, when communication activities occur (i.e. press releases) and how communications are delivered.
- Establish communication links with the people and organisations we serve, partners and donors.
- Use communication strategies which are open and honest, responsive, informed and clear.

2.12 Board Self-Assessment

The Board is responsible for its own operations. In accordance with this policy the Board monitors and evaluates its own performance on an ongoing basis and at least once per year conducts a formal self-evaluation.

BOARD – EXECUTIVE DIRECTOR RELATIONSHIPS

3.1 Delegation to the Executive Director

All authorities delegated from the Board to staff are delegated through the Executive Director so that all authority and accountability of staff, as far as the Board is concerned, is the authority and accountability of the Executive Director.

The Board will establish governance policies and will delegate the implementation and subsidiary policy development to the Executive Director and if requested by the Executive Director, Board committees may be used to assist in the development of subsidiary policy.

Consequently, the Board will direct the Executive Director to achieve defined results, through the establishment of Ends policies. The Board will limit the latitude of the Executive Director in terms of practices, methods, conduct and other 'means to the ends only through the establishment of Executive Director Limitations policies.

The Executive Director is authorized to establish all further policies, recommend new Board policies to the Board, make all decisions and take all actions as long as they represent a reasonable interpretation of the Board's policies.

The Board may change its Ends and Executive Limitations policies, thereby changing the latitude of choice given to the Executive Director. As any delegation is in place, the Board and the members will respect and support the Executive Director's choices. This does not prevent the Board from attaining information in the delegated areas.

Information or assistance may be requested by the Individual board members, officers, or committees, but if such a request – in the Executive Director's judgement – requires a material amount of staff time or funds or is disruptive, the request may be redirected to the Board for further discussion.

Only the decisions of the Board are binding on the Executive Director. Decisions or Instructions of Individual Board members, officers or committees are not binding except when the Board has specifically authorized such exercise of authority.

3.2 Executive Director Job Description

As the Board's link to the operating organization, the Executive Director's performance will be considered synonymous with the organization's performance.

Consequently, the Executive Director's job contributions can be stated as performance in only two areas:

- Accomplishment of the Board's policies.
- Compliance with the Board's policies on Executive Limitations.

3.3 Monitoring Executive Director's Performance

Monitoring the performance of the Executive Director is synonymous with the monitoring of the organization's performance against Board policies on Executive Limitations.

Consequently, the purpose of monitoring is to determine the degree to which the Board's policies are being fulfilled.

Any evaluation of the Executive Director's performance, formal or informal, will be derived only from this monitoring data:

Compliance with the Board policy may be monitored in two ways:

Internal Report: Disclosure of compliance information to the Board from the Executive Director.

External Report: Discovery of compliance information by an independent, external auditor, specialist, or consultant who is selected by and reports directly to the Board. Reports must assess the executive performance against the policies of the Board.

The Board may monitor any policy at any time. For regular monitoring, however, a schedule will be developed by the Board for regular monitoring of policy. Notwithstanding, an annual appraisal session will be held between the Executive Director and Chairperson based on defined monitoring and measuring parameters

The Board shall be mindful of the professional, ethical and legal considerations in monitoring, especially in accessing records such as client and personnel files which are of a confidential nature.

EXECUTIVE LIMITATIONS

4.1 General Executive Constraint

The Executive Director will not allow Nigeria Network of NGOs to operate illegally, unethically, imprudently or in contravention of the Board policies or contractual agreements with funders or partnerships.

The Executive Director will not cause or allow any practice, activity, decision or organizational circumstance which is either imprudent, discriminatory, unlawful or in violation of community accepted sound business and professional ethics or is consistent with policies of the Board or contractual agreements with funders or partnerships.

4.2 Treatment of Staff

The Executive Director may not cause or allow the treatment of paid and volunteer staff, which is unfair or dignified.

Consequently, the Executive Director will operate with personnel procedures which clarify personnel rules for staff, provide for effective handling of grievances, protect against wrongful conditions, allow staff to escalate grievances to the Appeals Committee of the Board when:

- internal grievance procedures have been exhausted consistently with provisions of any existing contracts/agreements.
- the employee alleges either that:
 - Board policy has been violated to his/her detriment.
 - Board policy does not adequately protect his/her human rights.
- Communicate to staff, their rights and obligations under this policy.

- Take reasonable steps to protect staff from unsafe or unhealthy conditions.

4.3 Fiscal Integrity Protection

The Executive Director will protect the fiscal integrity and public image with respect to employment, compensation and benefits (if any) to employees, consultants, contract workers and volunteers.

Consequently, the Executive Director will not change his/her own compensation and/or benefits, nor the compensation and/or benefits of other staff without prior written approval from the Board.

Promise or imply employment which is not in keeping with Board Policies and Ends nor cannot it be terminated upon reasonable notice.

4.4 Asset Protection

The Executive Director will not fail to protect and maintain the assets of Nigeria Network of NGOs.

Fail to ensure adequate insurance policies are in place to protect Board members, staff, and the organization itself.

Allow unauthorized personnel access to material amounts of funds.

Fail to provide a program of regular and preventative maintenance.

Operate where controls over funds, accounting records and preparation of financial information are not considered satisfactory to the Board-appointed auditor's standards.

Invest or hold operating capital in instruments other than approved institutions and Government Treasury Bills or Bonds.