

Board of Directors Meeting Minutes
May 27, 2019
In-person meeting in Ottawa, Canada

Members Present:

Mark Robinson, Board Chair
Nathaniel Heller, Secretary/Treasurer
Laura Gorrie, Member
Mukelani Dimba, Member
Maria Baron, Member

Staff Present:

Sanjay Pradhan, CEO
Kate Lasso, CFOO
Judith McCormack, Finance Director

Guests:

Amy Boland, CPA
Robin Talbot, Consultant

1. Welcome and Opening Remarks

Mark Robinson, Board Chair, opened the meeting at 4:11 pm and provided a brief overview of the agenda. The business portion of the meeting is a presentation of the 2018 audit by Amy Boland of Gelman, Rosenberg and Freedman. This will be followed by a report by Robin Talbot of her findings from interviews with Board members and senior staff, and a general discussion on capacity building for the Board.

2. Audit Presentation – Gelman, Rosenberg and Freedman

Amy Boland reported that her firm, Gelman, Rosenberg and Freedman, was impressed with the organization of the records and the infrastructure that was put in place for OGP during the spin-off. She then reviewed the audit report and financial statements with the Board, informing them the audit report provided a clean, unmodified opinion and found no material weaknesses or deficiencies. The auditors do have several noted recommendations for OGP in their management letter, which Kate will send to the members:

- a. *Timesheets – recommendation is that time is captured to differentiate between program and admin/fundraising allocations.* This is important for the 990 tax return and will also be important for some donors. This change will require internal discussions and agreement, because our staff will have to track their time according to what program area they are working on each day, which will be a cultural change.
- b. *CEO expenses – recommendation is that a Board member review the CEOs expenses, as a best practice.* There is now a document in place that lays out all of the checks that are in place regarding the CEO position, including quarterly reviews of the CEO's expenses by the Board treasurer.
- c. *Elimination of debit cards is recommended.* The work to make this happen was already initiated before the audit and debit cards were destroyed on May 15th.
- d. *Purchase of cyber insurance is recommended.* OGP will look into securing cyber insurance.

The Board thanked Amy for this complete audit report, the positive feedback and recommendations. At this time Amy left the meeting.

Discussion

Sanjay shared with the Board that Open Society will announce it is offering a challenge grant to OGP at the Summit, which could result in \$10 million in additional funds over the next few years between the OSF grant and matching funds. In addition, SIDA is in its final stages approving a three-year grant to OGP and the EU will give a multi-year grant to the new OGP Europe office in 2020. After the Summit OGP staff will begin an intense planning with a three-year horizon under the rubric of our existing Strategic Refresh. This will be a good time to look at the programmatic work and will lead to identifying new potential donors to OGP.

3. Capacity Building Discussion

At this point the board business agenda was concluded and Mark invited Robin Talbert to provide an overview of her findings during the interviews she conducted prior to the board meeting. The purpose of the pre-meeting interviews was to identify areas where the Board could be better supported in its work.

Robin began by reviewing best practices for Boards, for overall board effectiveness and for financial oversight. This was followed by a review of the OGP Secretariat Board's responsibilities and a snapshot of the overall sense of how the board is functioning. The overall sense is positive, with a few noteworthy comments:

- Meetings provide opportunities for open dialogue and in-person meetings are important
- Consider establishing an advance meeting schedule
- Financial snapshot or dashboard would be helpful
- Google Docs is preferred by majority as a means of sharing board materials
- Prefer committee of the whole rather than subcommittees

Areas that could be better defined in the future include:

- Medium Term Financial Planning (as a part of the upcoming medium-term planning)
- Fundraising Support that the Board can provide
- Investment & Reserve Policies
- Risk Management
- Complexity of Global Board & US Laws (in conjunction with setting up a global structure)
- Making the SU staff more aware of the Board and its role

Robin then led a deeper discussion on four specific areas of board responsibility:

CEO Review – documenting the CEO review process will be helpful. Mark will meet with Lan Nguyen, OGP's Director of Human Resources to discuss this.

Board Recruitment – how can this be done more strategically? It might be helpful if the board has greater visibility to OGP membership and the value of being a member is clear. There could be a business case that articulates the value added by the Board.

In the next 12 to 18 months we will need to figure out if board terms will extend or new members need to be recruited. We will need to think more about the skills set needed. Diversity of professional backgrounds is always helpful. Board members have to either be current or former members of the Steering Committee, per the MOU that was created describing the Steering Committee-Board relationship. Robin will draft a document that could be used for Board recruitment.

Financial Responsibilities – the Board provides financial oversight for the implementation of the strategic direction set by the Steering Committee. In this role the Board can help assess and manage risk for OGP. When reviewing budget vs. actuals the Board would value having explanations of variances and forecasting information. It would be good to review OGP's investment policy and reserve policy.

Global Expansion – the Board is looking forward to seeing a strategy for global expansion, which will be an important component of the upcoming medium-term planning. What is the value added by global expansion? What is the risk? The Board can help with identify and mitigate risks where risks "collide" or overlap and compete with each other.

Communications and Transparency – how can this Board better communicate what it does and the importance, and with whom this information is communicated. Transparency around minutes and meeting schedules is helpful. The Board should share information with the Steering Committee more regularly, including the Board meeting schedule. At the end of each meeting the Board may want to think about outcomes to share with the Steering Committee.

After this report and discussion, the Board capacity building session was concluded at 6:37 pm.