



You've Been Elected to the Board – Now What?

Reno, NV

19 January 2012



AGENDA



BOARD RESPONSIBILITIES

RESPONSIBILITIES

1. Determine mission and purpose.

It is the board's responsibility to create and review a statement of mission and purpose that articulates the organization's goals, means, and primary constituents served.

2. Select the chief executive.

Boards must reach consensus on the chief executive's responsibilities and undertake a careful search to find the most qualified individual for the position.

3. Support and evaluate the chief executive.

The board should ensure that the chief executive has the moral and professional support he or she needs to further the goals of the organization.

RESPONSIBILITIES

4. Ensure effective planning.

Boards must actively participate in an overall planning process and assist in implementing and monitoring the plan's goals.

5. Monitor and strengthen programs and services.

The board's responsibility is to determine which programs are consistent with the organization's mission and monitor their effectiveness.

6. Ensure adequate financial resources.

One of the board's foremost responsibilities is to secure adequate resources for the organization to fulfill its mission.

RESPONSIBILITIES

7. Protect assets and provide proper financial oversight.

The board must assist in developing the annual budget and ensuring that proper financial controls are in place.

8. Build a competent board.

All boards have a responsibility to articulate prerequisites for candidates, orient new members, and periodically and comprehensively evaluate their own performance.

9. Ensure legal and ethical integrity.

The board is ultimately responsible for adherence to legal standards and ethical norms.

RESPONSIBILITIES

10. Enhance the organization's public standing.

The board should clearly articulate the organization's mission, accomplishments, and goals to the public and garner support from the community.

**“Ten Basic Responsibilities of Nonprofit Boards”
From BoardSource**



DIRECTOR DUTIES AND RESPONSIBILITIES

GENERAL DUTIES

- **Keep informed on Association activities**
- **Attend all directors' meetings (the record should reflect a valid reason a meeting is missed)**
- **Avoid self-dealing in Association matters**
- **Register dissent when in disagreement with Board action**
- **Have competent knowledge of duties of office**
- **Avoid conflicts of interest**
- **Be informed on bylaws**
- **Exercise good faith**
- **Obey all statues pertaining to directors**

RESPONSIBILITIES

- **Occupies position of trust and confidence**
- **Has responsibility of fiduciary nature**
- **The will of general membership governs in extraordinary matters**
- **Board has the power and responsibility to carry on transactions authorized by the bylaws**
- **Board may change policies and short range purposes**
- **Directors must act in good faith and for the best interest of the Association**

GUIDELINES

- **Routine affairs are decided by the board**
- **Extraordinary affairs are decided by the membership**
- **Fundamental changes in policy or purpose must be approved by the membership**
- **Do not make the Association a proprietary device**
- **Insist on written record (minutes) of objections to doubtful decisions or acts**

LIABILITY

- **Directors are held to the standard of diligence, skill and care of an ordinary man in a like situation**
- **Directors are free from personal liability when they exercise reasonable diligence and care**
- **Good faith is the principal test of a director's care and diligence**
- **Directors guilty of fraud or bad faith are personally, jointly and severally liable**

LEGAL CONSIDERATIONS

- **Duty of Care**

- Good business judgment at all times
- Due diligence in decision making

- **Duty of Loyalty**

- Act in the best interest of the organization and membership
- Avoid conflicts of interest

- **Duty of Obedience**

- Faithful to the mission and goals
- Follow the governing documents

It may seem obvious to most, but it is worth stating that directors must attend board meetings. There is no recognition in the law of a so-called “figure head directors” or “dummy directors,” and courts will have no sympathy for directors who claim as a defense to any legal action that they did not know of a particular issue or did not participate in a particular action because of repeated failures to attend meetings. Directors who do not attend meetings are nevertheless bound by actions taken at those meetings and will be held responsible if any such actions are deemed negligent. In fact, the act of failing to attend meetings may itself be deemed to be negligent behavior. Simply put, ignorance is not an excuse.



BOARD TOOLS

BOARD TOOLS

- **Bylaws**
- **Articles of Incorporation**
- **Strategic Plan**
- **Financial Statements**
- **Meeting Minutes**
- **Insurance Coverage**



STRUCTURE AND GOVERNANCE

STRUCTURE/GOVERNANCE

Texas Corporation

- **Texas Business Organization Code, Title 2: Chapter 22. Nonprofit Corporations**
- **Articles of Incorporation**
- **Bylaws**

IRS 501(c)(19) Veteran's Organization

- **Internal Revenue Code 501(c)**

GOVERNANCE

Governance of NGAT is entrusted to a Board of Directors that exercises responsibility for overseeing organizational performance and compliance with federal and state laws as well as internal policies and procedures.

BOARD OFFICERS

- **President** **Justin Perryman**
- **President Elect** **Charles Chavers**
- **Vice President** **Dan Quick**
- **Secretary-Treasurer** **Dewayne Naumann**

EXECUTIVE COMMITTEE

- **Consists of Board Officers and the NGAT Executive Director (who serves ex-officio without a vote)**
- **Carries on the usual routine duties of the Association when the board is not in session**



MINUTES AND PROCEDURES

MINUTES

- **Required by state law**
- **Minutes record the official actions of the board**
- **Are admissible in court proceedings**
- **Do not need to be signed**
- **Should be approved/corrected at the next meeting**

MINUTES

- **Approval of minutes does not ratify or approve what happened at the meeting, it acknowledges that the minutes are accurate**
- **Can be very brief or verbatim transcript; minutes can be used in litigation**

PROCEDURES

- **Procedures of organization governed by Roberts Rules of Order.**
- **Procedure generally referred to as parliamentary procedure.**



BOARD OVERSIGHT

BOARD OVERSIGHT

- **Association Management**
- **Finance**
- **Personnel**
- **Facilities and Equipment**
- **Partnerships/Alliances**
- **Programs**

ASSOCIATION MANAGEMENT

- **Governance**
- **Legal/Insurance/Tax**
- **Best Practices**
- **Board/Staff Training**
- **Strategic Planning**
- **Organizational Audits**

LEGAL/INSURANCE/TAX

- **501(c)(19) Status**
- **501(c)(3) Status for Foundation**
- **Insurance – Building, D&O**
- **Federal Income Tax (990/990T)**
- **Payroll Taxes/FUTA/SUTA**

FINANCE

- **Budget Formation**
- **Budget Management**
- **Financial Reporting**
- **Cash Flow**
- **Internal/External Audit**

PERSONNEL

- **Executive Director**
- **Personnel Policies**
- **Benefits**
- **Pay Comparability**

FACILITIES/EQUIPMENT

- **Building Maintenance**
- **Building Renovation**
- **Inventory**
- **Depreciable Assets**
- **New Building**

PARTNERSHIPS/ALLIANCES

- **NGAT Educational Foundation (NGATEF)**
- **National Guard Executive Directors Association (NGEDA)**
- **Texas National Guard Family Support Foundation (TXNGFSF)**
- **Texas Military Forces Support Foundation (TXMFSF)**
- **NGAUS/EANGUS**
- **Other Organizations**

NGAUS

- **CACO, Texas**
- **Annual Conference**
- **Legislative Training**
- **Membership Workshop**
- **NGEDA**

OTHER

- **Texas Veterans Council**
- **Texas Veterans Commission**
- **Texas Veterans Land Board**
- **VFW – Support Coordination**
- **MOAA – Legislative Work**



PROGRAMS



- **Membership**
- **Insurance**
- **Government Affairs**
- **Military Affairs**
- **Public Affairs/Communications**
- **Corporate/Industry**
- **Events**

MEMBERSHIP

- **Annual/Life Membership**
- **Billing/Dues Processing**
- **Membership Income**
- **Unit Penetration**
- **Recruiting & Retention**
- **Member Categories**
 - **Member Services**
 - **Member Benefits**
- **NGAUS/EANGUS Billing**
- **Database Management**

INSURANCE

- **SSLI Term Life**
- **Conversion Policies**
- **AFLAC**
- **Free \$10,000 Program**

GOVERNMENT AFFAIRS

- **Legislative Agenda**
- **Legislative Action**
- **Legislative Activities**
- **Legislative Task Force**
- **Legislative Training**

MILITARY AFFAIRS

- **Unit Distributions**
- **Command Support Functions**
- **TXMF Professional Development**
 - **NGAT Conference**
 - **EANGUS**
 - **NGAUS**
- **Family Support**
- **TXMF Museum Support**

COMMUNICATIONS

- **NGAT News Magazine**
- **NGAT Website**
- **Email Correspondence**
- **Unit Visits**

CORPORATE/INDUSTRY

- **Conference Sponsorship**
 - **Gold/Silver/Bronze**
 - **Special**
 - **In Kind**
- **Corporate Membership**
- **Exhibitors**
- **Advertising**
 - **NGAT NewsMagazine**
 - **Conference Program**

EVENTS

- **NGAT Annual Conference**
- **TXNG Conferences**
- **Professional Development Conferences**

COMMITTEES

Required by Bylaws

- **Audit and Compliance**
- **Finance**
- **Government Affairs**
- **Military Affairs**
- **Nominating**

COMMITTEES

Annual as Required

- **Awards**
- **Bylaws**
- **Communications**
- **Conference**
- **Facilities**
- **Insurance**
- **Investment**
- **Membership**
- **Personnel**
- **Resolutions**