

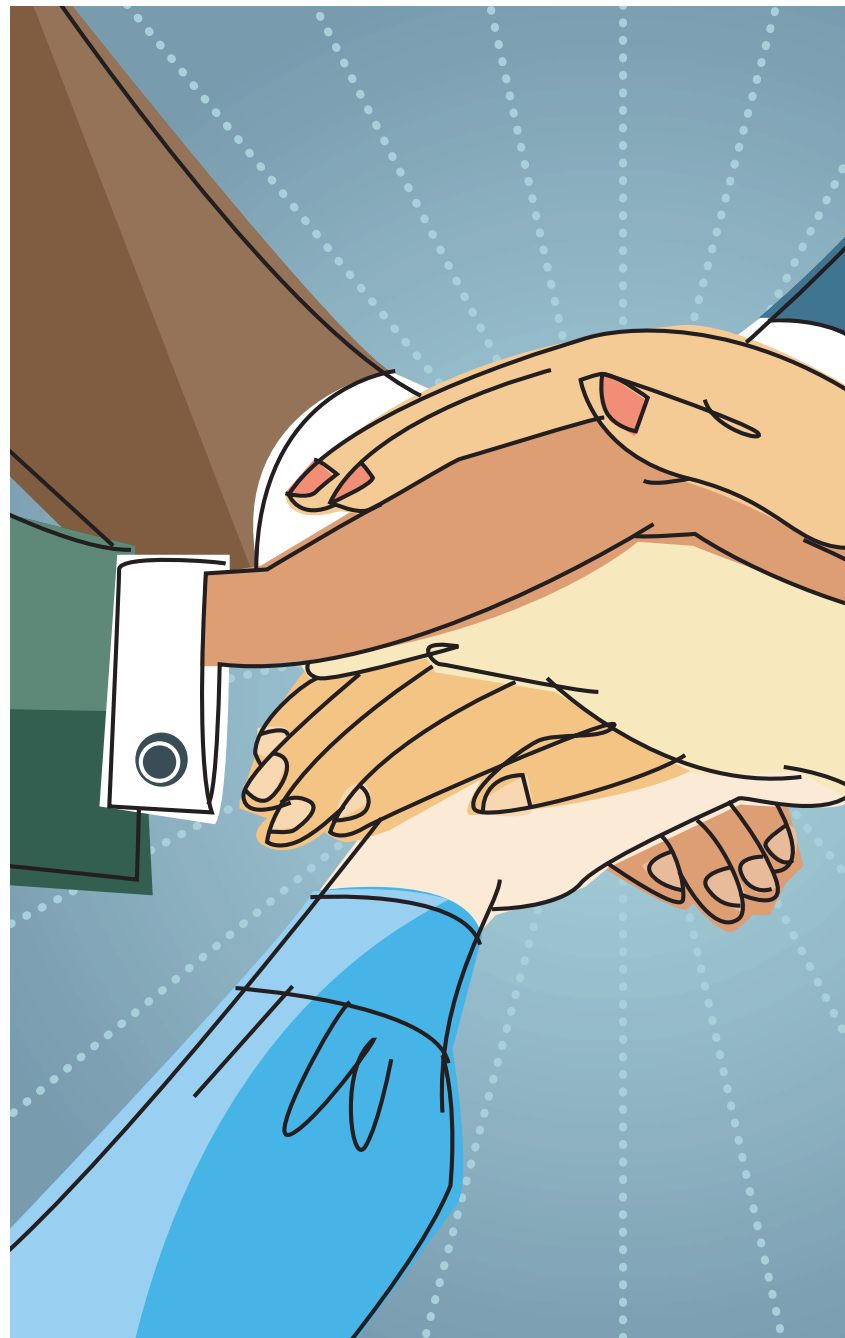
Who's Who and What Do They Do?

This feature in Vision Magazine is intended to assist you and your association clients In The Boardroom. Each issue of our member magazine will provide you with key trends, tips and practical advice to assist you and your boards. We encourage you to copy this feature and include it in your board packets. We are pleased to support you with strategies that will augment your skills.

BOARD MEMBERS

The position of a board member is distinctly different than that of an officer; however, in most associations an individual may hold both positions at the same time. All board members hold equal status. The voting at a board meeting is related to the position of being a board member, not an officer. All board members, including the President, should vote on matters brought before the board. Board members are elected by the members of the association or may be appointed by the board to fill a vacancy on the board.

- Holds a position of trust as a fiduciary to the corporation. Must exercise proper care in decisions.
- Owes a loyalty to the association and owners.
- Acts in accordance with the governing documents.
- Acts in "good faith."
- Makes reasonable inquiry as basis for decisions.
- May rely on the advice of professionals.
- Makes reasonable & unbiased decisions.
- Maintains appropriate confidentiality.
- Has no authority to act or speak on behalf of the board outside of a board meeting, unless specifically authorized by a proper resolution (a policy) of the board.



OFFICERS

Typically the corporate officers are also members of the board of directors, however, this may not be a requirement of the governing documents. Officers are appointed/elected by the members of the board and not by the membership. The appointment and responsibilities of the officers are generally stated here and may be more specifically described in the bylaws.

Besides being a legal requirement in the bylaws, why should a board meet? Like any family, sometimes there are misunderstandings about decisions made. Board meetings offer an opportunity to remove fear and confusion and replace it with supportive and shared responsibility.

Here are other reasons:

- Builds synergy with owners.
- It's effective management.
- Hear about the progress in the achievement of the various objectives of the corporation.
- Hear reports of board committees and make policy decisions when required.
- Provide a vehicle for board members to meet board members, for the board to meet the manager and for all owners to meet the board.
- Provide on-going directives to the manager.
- Maintain control over the organization to give guidance to committees.

Let's define some of the specific roles that the board must play as they meet for their regular meeting.

ALL BOARD MEMBERS

Come to the meetings prepared by reading the board packet in advance. In other words, ask questions ahead of time.

- Maintain a professional demeanor by treating all with courtesy and respect.

- Put personal issues aside and agree to have success.
- Be open and fair by encouraging others to participate at the appropriate time (i.e. open forums.) This adds value to the operation of the community.
- Avoid surprising other board members and/or the manager at meetings.

PRESIDENT

- Acts as the liaison with the community manager as well as creates the agenda for meetings.
- Presides at all meetings of the board and the association (including the annual meeting) by controlling the meetings. Hint – Use a timed agenda and keep an orderly pace to conduct business.
- Represents the association on all issues outside the community.
- Sets a positive example for other volunteers.
- Looks to other board members and owners for future leadership positions in the community.
- Signatory to official documents of the association.
- Ex-officio member of all association committees.

VICE PRESIDENT

- Performs the duties of the president and chairs the meetings of the association if the president is absent.
- May appear on president's behalf.
- Works with the president to be able to take on responsibilities of that role after the president's term is complete.
- Acts as board liaison to various committee chairs and members.
- Performs other duties as required in the bylaws or needs of the association.

SECRETARY

- Attests to the authenticity of all corporate documents.
- Certifies all meeting notices and election results as required by the bylaws.
- Responsible for corporate minutes and maintains the corporate minute book.
- Responsible for all "official" corporate communications with the members.
- Maintains the "Book of Resolutions or Policies."

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TREASURER

- Acts as chief financial officer of the corporation.
- Ultimately responsible for the collection of and expenditure of association assessments.
- Reviews and monitors association financial statements.
- Signs checks and promissory notes.
- Recommends investment policies.
- Prepares and recommends the annual budget, collection policies, year-end financial statement to the membership.
- Reports to the board at each meeting on budgetary matters. Summarizes financial statements as part of the treasurer's report to include a review of the balance sheet (includes cash on hand and reserves,) unusual accounts receivable and payable and highlights any unusual variances in the collection and/or expenditure of association funds.

COMMITTEES – DO WE NEED THEM?

Yes. The board may delegate authority to the manager and they may also utilize the committee structure to assist them in carrying out their duties and responsibilities. Some committees are mandated by the association's governing documents, usually in the CC&Rs and/or bylaws.

If the governing documents do not require specific committees, the board may create and develop a committee structure to meet the needs of the community. Remember - committees are appointed by and serve at the pleasure of the board. The board establishes guidelines, goals and objectives for each committee. These should be reviewed and documented periodically.

As with any responsibility that involves volunteers, it is important to define who does what, how they accomplish the tasks, who is responsible, and to develop a system

of rewarding the volunteers. Committee charters (aka job descriptions) are valuable tools to define the necessary structure for association committees.

Here are some basic committee responsibilities:

- Serve at the pleasure of the board.
- Appointed by the board to serve a limited term. (Usually 1 year)
- Set designated meeting times.
- Create the committee meeting agenda.
- Keep accurate meeting minutes to report actions, activities to the board.
- Make requests of the board with proper documentation.

Hint: Remember to acknowledge and congratulate committee members on their participation.

Effective committees are an effective tool for the association when special projects or tasks need to be completed.

For the board to be able to evaluate the conduct of committees it is important that periodic reports be submitted. These reports should be provided to the board (usually via the community manager) in writing and in advance of the board meeting, or as set forth in committee guidelines established by the board.

Board members need not attend committee meetings (unless required by the governing documents) however, board members have a right to attend. Board members need not participate in the committee meeting unless the committee chair requests them to do so. This practice is similar to the owner forum at a board meeting. Unless specific authority has been given to the attending board member, the board member may not "officially" represent the position of the board at a committee meeting, unless that position is current board policy. Remember – the board speaks with one voice or not at all.

Many boards choose to appoint members of the board as their committee liaisons so the conduct of the committees can be more carefully monitored. Whatever committee structure is chosen, it should be clearly defined and properly documented. Committees can be one of the most helpful tools in the governance of the association, or they can be a hindrance, depending on how well the board establishes and communicates with their committees.

The board appoints the committee members and should name each of them in the minutes of the board meeting when appointed. If the committee is authorized to appoint, the board should endorse such appointments and record names of members.

- Each committee should elect a chair and secretary if so designed in the committee charter.
- Each committee should establish a scheduled meeting time and notify management and the board of this schedule.



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