

Responsibilities of the Board of Trustees



The three legal duties of a nonprofit board member:

Care

Pay attention to the organization's activities and operations.

Loyalty

Put the interests of the organization before personal and professional interests.

Obedience

Comply with applicable federal, state, and local laws; adhere to the organization's bylaws; and remain the guardians of the mission.

General Information

- Fifteen trustees represent geographic areas according to school district: a minimum of two trustees each from Charlevoix, Boyne City, East Jordan, and one each from Beaver Island and Boyne Falls.
- Unless otherwise specified, each Trustee serves a three (3) year term of office. Trustees can serve a maximum of two consecutive 3-year terms and can return to the Board of Trustees for additional terms in the future.
- Trustees are expected to attend 4-5 Board meetings annually. Committee meetings are scheduled in advance but can also be held on an as-needed basis.
- We need to have a third of all Trustees to reach a quorum – a majority of attendees allows for us to take action, according to the bylaws. Those attending remotely are counted for attendance purposes.

- We can take action without meeting in person by using “Unanimous Written Consent” - the minutes of which must be approved at the next regular meeting.
- Each Trustee serves on at least one of the following committees:
 - ✓ Executive Committee (Governance, Personnel)
 - ✓ Finance Committee (Operating Budget, Audit)
 - ✓ Investment Committee
 - ✓ Distribution Committee (Community Priorities Grant Cycle)
 - ✓ Geographic Enrichment Advisory Committees (representing Beaver Island, Boyne City/ Boyne Falls, Charlevoix, East Jordan)
 - ✓ Arts and Culture Advisory Committee
 - ✓ Environmental Advisory Committee
 - ✓ Scholarship Applicant Review

Individual Board Member Role and Responsibilities

Personal Characteristics

- Ability to listen, analyze, think clearly and creatively, and work well with individuals and groups.
- Character that is honest, empathetic, collaborative, and tolerant of different views.
- Commitment to preparing for and participating in board and committee meetings.

General Expectations

- Know the Community Foundation’s mission, values, purpose, goals, policies, programs, services, strengths and needs.
- Contribute to a positive working relationship between the President and the Board.
- Attend meetings and maintain the strictest level of confidentiality about donors, Community Foundation matters, and opinions expressed at Board/committee meetings.
- Support the development and implementation of the Community Foundation’s Strategic Plan.
- Fulfill commitments within agreed upon deadlines.
- Bring goodwill and a sense of humor to the Board’s deliberations.
- Provide candid and honest feedback and evaluation.
- Provide the Community Foundation with opportunities to connect with potential donors and/or give a significant annual gift.
- Suggest nominees for Board membership who are active in the community, have a record of achievement, and would make a significant contribution to the Board and the Community Foundation’s mission.
- Serve the Community Foundation responsibly and diligently by telling our story and presenting our accomplishments as well as our needs and current challenges. Play a significant role in representing our brand in the community.
- Represent the community to the Community Foundation. Share concerns, ideas, suggestions, and compliments which you feel have merit and value to the Community Foundation.
- Always include your role as a Community Foundation Trustee (or Past Trustee) in your professional resume or bio.



Basic Responsibilities of a Nonprofit Board

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.

Select the chief executive.

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

Support and evaluate the chief executive.

The board should ensure that the chief executive has the moral and professional support they need to further the goals of the organization.

Ensure effective planning.

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

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.

Ensure adequate financial resources.

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

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.

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.

Ensure legal and ethical integrity.

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

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 through advocacy.



Board of Trustees

Distribution Committee Roles and Responsibilities

Standing board committees deal with ongoing issues, such as financial oversight or new members. Committee members rotate on and off, but the committees themselves last indefinitely because there is a continuous flow of work for them to accomplish.

C3F Bylaws Give Little Guidance on Distribution Committee Composition and Responsibilities

Section 7. Distribution Committee. The primary function of the Distribution Committee is to make grant distribution recommendations to the Board of Trustees.

Distribution Committee Practices – *also apply to Advisory Committees*

- C3F staff will schedule Distribution Committee meetings with input from committee members in advance of the Community Priorities Grant Cycle deadline (currently May 1).
- The Community Grantmaking staffperson will facilitate this grantmaking committee.
- Distribution Committee grant recommendations will be approved by the full board of trustees before they are considered finalized.
- The Executive Committee of the Board of Trustees will determine membership of the Distribution Committee.
- The President and Executive Committee will annually determine which trustees serve on which committees, so the trustee representative may serve just a single year on the Distribution Committee or may serve longer.

Member Profile

Executive Committee members should have some or all of the following:

- Ability to think long-term
- Ability to think critically
- Ability to read grant proposals and attend the meeting in May
- Ability to participate without extensive conflicts of interest



Board of Trustees

Executive Committee Roles and Responsibilities

Standing board committees deal with ongoing issues, such as financial oversight or new members. Committee members rotate on and off, but the committees themselves last indefinitely because there is a continuous flow of work for them to accomplish.

C3F Bylaws Outline Executive Committee Composition and Major Responsibilities

Section 2. Executive Committee. The Board's Executive Committee shall be comprised of the Chairperson, Vice Chairperson, Secretary, and Treasurer of the Corporation unless otherwise prescribed by the Board. The Executive Committee, during the intervals between the meetings of the Board of Trustees and subject to such limitations as may be required by law or imposed by resolution of the Board of Trustees, shall have and may exercise all powers and authority of the Board of Trustees in the management of the business and affairs of the Corporation, except that such Executive Committee shall not have power or authority to:

- (a) amend the Articles of Incorporation;
- (b) amend the Bylaws of the Corporation;
- (c) fill vacancies in the Board;
- (d) adopt an agreement of merger or consolidation; or
- (e) fix compensation of the Trustees for serving on the board or on a committee.

The Executive Committee shall also function as the Corporation's Personnel Committee and Nomination Committee.

Executive Committee Practices

- C3F staff will schedule 2 Executive Committee meetings annually before the start of the year and may call for additional meetings as needed if other issues arise that require the attention of the Executive Committee.
 - a. June/July related to needs of the board for new trustees in the coming year to inform geographic nomination committee work.
 - b. September/October related to the evaluation of and compensation for the President and committee assignments for the coming year.
- The president will work with the Board Chair to create Executive Committee meeting agendas, which will be shared in advance of the meeting.
- Executive Committee meeting minutes will be shared with the full Board at the next regularly scheduled meeting of the Board of Trustees.
- The Executive Committee of the Board of Trustees will determine membership of the Executive Committee.
- Terms will be determined by board service term limits.

Member Profile

Executive Committee members should have some or all of the following:

- Ability to think long-term
- Ability to think critically
- Ability to provide constructive criticism
- Experience in human resources, management, and/or administration



Board of Trustees

Finance Committee Roles and Responsibilities

Standing board committees deal with ongoing issues, such as financial oversight or investments. Committee members rotate on and off, but the committees themselves last indefinitely because there is a continuous flow of work for them to accomplish.

C3F Bylaws Outline Finance Committee Composition and Major Responsibilities

Section 4. Finance Committee. The Board's Finance Committee shall be comprised of at least five members unless otherwise prescribed by the Board. All members shall be Trustees. The Treasurer shall serve as the chair of the committee. The primary functions of the Finance Committee are to recommend to the Board of Trustees:

- (a) an annual budget;
- (b) acceptance of the annual financial audit;
- (c) acceptance of quarterly financial statements;
- (d) systems of internal control;
- (e) acceptance of tax reporting compliance;
- (f) annual staff compensation (with the exception of the President); and
- (g) 401(k) plan oversight.

Finance Committee Practices

- C3F staff will schedule 4 Finance Committee meetings annually before the start of the year.
- C3F staff will work with the Treasurer to create Finance Committee meeting agendas, which will be shared in advance of the meeting.
- Finance Committee meeting minutes will be shared with the full Board at the next regularly scheduled meeting of the Board of Trustees.
- The Executive Committee of the Board of Trustees will determine membership of the Finance Committee.
- Terms will be determined by board service term limits.

Member Profile

Finance Committee members should have some or all of the following:

- Ability to think long-term
- Ability to think critically
- Ability to provide constructive criticism
- Experience in accounting, human resources, and/or administration
- Experience with building and managing budgets
- Experience in banking or other financial areas



Board of Trustees

Investment Committee Roles and Responsibilities

Standing board committees deal with ongoing issues, such as financial oversight or investment. Committee members rotate on and off, but the committees themselves last indefinitely because there is a continuous flow of work for them to accomplish.

History

The Investment Committee was added through an amendment of the Bylaws in 2021 because of the need for committee members to have specific knowledge. When our assets got above \$50 million or so, having committee members with that special knowledge of investments and the market became more important. Additionally, with the combination of finance and investment, the meetings became very long with a lack of relevance for some in attendance during parts of the agenda.

C3F Bylaws Outline Investment Committee Composition and Major Responsibilities

Section 5. Investment Committee. The Board's Investment Committee shall be comprised of at least four members. At least two members shall be Trustees. A Trustee shall serve as the chair of the committee. Other members shall be former Trustees or other qualified individuals. The primary functions of the Investment Committee are to:

- (a) periodically review the Corporation's investment policies and procedures and make recommendations to the Board with respect to desirable changes consistent with the mandates of the Michigan Uniform Prudent Management of Institutional Funds Act;
- (b) review and report on the performance of the Corporation's investment consultants and financial managers and make recommendations to the Board with respect to changes in the identity of such consultants and managers or in the terms on which they are engaged to assist the Corporation; and
- (c) consider the appropriateness of new or existing investment vehicles

Investment Committee Practices

- C3F staff will schedule 4 Investment Committee meetings annually before the start of the year.
- C3F staff will work with the Committee Chair to create Investment Committee meeting agendas, which will be shared in advance of the meeting.
- Investment Committee meeting minutes will be shared with the full Board at the next regularly scheduled meeting of the Board of Trustees.

- The Executive Committee of the Board of Trustees will determine membership of the Investment Committee.
- Trustee representative terms will be determined by board service term limits.
- Community representatives should have a term of 4 years, allowing for a staggering of members joining and graduating, not to exceed two terms.
- Trustees who graduate from board service are eligible to begin a single 4-year term as a community representative.

Member Profile

Investment Committee members should have some or all of the following:

- Ability to think long-term
- Ability to think critically
- An ability to listen and understand perspectives of others
- Experience with long-term investment objectives, such as a pension or retirement administration person
- Someone who adds credibility to the Community Foundation
- Someone without conflicts of interest or with an understanding of the advisory role



Scholarship Reviewer Roles and Responsibilities

Distribution Committee Roles and Responsibilities

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- Ability to participate without extensive conflicts of interest

Scholarship Review and Approval – *maybe we should include some or all of this guiding language?*

The Community Foundation must appoint a majority of the members of any review committee charged with the evaluation of applicants for scholarship funds covered by this policy, as specified in the Pension Protection Act of 2006. Appointments shall be made by designated staff of the Community Foundation.