



Club Board Orientation

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Agenda

- Effective Governance
- Protecting Your Club and Assets
- Strong Financial Oversight
- Risk Management
- SafeSport Compliance
- Reputation and public relations
- Checklist for Success



Duties of a Figure Skating Club Board

1. Define mission and purpose
2. Approve and monitor programs and services
3. Ensure adequate resources
4. Ensure effective fiscal management – budget, controls
5. Engage in strategic planning
6. Recruit and orient new board members
7. Support the coaches/ rink relationship
8. Enhance club's public image
9. Effective board operation – committees, meetings, decision making and recording process
10. Ensure sound risk management – conflict of interest, proper level of insurance coverage, minimize exposures



Mission and Vision

- Mission Statement
 - Answers WHO you are and WHY you exist
- Vision
 - Answers WHERE you want the club to go in the future
- Goals
 - Answers WHAT you need to do to get there
- Core Values
 - Answers WHAT is important to the club

Board Member Responsibilities

- Attend all board meetings and functions
- Be informed of club's mission, policies and programs
- Review the agenda and supporting documents prior to meetings
- Serve on committees
- Inform others about the club
- Suggest potential board members, nominees
- Keep up to date on skating
- Follow all conflict of interest and confidentiality policies
- Assist the board in carrying out fiduciary duties

Legal Duties of a Nonprofit Board

- Duty of Obedience
- Duty of Care
- Duty of Loyalty
- Duty of Transparency
- The D's govern every action of the board, all decision making, all strategic planning
- Hold board members responsible and potentially personally liable



Duty of Obedience

- Be true to the club's mission.
- Obeying all laws and regulations, both public and organizational
- Always act in accord with the organization's mission



Duty of Care

- Use your best judgment and be responsible when making decisions that impact the future of the club
- Position of trust
- Actively participate; ask pertinent questions
- Careful oversight
- Eyes and ears of the organization



Duty of Loyalty

- Put your personal and professional interests aside
- Avoiding conflicts of interest
- Owes undivided allegiance when making decisions affecting the organization
- Board members can never use information obtained for personal gain



Duty of Transparency

- Boards have an obligation to ensure that their club is appropriately transparent in its operations.
- Ways to Demonstrate:
 - Filing tax forms which are required to be made public
 - Sending minutes in timely fashion
 - Sharing copy of bylaws if requested
 - Open board meetings to members



All Important Bylaws

- **CONSULT THE BYLAWS**
- Bylaws are the legally binding rules for governing your club
- How a club is structured, what rights the members have, and the procedures by which those rights can be put in effect
- Follow the rules - who is a member, elections, amendments

Warning Signs

- Board members turnover frequently or remain empty
- Board members not given all relevant information
- Spotty attendance at meetings
- Board doesn't receive financial statements
- Board members don't understand financial statements and doesn't ask questions
- Board doesn't set measurable goals
- Board president recruits friends to serve
- Funds move like shell game to cover deficits
- 'Me' focused instead of 'we' focused



Conflict of Interest Disclosure

Definition - Conflict of interest arises whenever the personal or professional interests of a board member are potentially at odds with the best interests of the club.

1. Adopt and enforce a conflict of interest policy that prohibits or limits business transactions with board members that is tailored to your club's specific needs and consistent with laws in your state.
2. Signed conflict of interest form – every year
3. Disclosing conflicts when they occur so others are aware
4. Clear removal from discussion and voting
5. Establishing procedures, such as competitive bids, that ensure the club is receiving fair value



Minutes

- Minutes are the permanent legal public record of the meeting
- Are not a transcript
- Must provide to all members
- **Should be posted on website or in club manual – easy access by members**
- Items to be included:
 - Name of organization, date, time of meeting
 - Board members in attendance, excused, absent- existence of a quorum
 - Motions made and by whom
 - Brief account of debate
 - Voting results – names of abstainers and dissenters
 - Financial information, if included, should be general
 - Future action steps
 - Time meeting ended



Executive Session

- An executive session — sometimes called a *closed meeting* — is a useful tool
- Executive sessions provide a venue for handling issues that are best discussed in private
- They create an appropriate forum for board members to talk openly about topics that warrant special treatment
- For voting members of the board only
- Executive session minutes are confidential
- Situations that warrant an executive session:
 - Investigating alleged improper conduct
 - Discussing financial issues
 - Planning for major endeavors (i.e. potential merger)
 - Handling personnel issues or member issues



Conflict Resolution Process

- If any club member(s) has a complaint against another member(s) for an infraction of any bylaw or rule, they may file such a complaint in writing to the club board of directors.
- Such complaints will be investigated according to the adopted club's conflict resolution policy.
- Each club has the flexibility to create and adopt their own conflict resolution policy.
- By establishing solid policies and procedures that help prevent conflicts of interests and tools to deal with conflict when it occurs, you are one step ahead of the game



Fiduciary Responsibilities

- Ensure legal and ethical compliance
- Ensure fiscal accountability
- Prepare and approve your annual club operating budget
- Support and evaluate programs
- Ensure adequate controls
- Know what questions to ask
- Monitor results



Internal Controls

- Regular, rigorously applied internal controls are the key to fiscal responsibility
- Checks and balances to avoid losses
- No one person should handle all financial transactions
- Handling incoming funds
- Document your spending and check-writing process
- Two signatures on checks, purchase orders, reimbursement policy



Employee vs. Independent Contractor?

There are rules that will help you determine how to classify the people you hire.

1. Behavioral Control covers facts that show whether the business has a right to direct or control how the work is done through instructions, training or other means.

2. Financial Control covers facts that show whether the business has a right to direct or control the financial and business aspects of the worker's job.

3. Type of Relationship

- If you have the right to control or direct not only what is to be done, but also how it is to be done, then your workers are most likely employees.
- If you can direct or control only the result of the work done -- and not the means and methods of accomplishing the result -- then your workers are probably independent contractors.

Employers who misclassify workers as independent contractors can end up with substantial tax bills. Additionally, they can face penalties for failing to pay employment taxes and for failing to file required tax forms.

20 Point Checklist - www.irs.gov to learn more.



Fundraising

- When planning a fundraiser, a simple way to remain in good standing is by asking if the fundraising plan being proposed benefits the club as a whole or benefits only certain individuals.
- Individuals should not be compensated based on a commission or percentage of amount raised.
- Individuals cannot directly benefit from the money they raise nor receive credit for ice or other costs in exchange.



Risk Management

- It is important to understand that risk management not only helps promote a safe environment, but also helps strengthen the ability of an organization to maintain affordable and comprehensive insurance coverage
- The sole purpose of risk management is to safeguard people, assets and reputation of an organization
- Identifies areas of vulnerability and exposure for the club and board



Insurance Coverage

- General Liability
- Sport Accident
- Directors and Officers (D and O)
- Coach Liability
- Accident/incident reports
- Types of claims received
 - Injuries
 - Negligent supervision
 - Conditions of the ice
 - Spectator slips and falls



SafeSport Compliance

- Identify Club SafeSport Compliance chair
- Complete online training course and background check
- Review definitions of misconduct and abuse within SafeSport Handbook
- Update club policies and procedures for athlete protection
- Background check all members that have frequent or regular contact with minors
- Verify all coaches teaching within club activities and events are compliant
- Report any allegations or suspicions to safesport@usfigureskating.org
- Report any sexual misconduct to The U.S. Center



Reputation

- On an ongoing basis, the board must verify that the club's performance is legal and ethical
- Commit to the core values of integrity, transparency, accountability, and risk management
- Address problems immediately by initiating appropriate actions
- Club culture

"We can't afford to lose reputation – even a shred of reputation." – Warren Buffet



How Do You Rate?

Self-Assessment – Checklist for Success
Resources and Forms for Club Management



Governance Checklist

- There are clearly defined roles for board members
- We evaluate and update our bylaws annually
- The business of the board is conducted effectively (i.e. business meetings with consent agendas, minutes, record keeping, etc.)
- We have a policy manual and/or handbook that is updated annually
- We have board notebooks (includes, bylaws, back minutes, strategic planning documents, etc.)
- Board members sign a conflict of interest form annually
- The board monitors conflict of interest on an ongoing basis



Financial Oversight Checklist

- We are compliant with the IRS, file all tax-related forms on time, and follow nonprofit guidelines (if relevant)
- We are compliant with all state corporate filings (if relevant)
- We have a solid financial plan for both the long- and short-term goals
- We set an annual budget or program budgets
- We have adequate controls for checks and balances (have more than one person overseeing all finances)
- We monitor the financial success of our programs and events
- We share monthly financial statements with board members



Risk Management Checklist

- We purchase directors and officers insurance annually
- We have adopted the Governing Body's SafeSport Program
- We have appointed a SafeSport Compliance Chair to our board
- We verify all coaches working in club-related activities are compliant with U.S. Figure Skating rules
- We have signed codes of conduct for and from members, coaches, parents and volunteers
- We collect waivers from members annually and non-members participating in club activities
- We have ice rules in place for our practice times that are communicated with skaters



Reputation Checklist

- We retain more than 80% of members year to year
- We have a solid communication plan for alerting members to upcoming events and activities
- We have high member satisfaction
- We often survey members to solicit feedback
- Positive reputation within principal skating headquarters and area facilities
- Foster strong relationships with the organization's officials
- We take an active part in our community
- We work with local media to promote our events
- We seek sponsor opportunities



Summary of Board Responsibilities

- Board decisions represent one unified voice
- Transparency
- Eyes and ears of the organization
- Respect and trust other members
- Accept healthy conflict
- Confidentiality
- Be accountable to each other and to the club
- Review bylaws annually
- You represent the members, not your own interests
- Pay attention to what is happening at your club

Thank you!

