

BOARD OF DIRECTORS SOP

Revised: 7/17/14

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Preamble

As a member of the Masthope Board of Directors, you are accepting the fiduciary responsibility of acting in the best interest of the association, even at the expense of your own personal interests.

I. Board Membership Requirements

1. Must be a member in good standing.
2. At least 21 years of age.
3. Cannot serve with a spouse or domestic partner.

II. New Board Member Packet

All new Board members shall receive and become familiar with the "New Board Members Packet" consisting of:

- a. A copy of the Restricted Covenants
- b. A copy of the Association Bylaws
- c. A copy of the current Property Owner Handbook (rules & regulations).
- d. A copy of the form for making motions.
- e. A copy of Community Association Institute article from 'Good To Great'.
- f. A copy of the Masthope Welcome Packet given to new property owners.
- g. A copy of the Board of Directors SOPs
- h. History of Board Motions
- i. Copy of Simplified Roberts Rules of Order
- j. Any other item that the Board may deem to be included.

III. Meetings

Board is responsible for scheduling the following meetings:

General Membership Meetings

1. Annual Summer Meeting to take place within 90 days after the close of the association's fiscal year.
2. State of the Community Fall meeting.
3. Spring Budget Meeting.

4. "Special" meetings may be called by the President or as directed by resolution of a majority of a quorum of the Board of Directors or a petition signed by at least 10 percent of the total voting power of the association.
5. The Board is responsible for appointing a member in good standing not being a Director, to act as the Chairperson for each regular or special meeting.
6. The Secretary shall keep minutes of the meeting by either themselves or their designee.

Monthly Board of Director Meetings

1. The first meeting of the Board of Directors will take place after the Annual General Membership Meeting. During that meeting the Board will elect the chairperson, officers for the year, appoint chairs of standing committees and schedule at minimum the next six-monthly Board meetings.
2. Propose, debate, and vote on motions brought before the Board at the meeting.
3. The Chairperson of the Board of Directors shall oversee the proceedings of the meetings.
4. The Secretary shall keep minutes of the meeting either themselves or their designee.
5. Pass formally any resolutions that may have been sent out and approved via email.

Board Meeting Format

1. An Open session allowing membership to observe the activities of the Board. During this session the Board will discuss Treasurer, President and committee reports, correspondence, management report, new and old business and anything else that the Board may deem appropriate.
2. Membership Question and Answer (Property Owner's Time) session. During this session members will be given the opportunity to ask questions of the Board relating to Masthope. There will be a designated amount of time set aside for property owner's time in the agenda. Each member will be allowed to ask up to two questions lasting up to two minutes unless the Chairperson deems otherwise to extend. Members who have requested time to speak will be given precedence in speaking first.
3. Executive Session during which personnel, legal, and any other sensitive items that need to be discussed in private. The membership is to be provided the general nature of what is to be discussed before going into Executive session.
4. Board members wishing to bring up a topic for discussion should notify the Chairperson of his/ her intension to do so. The Chair must then schedule the topic for discussion under new business-unless it is determined that the issue is more properly handled in executive session. The Members of the Board may at the scheduled time of discussion vote not to discuss the proposed item.

Board Rules of Order & the Handling of Motions

1. Board meetings are conducted according to the new (simplified) Roberts Rules of Order.
2. The Chairperson must receive all motions at least one week before the scheduled Meeting. Any motions (unless it is an emergency) not received by the appropriate date will not be placed on the agenda until the following Meeting. This may be overruled by a majority vote of the Board. Proposed motions may be submitted at a given meeting and then considered at the following meeting. In some circumstances, motions will be presented and voted upon at the same meeting.
3. Monthly Board Meetings will have an agenda prepared; an initial draft will be drawn up approximately two weeks before the meeting and sent to the other Board Directors via email. The proposed agenda will be made available to the membership approximately one week prior to the scheduled date via the Masthope website.

IV. Board Responsibilities

1. Schedule meetings as laid out in the By-Laws
2. Hire a management agent if it deems appropriate.
3. The Board will have the fiduciary responsibility to ensure that the management agent does not receive any remuneration, from vendors, independent contractors or others providing goods or services to the Association whether in the form of commissions, finder's fee, service fees prizes, gifts or anything else of value.
4. The Board shall ensure that the management agent does not have an interest in any firm providing goods or service to the Association.
5. Hire an Accountant for the Association
6. Hire a lawyer for the Association
7. Oversee the Standing Committees and creation of special committees as needed.

V. Board Structure

1. Consists of 11 members elected to staggered 3-year terms.
2. Of the 11 members some will be elected to the following positions – President, Vice President, Treasurer, Secretary and Chairperson.

VI. Officer Functions

President

1. Acts as the Chief Executive of the Association.
2. He/she shall act as the Chair when the Chairperson is not present.

3. The President serves as the direct liaison that communicates directly with Management or hired personnel; unless this responsibility has been designated to another Board Member. Only the President can interface with Management or hired professionals unless that function is designated to another Board member or Community Manager.
4. The President is responsible for signing all legal documents of the Association.

Vice President

1. Assumes role of the President in his/her absence.

Treasurer

1. The Treasurer is the custodian of the bank accounts of the Association.
2. He/she along with another designated Board member will sign checks for payment of expenditures of the community after verifying that the expenditures have been properly approved.
3. The Treasurer is responsible for the preparation and regularly monitoring of the budget. He/she is expected to meet with the Book Keeper and Accountant in the course of their duties.
4. Treasurer serves as the Chairperson of the Budget Committee.
5. The Treasurer is expected to be the lead in the preparation of the yearly budget. The Treasurer is responsible for the overseeing of the tracking of the actual budget and preparing monthly reports for presentation to the Board and the membership relating to the budget. At General Membership meetings the Treasurer will prepare a presentation to provide an overview of the financial status of the community.
6. The Treasurer will chair the Budget committee and present to the Board candidates for the committee. The committee will work on developing an annual budget that will be presented to the general Board for review and approval by the general membership at the annual Budget general membership meeting.

Secretary

1. The Secretary is responsible for mailing or causing to be mailed notice of any of the regularly scheduled or "special" meetings.
2. The Secretary or their designee, shall keep minutes of the meeting either them self or their designee.

3. The secretary will send a “Meeting Summary” at the conclusion of all General Membership meeting to each Director approximately one week after the meeting.

Chairperson

1. Not an Executive officer.
2. Responsible for running the monthly Board of Directors meetings.
3. Responsible for overseeing any electronic or telephone voting that takes place when the Board is not in formal session.
4. Shall remain impartial and not offer personal opinions regarding items that he/she presents to the Board as part of the Chairman role.
5. Shall prepare an agenda for the monthly Board meeting.

VII. Correspondence

Board members will be provided with Masthope.org email addresses that are to be used when corresponding via email on matters relating to their function as a member of the Masthope Board of Directors. In addition, a physical mailbox is assigned to each Director; located in the POC. This mailbox should be checked on a monthly basis.

1. Between Directors
 - a. Shall focus on activities specific to Masthope.
 - b. Avoid any personal or disparaging attacks against members or other Directors
Dialogue and correspondence between Directors should be presented in a positive and constructive manner.
 - c. Directors should be aware that anything they put in writing could be subject to discovery in the event of litigation.
2. With Members
 - a. A general e-mailbox for the receipt of email from the membership will be maintained.
 - b. Upon receipt of correspondence from a member to the general mailbox; it should immediately be acknowledged as being received
 - c. If addressed to a specific Director or officer of the Board the correspondence should be forwarded directly to them.
 - d. Depending on the nature of the correspondence, every effort should be made to provide an answer within a month. If that is not possible, the sender should be contacted and provided an explanation of what actions are being taken and when to expect a response. The response should come from the President or his/her designee.
 - e. Should correspondence be sent directly to a Director, that Director shall forward it to the President for handling as if sent to the general mail box.

- f. Dialogue and correspondence between Directors and Members should be presented in a positive and constructive manner.

VIII. Attendance

1. Directors are required to attend monthly Board of Director Meetings. Any Board Member, who fails to attend three Board meetings within a rolling six-month period either in person or by teleconferencing, shall be deemed to have resigned. A Board Member may only attend two meetings per calendar year via teleconferencing unless prior approval is given by the Board due to unforeseen or emergency situations (From By-Laws Article III Subsection D 3).

IX. Transparency

1. The Board of Directors shall operate in a manner that provides open transparency in all areas it can. Areas to be excluded would include personnel matters, actions to be taken against members, negotiations that if made public might impact the outcome and any other matter that the majority of the Board of Directors deems appropriate.
2. To ensure there is a clear understanding of what transparency is in this context, it as being defined as follows:
 - a) Regular feedback
 - b) Admitting mistakes
 - c) Erring on the side of communicating too frequently.
 - d) Practice information disclosure, clarity and accuracy.
 - e) Transparency is operating in such a way that it is easy for others to see what actions are performed.
 - f) It's not transparency when you admit to it after you've been caught or questioned.

X. Board Meeting

1. It is important that professional decorum be maintained at Board meetings. Personal attacks are to be avoided and when speaking it should be to the merits or faults of the issue at hand.
2. Board members shall refrain from any activity that would disrespect another Board member or association member when speaking during Board meetings.
3. No Board Member shall knowingly misrepresent facts. Board members may not knowingly make an untrue statement of a material fact or knowingly fail to state a material fact.
4. When one member of the Board has the floor to speak, other members will refrain from interrupting the speaker and wait their turn to speak.

XI. Code of Conduct

It is understood that no code or policy can anticipate every situation that may arise. Accordingly, this Code is intended to serve as a source of guiding principles.

Board members are expected to uphold this Code of Conduct:

1. Help create an atmosphere of respect and civility where other Board Members, individual members, and staff are free to express their ideas and work to their full potential.
2. Conduct their personal and public affairs with honesty, integrity, fairness and respect for others.
3. Board Members shall respect the confidentiality of information exchanged in meeting sessions. They shall neither disclose confidential information without proper Board authorization, nor use such information to advance personal, financial or other private interests.
4. Recognizing the need to preserve the design and intent of the community, Board Members will work for the common good of the members of the Association and not for any private or personal interest, and they will assure fair and equal treatment of all persons and transactions coming before the Board. All decisions and representations must be made with the best interests of the association in mind, including but not limited to the total valuation of the community and is the fiduciary responsibility of each Board member.
5. Board Members shall not take any special advantage of services or opportunities for personal gain that are not available to all Association members. They shall refrain from accepting any personal remuneration, gifts, favors, services or promises of future benefits in any form from parties providing goods or services to the Association.
6. Board Members shall not use their position to influence decision(s) in which they have a material, personal, financial or political interest or advantage.
7. Board Members shall base their decisions on the objective merits and substance of the matter at hand rather than unrelated, subjective considerations.
8. Board members shall oppose any act, policy, practice or communication that has the effect of discriminating against any individual or group in any form, whatsoever, including discrimination based on gender, age, race, color, religion, natural origin, ancestry, citizenship, veteran status, disability or any other protected class.
9. Board members shall oppose any verbal, written, or physical conduct that denigrates or shows hostility or aversion toward any individual or group

including, but is not limited to, forms of conduct such as verbal/written statements, slurs, negative stereotyping, code words, symbols, graphic materials, acts purporting to be jokes, or pranks.

10. Board Members shall not appear on behalf of the private interests of third parties before the Board.
11. Board members should immediately notify the Board and Management if, at any time during their service on the Board, they cease to be in Good Standing, and acknowledge that their status as a Board Member is automatically terminated.

XII. Replacement of a Board of Director

1. Should there be a need to replace a Board member per the guidelines described in the By-Laws; the Board shall reach out to the membership asking for qualified candidates to submit their names and resumes for being considered on the Board. The Board will review the candidates and then vote for one to be on the Board based solely on the merits of the candidate and not take into consideration the results of the last election.

XIII. Budget Awareness & Expenditures.

1. All other Board members are expected to review the annual budget and provide feedback at the annual budget meeting review. During the course of the year they are expected to examine the information provided by the Treasurer and Management in their periodic reports. It is the fiduciary responsibility of the Board of Directors to ask questions about what is presented; as appropriate.
2. Board members shall have the fiduciary responsibility to ensure books are kept with detailed accounts of receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. The books shall be made available to the membership and it's duly authorizes agents, accountants and attorneys during general business hours on working days.
3. Only the Board of Directors can approve the expenditure of funds.
4. Committees requiring funding must first get approval from the Board before it can expend any funds.
5. Any Board approval of committee-expended funds must be made as a formal motion, which shall include:
 - a) A cap on the amount of the approved expenditure.
 - b) A time period in which the expenditure is to be made.
 - c) The budget line item from which the expenditures will be taken.

- d) A statement requiring the committee Chair to sign off on all invoices or director expenditures.
- 6. Board members that are given a budget for a project they are working on will have a fiduciary responsibility for the proper use of the funds.
 - a) They will review all bills and invoices that are submitted for validity and accuracy.
 - b) They will be responsible for approving all bills for payment.
 - c) They will monitor the budget they are given and ensure that expenditures are kept within the confines of the amount the budget provided for the project.
 - d) Expenditures exceeding the budget must get prior approval from the Board.

XIV. Contracts

- 1. To hire, rehire or contract agents, employees or service providers (excludes management agent contract) a limit of a maximum term of one year is permitted. For longer terms approval from the majority of the Association is required
- 2. The management agent contract can be a maximum of three (3) years with a ninety (90) day cancellation notice by either party.

XV. Topics for Future Consideration

- a) Committee Chairperson Guidelines
- b) Motions
- c) Reorganization

