



A. Board of Directors

Chen Yew Nah (Ms)	:	President
Thomas Choo (Mr)	:	Vice President
Andy Chan (Mr)	:	Secretary
Jansen Cheah (Mr)	:	Treasurer

B. Roles and Responsibilities of the Board and Committees

The *board of directors* is the governing body of the association, responsible for the ultimate direction of the management of the affairs of the organization. The board is responsible for *policymaking* and assume ultimate legal responsibility for the actions (and inactions) of the association.

The board can act legally only by consensus (majority vote of a quorum in most cases) and only at a *duly constituted and conducted meeting*, or by *unanimous written consent* by email. The board may delegate authority to act on its behalf to others such as committees, but, in such cases, the board is still legally responsible for any actions taken by the committees or persons to whom it delegates authority.

Committees have no management authority except for that delegated to them by the bylaws or by the board. For example, the board may not *delegate* to committees the power to elect officers, fill vacancies on the board or any of its committees, amend the bylaws, or approve a plan of merger or dissolution.

Founder Members have no management authority, as such authority is held by the board of directors. Under the associations' bylaws, certain matters, such as the amendment of the bylaws or the election of officers and directors, must be submitted to the membership for a vote. *However*, most other matters generally are not submitted to the full membership, but rather are handled by the board, one or more of its committees.

Fiduciary Duty

Those in positions of responsibility and authority in the governance structure of an association - both volunteers who serve without compensation - have a fiduciary duty to the organization, including duties of care, loyalty and obedience. In short, this means all are required to act *reasonably, prudently and in the best interests of the organization, to avoid negligence and fraud, and to avoid conflicts of interest*. In the event that the fiduciary duties of care, loyalty or obedience are breached, the individual breaching the duty is potentially liable to the association for any damages caused to the association as a result of the breach. This fiduciary duty is a duty to the association as a whole; even those who only serve on a particular committee or task force owe the fiduciary obligation to the entire association.

1. Duty of Care

This duty is very broad, requiring all to exercise *ordinary and reasonable care* in the performance of their duties, exhibiting honesty and good faith. The Board and committee appointed must act in a manner which they believe to be *in the best interests of the association*, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. The "business judgment rule" protects directors from personal liability for actions made in poor judgment as long as there is a reasonable basis to indicate that the action was undertaken with due care and in good faith.

2. Duty of Loyalty

This is a duty of faithfulness to the association. This means that directors must give undivided allegiance to the association when making decisions affecting the association. In other words, directors cannot put personal interests above the interests of the association. Personal interests may include outside business, professional or financial interests, interests arising from involvement in other organizations, and the interests of family members, among others. Directors should be careful to disclose even *potential* conflicts of interest to the board of directors, and should recuse themselves from deliberation and voting on matters in which they have personal interests. For pervasive and continuing conflicts - such as a director of the association concurrently serving on the board of a competing association - resignation from the individual's association leadership post or from the outside conflicting responsibility may be required.



Directors can have business dealings with the association, but such transactions must be subject to considerable scrutiny. In such event, directors must fully disclose any personal interests to the board of directors, and the terms of any transaction must be fair to the association. In addition, state nonprofit corporation statutes frequently provide specific procedures for dealing with transactions in which officers or directors have conflicts of interest.

3. Duty of Obedience

This duty requires directors to act in accordance with the organization's articles of incorporation, bylaws and other governing documents, as well as all applicable laws and regulations.

Reliance on Experts

Unless the director has knowledge that makes reliance unwarranted in performing his or her duties to the organization, may rely on written or oral information, opinions, reports, or statements prepared or presented by: (i) committee of the association whom the director believes in good faith to be reliable and competent in the matters presented; (ii) legal counsel, public accountants, or other persons as to matters which the director believes in good faith to be within the person's professional or expert competence; or (iii) in the case of reliance by directors, a committee of the board on which the director does not serve if the director believes in good faith that the committee merits confidence.

Willful ignorance and intentional wrongdoing

Directors cannot remain willfully ignorant of the affairs of the association. A director appointed as treasurer, for example, with limited knowledge of finance cannot simply rely on the representations and reports of staff or auditors that "all is well" with the association's finances. Moreover, directors acting *outside of or abusing* their authority as directors may be subject to personal liability arising from such actions. Furthermore, directors who, in the course of the association's work, *intentionally* cause injury or



damage to persons or property may be personally liable, even though the activity was carried out on behalf of the association.

Reducing Personal Liability Risk

Association directors can help minimize their risk of personal liability by doing the following:

- Being thoroughly and completely prepared before making decisions.
- Becoming actively involved in deliberations during board meetings, commenting as appropriate, and making inquiries and asking questions where prudent and when such a need is indicated by the circumstances.
- Making decisions deliberately and without undue haste or pressure.
- Insisting that meeting minutes accurately reflect the vote counts (including dissenting votes and abstentions) on actions taken at meetings.
- Requesting that legal consultation be sought on any matter that has unclear legal ramifications.
- Requesting that the association's accountants assess and evaluate any matter that has significant financial ramifications.
- Obtaining and carefully reviewing both audited and unaudited periodic financial reports of the association.
- Attending the association's meetings and reading the association's publications carefully to keep fully apprised of the organization's policies and activities.
- Reviewing from time to time the association's articles of incorporation, bylaws and other governing documents.
- Avoiding completely any conflicts of interest in dealing with the association and fully disclosing any potential conflicts.



C. Roles and Duties of Office Bearers

PRESIDENT

Also known as the chairperson, he/she is usually the formal 'voice' of the association and is responsible for the overall co-ordination of the activities of the association. The chair is generally responsible for:

- chairing meetings;
- signing documents on behalf of the association;
- ensuring all relevant information is made available to committee members;
- ensuring the association is run according to its rules and any other strategic plan that has been agreed to;
- resolving disputes and grievances;
- initiating projects;
- overseeing activities and projects; and
- representing the association at external meetings and events.

In the chairperson's absence, the vice-chairperson can represent the association and preside over meetings.

TREASURER

The treasurer is primarily responsible for managing the finances of the association. This involves:

- maintaining all financial records;
- monitoring the income and expenditure of the association;
- keeping committee members informed of the financial position of the association;
- preparing and presenting financial statements to the Annual General Meeting;
- allocating funds;
- developing budgets for new projects;
- making payments and bank deposits;
- preparing and managing the budget;
- representing the association on funding applications; and
- maintaining custody of all securities, books and documents of a financial nature.



SECRETARY

The secretary is generally responsible for day-to-day administrative tasks, which include:

- maintaining the register of members;
- arranging meetings;
- assisting the chairperson to prepare the agenda;
- sending out notices for meetings;
- keeping minutes and records;
- attending to correspondence;
- making sure all letters and other documents are properly filed;
- organising activities and events;
- preparing newsletters; and
- maintaining custody of all books, documents, records and registers of the association.

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