

FIDUCIARY RESPONSIBILITIES

As a board member you owe three fiduciary duties to the Krier Foundation:

1. DUTY OF CARE

You discharge your duties in good faith, in a manner one reasonably believes to be in the best interests of the organization, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

You devote the time, attention and resources necessary to understand and carefully oversee the affairs of the Krier Foundation.

Active Participation:

Board members should actively participate in the management of the organization, including attending board meetings, evaluating reports, reading minutes and reviewing, if ever applicable, the executive director's performance and compensation.

Committees:

The board should ensure committees operate under the direction and control of the board. Board members are responsible for committees and should regularly receive committee reports and scrutinize their work.

Board Actions:

Board members should understand that for purposes of determining whether a fellow member met the duty of care, a board member who is present at a meeting when an action is approved is presumed to have agreed to the action unless (a) he or she objects to the meeting because it was not lawfully called or convened and does not participate in the meeting, (b) he or she votes against the action, or (c) he or she is prohibited from voting on the action due to a conflict of interest.

Minutes of Meetings:

Written minutes should be taken at every board meeting. The minutes should accurately reflect board discussions as well as actions taken at meetings. Minutes should be distributed to board members and formally approved at a subsequent board meeting.

Books and Records:

Board members should have access to, and general knowledge of, the organization's books and records (articles, bylaws, accounting records, tax returns, voting agreements, minutes, etc.).

Accurate Recordkeeping:

Board members should not only be familiar with the content of the books and records, but also should make sure that the organization's records and accounts are accurate. This may require independent audits and/or the implementation of appropriate internal controls.

Trust Property:

Board members should protect, preserve, invest and manage the Foundation's property, and do so consistent with donor restrictions and legal requirements.

Investigations:

Allegations of misconduct should be investigated and addressed.

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2. DUTY OF LOYALTY

You are required to set aside personal or conflicting interests and act solely in the best interest of the Krier Foundation when making a decision or acting on behalf of the Foundation.

Generally:

Board members should avoid using their positions or the organization's assets in a way that would result in inappropriate financial gain for themselves or any member of their family.

Conflicts of Interest:

Board members should ensure that conflicts of interest are appropriately addressed and the Foundation's conflicts of interest policy are followed.

Loans:

Board members should not permit loans from the Foundation to a board member.

3. DUTY OF OBEDIENCE

You must obey all laws pertaining to foundations and act to fulfill the Krier Foundation's charitable purposes.

State and Federal Statutes:

Board members should be generally aware of state and federal statutes and laws relating to nonprofit corporations or trusts, tax-exempt status, charitable solicitations, sales and use taxes and employment matters and ensure the organization follows them.

Filing Requirements:

The board must ensure that the organization complies with deadlines for tax and financial reporting, including filings with the Secretary of State, Attorney General and IRS.

Governing Documents:

Board members should be familiar with the Foundation's governing documents and should follow the provisions of those documents.

Outside Help:

When appropriate, board members should obtain opinions of legal counsel, accountants, appraisers or other professionals.