

North American Energy Standards Board

Boards: The Good, The Bad & The Ugly

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What is a Board?

- Function
- Membership
- Methods of Selection



Duties of Directors

- Specifics are a matter of state law
- Different rules for non-profits
- Liability limitations
- Articles and bylaws

General Duties



- Duty of Care
- Duty of Loyalty
- Fiduciary Duties
- Duty to Accomplish Organization's Objectives
- Duty to be Well-informed

Who's the Client?

- Primary duty is to the organization
- Secondary duty is to your employer or the group that elected you
- Conflicts between the two
- Abstention and recusal

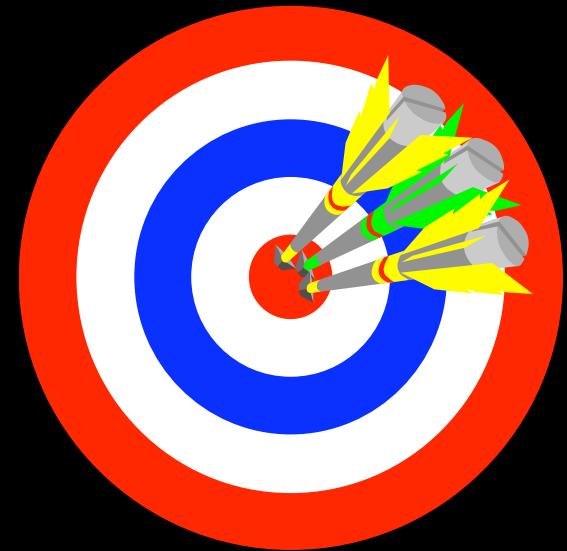
Role of Directors



- Policy Statement
- General Oversight
- Set Budget
- Establish Administration

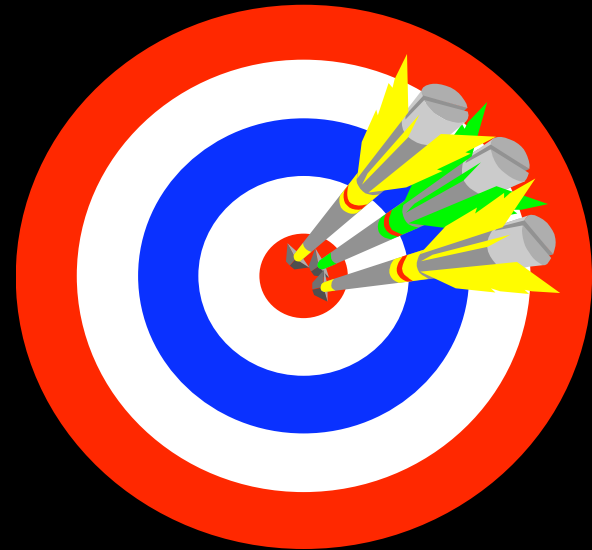
Do's

- Know the mission
- Know the financial structure
- Know the administrative structure
- Ask questions



Do's (continued)

- Prepare for meetings in advance
- Read the agenda
- Listen
- Act in best interest of the organization



Don'ts

- Be a jerk
- Speak to hear your own voice
- Forget to read the minutes
- Rubber stamp



Don'ts (continued)



- Dominate the meeting
- Vegetate
- Nit pick (opposite of rubber stamp)

Don'ts (continued)

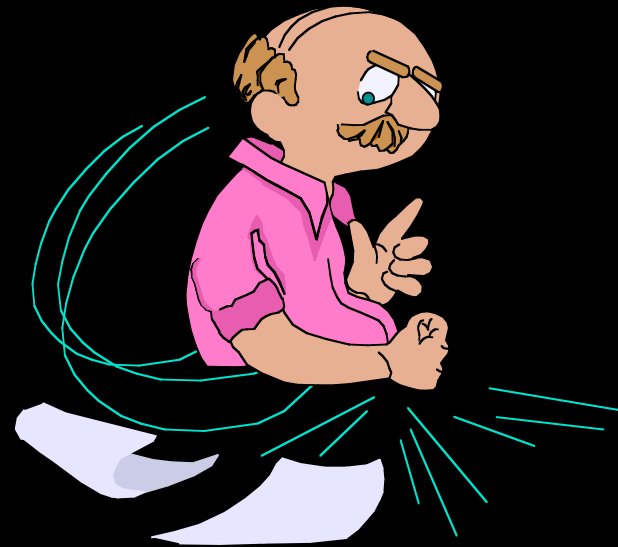
- Forget that there are consequences to what you say, when you say it, and how you say it
- Say publicly what might better be said privately
- Assume you know everything (unless you're a lawyer)
- Forget to show up

Why So Many Don'ts

- Disruption is worse than inaction
- Most people prefer to avoid confrontation, so:
- Confrontation leads to silence, and:
- Silence means the loudest person gets his way, and

Why So Many Don'ts (continued)

- If the loudest person gets his way all the time, people won't bother, and finally:
- If people don't bother, the organization suffers and maybe fails



Your Time is Valuable



- How many 1-hour meetings have lasted 4 hours?
- Did the extra time come from ignoring do's and don'ts?
- Did you have a better use for the wasted time?

What Do Committees Do?

- Focus on discrete issues - finance, procedures, planning, education
- Research issues more thoroughly
- Vet alternatives
- Make recommendations to the board

Committee Reports

- Should be circulated in advance of action
- Should describe task, matters considered, alternatives discussed, reasons for recommendations
- Should provide a clear recommendation, preferably coupled with a motion, if board action is required
- Are entitled to deference

What Does “Deference” Mean?

- Don't rehash the committee's work at a board meeting
- Ask questions before making statements (or even before the meeting)
- Don't assume you know more than the committee

Deference (continued)

- Feel free to disagree after you clarify your issues through questions
- State your reasons for disagreement with precision
- If you agree, say so - committee members like expressions of support - it makes them feel appreciated

Deference (The Big One)

- NEVER, NEVER, EVER, agree to serve on a committee, fail to attend meetings, and then complain about the result
- If you are ever tempted to do so, read St. Thomas Aquinas or watch a few episodes of *The Sopranos*
- Others will notice



Rules of Engagement

- Who's the client? -- the organization!
- Who are we trying to protect? -- the organization!!
- Who will get hurt if we don't do it right? -- the organization!!! (and maybe others as well)

Rules to Live By

- You're not getting paid for this, so why would you want to pay someone else to defend you for what you did?
- It is true that no good deed goes unpunished. It is also true that bad deeds are generally noticed more often and more often criticized

Rules to Live By (continued)

- The punishment for a good deed is usually only time and inconvenience. Bad deeds destroy lives.



My Buddy Winston

- A bad director :

Lord Charles Beresford



Admiral B.

- *“He can be described as one who, before he gets up, does not know what he is going to say; when he is speaking, does not know what he is saying; and when he has sat down, does not know what he has said, but knows it was said well.”*