NONPROFITS: BOARD GOVERNANCE

Board Meetings and Minutes and More

03.01.17 | Linda J. Rosenthal, JD

As we edge up past the 200-blog-post milestone, we're proud of the variety of topics covered. Some areas of interest to nonprofits have been covered a bit more extensively than others.

For example, just last summer, we posted eight times on the all-important politics ban in section 501(c)(3). After November 8th, though, the landscape changed dramatically; hence, our update in December 2016: *Maybe 'Never Mind' About The Politics Ban in 501(c)(3).*

The issue of "naming rights" has also captured our attention, producing copy for many posts including a favorite: *Naming Rights: It's a Philanthropic Jungle Out There*. It's so competitive in major markets like Manhattan that donors are happy to shell out big bucks for recognition in even the tiniest spaces in major cultural landmarks; hence, the Jerome and Ellen Stern Restrooms at the New Museum of Contemporary Art (Mr. Stern reportedly enjoyed the joke; "saying he "wanted to see his name 'in a place I'm going to spend a lot of time.'"

And, of course, there's the mess that's created when a revered donor goes from hero to goat because of a scandal. Recently, for example, many buildings around the nation were subjected to emergency sandblasting to remove the name "Bill Cosby."

Faithful readers may have also noticed our fascination with board meetings and procedures, minutes and resolutions. Some would say we've beaten this dry-as-toast topic into the ground. "Some," we humbly respond, "would be wrong." At ten posts and counting, it's a good time for a roundup and hints about future posts.

Corporate Board Formalities: It's a Big Deal

This series started on October 8, 2014 with *Breach of Duty by Ogling the Doughnuts*. "Admit it. You've done it…." That's the opening sentence. What is "it"?

"The corporate secretary is asking for approval of the corporate minutes from the last meeting. But you're busy deciding between the maple-glazed doughnuts and the chocolate-topped ones. So is everyone else around the conference table.
That's the problem…."

Why are board members not paying attention? "Most charity board members think of the vote to approve the minutes of the last board meeting as a quaint formality, an inconsequential appetizer before the real deal…." What is that "real deal"? "It's the meaty portions of the board meeting where business is discussed and debated."

And there's the problem: "The corporate minutes are not a side dish; they are the official record of the proceedings of the board of directors. They will likely be reviewed by government regulators, third parties – friends and foes alike – disgruntled employees, and current and future boards whenever a conflict arises."

More Tasty Morsels From the Archive

So, you must take care to get it right. That's why we spread out more tasty morsels in a buffet of information and tips:

- *Fun Facts About Corporate Minutes* (October 24, 2014) ["*Seriously, you were expecting fun facts about minutes? We're more interested than the average law firm in drafting effective corporate documents, but even we don't think minutes are fun. But they are important.*"]
- *Nonprofit Corporate Minutes: What Not To Do* (October 27, 2014)
- *Just One More Thing About Meetings and Minutes* (November 24, 2014)

And –

- *Next Time, Let's Text In Our Votes!*
- *Special Meetings: What are the Rules?*
- *A Deadlock on a Charity Board: What Then?*
- *Consent Agenda: A Tool for Better Meetings*
- *The Deep End of the Charity Board Conference Table* (November 4, 2014)

Finally – a reader favorite:

- *Who is Robert and Should Nonprofits Follow His Rules of Order?* (August 28, 2014)

There, we explained: "Professional parliamentarians love Robert's Rules of Order, but many nonprofit experts are wary: 'We have said it before and we will say it again: Most organizations should avoid Robert's Rules of Order like the plague. . .'"

Why? Because the circumstances of its development should have made even contemporaries in the 1860s and 1870s wary of relying on it as a road map for "conducting harmonious and successful

meetings…."

The drafter was one Henry Martyn Robert. In 1863, he was a U.S. Army Colonel whose first time presiding over a public meeting was such a disaster that it made him determined to learn about, and master, parliamentary procedure. Unfortunately, there were "few books on the topic" so, by 1876, then Brigadier General Robert published one of his own titled had authored one of his own titled *Pocket Manual of Rules of Order for Deliberative Assemblies*. "Back in the 1860s, he had studied the rules of procedure used by the U.S. House of Representatives, and used it as a guide for his book — with certain changes that he decided were appropriate for 'ordinary societies.'"

But "…the 1860s House of Representatives was the deliberative assembly that couldn't avert the Civil War, so — perhaps — this was a dubious model for conducting harmonious and successful meetings…."

Conclusion

We haven't yet fully exhausted this sleepy subject. Stay tuned.

— Linda J. Rosenthal, J.D., FPLG Information & Research Director