JEFFERSON COUNTY HISTORICAL SOCIETY
SUMMARY OF BOARD FUNCTIONS

1. Hold safe the assets of the Jefferson County Historical Society (JCHS).

These assets include JCHS's financial holdings, real property, historical collections, copyrights, and reputation. Each type of asset requires different treatment and different forms of board oversight. The board should work collectively to provide oversight, and individual board members accept the responsibility to avoid conflicts of interest and obey all state and federal laws governing service on a non-profit board of trustees.

2. Secure support for the Jefferson County Historical Society.

Historical organizations need support through financial contributions, volunteer service, and community participation in programs and activities. Board members should provide and seek each type of support. Each board member will make different contributions to the support of the organization based on personal resources of time, money, and relationships within the community.

3. Ensure proper delegation of authority within the Jefferson County Historical Society.

Successful operation of a historical organization requires the work of many people in varied positions of responsibility. The individuals who fill these positions may include officers, committee chairs, trustees, staff, and/or volunteers. Board members guarantee that we follow the procedures for elections and appointments provided in our Bylaws. We have many committees appointed by the president and subcommittees appointed by committee chairs. The board monitors committee activity through receipt of written and oral reports. The board delegates selection and supervision of staff to the director. Board functions with respect to the director's position include hiring and discharging, deciding terms of employment, and evaluating performance.

4. Set policies that advance the Jefferson County Historical Society’s mission.

The Board of Trustees sets policies related to the management of the historical organization and to the services it provides to fulfill our stated mission. The board assumes responsibility for setting policies, but rarely develops policies entirely on its own. Recommendations of staff and committees, advice of outside experts, provisions of state and federal law, and suggestions of constituent groups may play important roles in developing particular policies. The board votes final approval of all policies.
TRUSTEE RESPONSIBILITIES
(Adapted from: Museum Trusteeship by A.D. Ullberg)

The trustee, entrusted with the welfare of a The Jefferson County Historical Society including the public museum as a nonprofit corporation, is obligated to ensure, through his or her active and affirmative guidance, that the institution’s resources are prudently and efficiently managed to serve its purposes. In all nonprofit organizations, the bargain struck between charities and the English Crown centuries ago (1601) - relief from taxation and other prerogatives of the Crown in exchange for attending to the public welfare - still holds. Like a marriage, trusteeship is an honorable and voluntary condition that automatically and immediately confers upon the individual binding legal and ethical obligations prescribed by law and custom. It is imperative that those consenting to join a society board fully understand the responsibilities, accountability, and liabilities inherent in the status they voluntarily assume.

RESPONSIBILITIES OF SOCIETY TRUSTEES

Society trustees make policy for the society and monitor the execution of that policy. The board is ultimately responsible for every aspect of the society - its collections, its physical facilities, its finances, its personnel, and its operations, activities, and programs. Specifically, responsibilities include clarifying the goals and purpose of the institution, planning for its future, ensuring continued tax-exempt status and compliance with regulatory laws, and formulating policies for managing and using the collections and the facilities. Providing for the management and augmentation of finances, including budgeting, fund raising, and auditing, are also basic board tasks. The board must see to it that a personnel policy is enacted and implemented and that it meets legal standards and provides for equitable treatment of staff. Finally, the board has a responsibility for evaluation; it must regularly review all aspects of the society and society's operations and programs to assess how well they fulfill stated goals and policies. Trustees are the guardians of society's status and reputation.

General Policy Making
The board of trustees is the society's guiding force; it determines the present and future direction of the society. The trustee's most valuable contribution is the wisdom and perspective he or she brings to planning goals, formulating policies, and to monitoring their application. Typically the society board is made of individuals representing a broad spectrum of background and experience who are united by a strong commitment to the institution. Trustees are ultimately responsible for the success of the society's programs, but in the interest of effective objective supervision, must remain aloof from the actual execution of those programs, which is properly the responsibility of the staff. Individual trustees, especially in small museums, frequently may be directly involved in activities, but they must do so as individual volunteers, subject to direction from staff. Changing roles in this manner is difficult, but the trustee who can demonstrate a proper attitude when working for the society as a volunteer will gain respect from the staff for his or her role as trustee.

Revised: September 2007
**Policy Statements**

Every 501(c)(3) non-profit organization has a charter and articles of incorporation that give it legal life and permanence, and lay out basic principles or purposes. A formal statement of purpose, or mission statement, is drafted, reviewed and revised as necessary (requiring approval by two-thirds of the trustees), and made public as a guide to trustees for policy-making, to staff for implementation, and to the public for expectations. We have assembled the charter/articles of incorporation, bylaws (interpreting the articles over time), mission statement, and other specific policy statements so that they are accessible to all trustees, staff, and others who need current information about the society. Such organization demonstrates that the society knows what its purposes are and how it intends to achieve its goals.

**Specific Policy-Making**

Through Long-range Planning the board demonstrates a commitment to permanence, to systematic growth, and to the wise use of revenues and funding from outside sources. Long-range planning includes budgetary planning and sound financial projection, as well as projections for facilities use, maintenance, and improvement, program and project goals.

Tax Exemption Status is not automatic with incorporation as a nonprofit corporation, but is acquired through a separate application to the IRS. The privileges and responsibilities of this status vary according to state and local laws. With our tax exempt status, we are eligible for foundation and government funds that encourages private donations through tax deductions made available to donors. This allows us to seek basic financial support from many donors and supporters and to enjoy the benefits of volunteer assistance for operations. To maintain this status, we must receive at least one-third of our support from a wide circle of private individuals, admission fees, or government grants. To avoid placing this status at risk, we must proceed carefully with all commercial activities undertaken as sources of operating revenue (i.e., we collect and pay sales tax on all retail sales), and with political or legislative advocacy (while we may advocate for favorable legislation, we cannot undertake any partisan activity, and cannot endorse any political candidate).

Compliance with Regulatory Laws is mandatory and ultimately the responsibility of trustees. This includes careful attention to requirements for employees (nondiscrimination, minimum wage payments, payment of employee withholding taxes, and compliance with the state workmen's compensation system, etc.), handicap access, public health and safety standards, and building and fire codes.

A Collections Management Policy specifies what our institution collects, our procedures for accepting gifts, and defines our policy for loaning, conserving, insuring, and deaccessioning articles in our collection.

In addition, we should have a Facilities Policy that attends to issues of safety for the people and collections in our facilities and specifies the parameters of public access to use the collections and related activities in our facilities.

**Financial Responsibilities**
The board of trustees ultimately is responsible for planning and budgeting. While the staff actually administers the budget, the board authorizes and oversees the allocation of funds and the justification of expenditures.

Trustees are responsible for active fund raising and for exploring all avenues of enhancing financial resources, including increasing membership, deferred giving, grants, and fund-raising projects. All trustees are encouraged to give, as generously as they are able, to the institution. It is especially important that each trustee make a contribution, no matter what amount, to the Annual Fund Campaign. Being able to demonstrate 100 per cent support from the trustees on the board lends great credibility to our proposals and appeals for grants and funding from outside sources.

**Investment and Cash Management.** Trustees are required to manage all institutional financial assets for the maximum gain within the bounds of prudent investment. Trustees are responsible for the supervision of restricted or endowment funds, and the entire board is legally responsible for compliance with all binding conditions. In our small organization bookkeeping is done by staff with monthly checks and quarterly reports by our accountant. Monthly financial reports (a balance sheet and statement of income and expenses) are available to the public. Major donors and grantors often require audited financial statements. Because we are partially supported by government funds, the board must make great efforts to insure that the institution is an essential community resource and is perceived as such by those who dispense government support to local cultural organizations – in the case of JCHS, primarily the Jefferson County Commissioners.

**The Board and the Staff**
Trustees are responsible for maintaining a carefully drafted Executive Director's Job Description which delineates the director's sphere of action and duties. A personnel policy is established for mutual protection, clarifying employees’ rights and grievance procedures. The director is selected and supervised by the board and his/her performance is reviewed annually. The director selects and supervises the staff and volunteers.

**Self-Management**
The board shall evaluate board performance at the annual board retreat.
STRUCTURE AND OPERATION OF THE BOARD

In accordance with the Article IV of the JCHS Bylaws, the board will be comprised of seventeen (17) members serving three-year terms.

Composition and Selection
The board of trustees should be a diverse group representing different experience and expertise, age, gender, and cultural background. A minimum commitment of time and resources is necessary. The Bylaws establish the term of service, nomination and election process for trustees and officers. Trustees are elected to board service through a membership vote (December), or are appointed to complete the terms of trustees retiring early. The nominating process is a search for local talent with care taken to avoid conflict of interest.

Orientation for New Trustees
The orientation process for new trustees includes a meeting with the director and tour of the main facilities, a current Trustee Handbook, assignment of a veteran trustee if desired, and attendance at the annual board retreat in January.

Bylaws and Records
The Bylaws protect the board and individual trustees with specified procedures. Records of all meetings and formal action taken are public and also protect the board from charges of irregular performance. Each trustee completes a Trustee Agreement which includes a disclosure of any possible conflict-of-interest.

Committee Structure
Generally, an efficient way to manage board business is through committees. Current committee structure, purposes and recent accomplishments are described in the section on Board Committees and Responsibilities.

The President of the Board
The board president governs the board, balances committees, and maintains a close working relationship with the director to link the board's policy making and monitoring functions to the society's activities. The president compiles the meeting agenda (with the director), ensures that all trustees are informed of meeting schedules and receive pertinent material for study well in advance of meetings.

The Board and the Executive Director
The JCHS Executive Director, hereafter referred to as "the director," reports to the board at every meeting, keeping the board informed of progress in implementing policies and of any problems that arise. Individual trustees, other than the board president, should refrain from giving direct instructions to the director or staff, unless authorized to do so by the board. The director's performance and the performance of other staff are routinely reviewed and measured against job descriptions.

ACCOUNTABILITY OF SOCIETY TRUSTEES

Revised: September 2007
Accountability
Each trustee is accountable to fellow trustees, members, staff, donors, and to groups with an interest in the organization. Examples are:

- American Association of Museums (AAM), for accreditation, standards, and ethics and American Association for State and Local History (AASLH);
- For groups claiming cultural patrimony, Native American Graves Protection and Repatriation Act (NAGPRA) legislation;
- The public at large;
- The state (Attorney General - for paying sales tax and filing annual reports. Failure can trigger inquiry);
- The courts (maintaining a record of compliance with employment laws, occupational safety and health acts, charitable solicitation provisions, etc.);
- The federal government (for filing annual reports with the IRS to protect non-profit status, for payment to IRS of taxes withheld from employees' salaries; failure can trigger penalties).

Responding to Inquiries
Open board meetings are required (Sunshine laws). Regular records provide ready and candid answers to avoid controversy over activities. While the public, non-profit status of our institution requires public access to many of our records, prudence should be employed in publicly discussing sensitive issues currently before the board, or facility security arrangements. The privacy of donors must be protected.