

2018

What It Takes to Be an ANA Board Member

A M E R I C A N  
NUMISMATIC  
A S S O C I A T I O N

Panel Discussion

Philadelphia World's Fair of Money

# KEY QUESTIONS TO ASK

## Before Joining a Board

Serving on a board can be a rewarding experience, but is also time-intensive and demanding. Before joining a board, ask yourself the following questions to ensure that board service is right for you.

### ARE YOU INTERESTED IN ADVANCING A CAUSE YOU ARE PASSIONATE ABOUT? WHAT TYPE OF VOLUNTEER WORK IS MOST FULFILLING FOR YOU?

You must be committed to the mission of an organization before deciding to join its board of directors. Boards can have a huge impact on an organization, but do not routinely take part in direct volunteering. If you prefer a more hands-on volunteer opportunity, board service might not be the best way to get involved with an organization.

### HOW MUCH TIME CAN YOU DEVOTE TO BOARD WORK?

Board members are legally required to fulfill their fiduciary duties, which will require a considerable time commitment. The amount of time varies by organization, but simply planning to attend meetings is not sufficient. Board members must review financial statements, meeting materials, and prepare for and attend committee meetings on a regular basis.

Serving on a committee before joining the full board can be a good way to learn more about the organization and prepare yourself for the amount of work participating on a board can entail.

### ARE YOU ABLE AND WILLING TO ASSIST A NONPROFIT ORGANIZATION WITH FUNDRAISING?

One of the primary responsibilities of the board is to ensure that the organization has adequate financial resources to carry out its mission. Many organizations require board members to make a personal contribution and/or solicit funds. Be prepared to make connections and introductions to donors, attend fundraising events, and send personal and thank you notes.

### ARE YOU PATIENT AND COLLEAGIAL WHEN WORKING AS A TEAM? ARE YOU LOOKING FORWARD TO MEETING PEOPLE OUTSIDE OF YOUR USUAL PROFESSIONAL AND SOCIAL CIRCLES?

Boards must work together to build consensus and govern an organization. If you work better alone without input from a large group, board service may not be right for you. Additionally, the highest performing boards comprise a mix of professionals to bring a

variety of viewpoints to a discussion. Expect board members to represent a number of different industries, backgrounds, and perspectives.

## DO YOU UNDERSTAND THE ROLES AND RESPONSIBILITIES OF BEING A BOARD MEMBER?

Board members have a number of obligations — including those that are legally sanctioned — to an organization.

## IS THERE AN OPPORTUNITY FOR YOU TO MAKE A DIFFERENCE IN THE ORGANIZATION?

Identify your role on the board. Do you bring financial expertise? Community connections? Before joining a board, ask yourself whether you feel that your work on the board will make a positive impact on the organization.

## DO YOU FEEL COMFORTABLE WITH THE OVERALL HEALTH OF THE ORGANIZATION?

Board members have a legal obligation to the organization they govern. If you are not confident the organization is being managed well, either by the executive director or the current board members, and believe your association with the organization could put you at risk, it may be time to take a step back.

Adapted with permission from BoardSource.

<https://boardsource.org/resources/key-questions-ask-joining-nonprofit-board/>

# ANA Board of Governors Job Description

## EXPECTATIONS OF THE BOARD AS A WHOLE

The mission of the American Numismatic Association (ANA) is to help all people discover and explore the world of money through its vast array of educational programs including its museum, library, publications, conventions and seminars.

As the governing body of the organization and to satisfy its fiduciary duties, the board is responsible for

- fulfilling the mission and purposes of the Association
- strategic and organizational planning
- ensuring strong fiduciary oversight and financial management
- fundraising and resource development
- approving and monitoring the Association's programs and services
- enhancing the Association's public image
- selecting and evaluating the performance of the Executive Director
- assessing its own performance

## EXPECTATIONS OF INDIVIDUAL BOARD MEMBERS

Each individual board member is expected to

- know the ANA's mission, policies, programs, and needs
- faithfully read and understand the ANA's financial statements
- serve as active advocates and ambassadors for the ANA and fully engage in identifying and securing the financial resources and partnerships necessary for the Association to advance its mission
- leverage connections, networks, and resources to develop collective action to fully achieve the ANA's mission
- give a meaningful personal financial donation
- help identify personal connections that can benefit the ANA's fundraising and reputational standing, and can influence public policy
- prepare for, attend, and conscientiously participate in board meetings
- participate in committees as assigned

## BOARD MEMBERS ARE ALSO EXPECTED TO

- follow the ANA's Bylaws, policies and board resolutions
- sign a conflict-of-interest disclosure and update it when necessary, as well as disclose potential conflicts before meetings and actual conflicts during meetings
- maintain confidentiality about all internal matters of the Association

# Areas of Knowledge Relevant to Board Member Service

Strategic Vision

Accounting & Financial

Business & Management

Employment Law

Human Resources

Education & Training

Technology

Security

Bylaws

Robert's Rules of Order

Media Relations

Vendor Relations

Museum Operation

Library Operation

Convention Planning

Motivation & Collaboration

Teamwork

Presenting Ideas Effectively

Promoting & Increasing Membership Value

# CHECKLIST

## of Board Roles and Responsibilities

Basic board roles and responsibilities are the foundation for a successful board.  
Can you check all the boxes?

### ESTABLISHING IDENTITY AND DIRECTION

- ✓ Has the board adopted or revised a strategic plan or defined a strategic direction for the organization within the past three years?
- ✓ Does the board ensure that the organization's mission, vision, and values are reflected in the organization's programs?
- ✓ Are the organization's strategic priorities adequately reflected in the annual budget?

### ENSURING THE NECESSARY RESOURCES

- ✓ Has the board adopted policies related to funds to be pursued and/or accepted in support of the mission?
- ✓ Does the board expect all its members to be active participants in fundraising efforts?
- ✓ Does the board's composition reflect the strategic needs of the organization?
- ✓ Is the board confident that the executive director's skills and other qualities represent a good match for the organization's strategic needs?
- ✓ Does the board seek and review information related to the organization's reputation?

### PROVIDING OVERSIGHT

- ✓ Does the board contract with an outside auditor for the annual audit?
- ✓ Does the organization have up-to-date risk management policies and plans?
- ✓ Does the board monitor progress toward achievement of goals related to the organization's programs?
- ✓ Does the board have a clear understanding of the organization's financial health?
- ✓ Does the executive director receive an annual performance review by the board?
- ✓ Are all board members familiar with the executive director's compensation package?

### BOARD OPERATIONS

- ✓ Does the board regularly assess its own performance?
- ✓ Are organizational and board policies regularly reviewed?
- ✓ Do committees and task forces actively engage board members in the work of the board?
- ✓ Do board meeting agendas focus the board's attention on issues of strategic importance?
- ✓ Do board members have easy access to information needed for effective decision making?

# The American Numismatic Association Strategic Plan

## Strategic Plan Objectives

### *Enhance Education Resources*

- Increase online content
- Continue website development and social media outreach

The ANA's website, money.org, is an invaluable tool toward promoting numismatic education to members and the public. Continuous improvements to money.org as well as use of social media will help us maximize outreach and engage with collectors and scholars.

### *Exceptional Membership Service*

- Market ANA membership
- Advocate for consumer and hobby protection

We strive to maintain an active and robust ANA membership and grow interest in the numismatic hobby. We seek to provide exceptional service to our members through programs and services that benefit a variety of collecting interests. We advocate for the best interest of numismatics in legislative matters at the state and national level through our relationships with organizations such as the Industry Council for Tangible Assets.

### *Ensure Stability*

- Create strategic partnerships
- Cultivate the fund development program
- Grow revenue

The ANA partners with numismatic organizations to offer the best information and services to its members and to promote numismatic education through a multitude of media streams to a variety of demographics. The ANA recognizes that building a better future for the organization relies, in part, upon the generous gifts of its donors and is cultivating a program of donor appreciation and recognition. The organization is also focused on generating more educational services and products to grow revenues to be reinvested in furthering our mission.

## Our Mission

The American Numismatic Association is a nonprofit organization dedicated to educating and encouraging people to study and collect coins and related items. The Association serves the academic community, collectors and the general public with an interest in numismatics. The ANA helps all people discover and explore the world of money through its vast array of educational programs including its museum, library, publications, conventions and seminars.

## Our Values

### Education

We strive to deliver the best educational opportunities in numismatics.

### Service

We are invested in caring for and understanding the needs of our members.

### Community

Our ANA clubs and district representatives create a grassroots network of support for numismatists.

### Leadership

We support and develop the current and upcoming generations of hobby and industry principals.

### History

We preserve the time-honored traditions of collecting and research for our membership and the numismatic community.

# YOUR LEGAL DUTIES, OBLIGATIONS, AND POTENTIAL PITFALLS

## Attorney-Client Privilege and Waiver Issues

The attorney-client privilege protects certain communications between an attorney and client. This privilege results in any attorney-client communication being treated as confidential and not subject to discovery in litigation or other settings. The purpose of the attorney-client privilege, which is much like a physician-patient privilege, is to encourage open and honest discussions between attorneys and their clients. Without the privilege, both clients and attorneys would be disinclined to share honestly out of concern that their communications could be used against them in subsequent legal proceedings.

To the extent a client reveals an attorney's advice, the client may waive the attorney-client privilege which would enable third parties to subsequently discover the clients' disclosures and the substance of the attorney's advice. The waiver of the attorney-client privilege may have disastrous and costly consequences in subsequent proceedings.

For this reason, Governors must not:

1. Share communications directed towards General Counsel for purposes of obtaining legal advice; and
2. Share communications from General Counsel for purposes of providing legal advice.

## The ANA's Board of Governors, Officers and High Ranking Management Are the ANA

As a governor, you are the ANA. Actions, inactions, comments (including social media postings and other public statements) and conduct of Governors, Officers and High Ranking Management:

- May be deemed to be actions of the ANA
- May impose legal liability on the ANA

## Legal Obligations on Directors and Officers Are Imposed by ANA Bylaws, Common Law and Statutory Law

Fiduciary Obligations  
Duty of Care  
Duty of Loyalty  
Duty of Honesty  
Duty to Inform

See ANA *Bylaws Article XII, Sections 1 - 5.*

## Potential Individual and Personal Liability for Breaches of Duties

Directors & Officers Insurance Coverage

Intentional misconduct and/or unauthorized conduct may jeopardize D&O coverage and result in individual liability.

## Transparency vs. Confidentiality/ Open vs. Executive Session Board of Governors Meetings

**Article V, Section 7. Open Meetings.** It shall be the policy of the Association that meetings of the Board of Governors, other than votes by mail or electronic communication media, be conducted in open session, **except for deliberations and/or votes involving personnel, including hiring, compensation, and termination thereof; contractual and litigation matters; awards; or such deliberations that the Board members, after due consideration, decide merit confidentiality.** Prior to ending an open session for the purpose of going into a closed executive session, there shall be a vote to that effect by the Board, with a vote of the majority of those present required to go into closed executive session.

- Employees have an expectation of privacy
- Confidential Contracts
- Litigation or other legal advice
- Government open records law is inapplicable to ANA – government vs. non-profit

# BYLAWS ARTICLE XII

## Fiduciary Duties of Elected Officials, Officers & Special Officers

### Section 1. Fiduciary Obligations

All Elected Officials, Officers, Special Officers and key employees with financial or other decision-making authority shall act in accordance with the purposes and mission of the Association to serve the interests of the membership. In addition, they shall exercise prudent oversight of the Association assets, keep strict accounts, make every effort to achieve the purposes of the Association, and account for their stewardship of the affairs and business of the Association to the membership.

### Section 2. Duty of Care

Elected Officials shall exercise an appropriate duty of care in their stewardship of the affairs of the Association. The level of attention required as a fiduciary in all matters related to the organization constitutes a “duty to be informed” as to the affairs of the Association. This means Elected Officials have a responsibility to become informed about an issue before making a business decision relating to the issue. An Elected Official will fulfill the duty of care if, prior to making a decision, he or she seeks out and considers all material information reasonably available to him or her. To fulfill the duty of care, Elected Officials should follow deliberate procedures and consult with appropriate committees, officers or employees of the organization or other outside experts in making corporate decisions. In discharging this duty, this may require going beyond what is provided to the Board by in-house staff, including consulting with outside experts, seeking input from employees with knowledge of the facts and, above all, asking thoughtful and probing questions. In the conduct of the affairs of the Association, there may be circumstances where Elected Officials may not simply rely on the word of senior management without further inquiry; in those circumstances, the duty of care requires further inquiry.

### Section 3. Duty of Loyalty

The duty of loyalty requires all Elected Officials, Officers, Special Officers and key employees with financial or other decision-making authority to act in the interest of the Association rather than in their respective personal interests or the interests of some other person or organization. The duty of loyalty encompasses an obligation of all Elected Officials, Officers, Special Officers and key employees with financial or other decision-making authority to avoid conflicts of interest. A violation of this duty may result in personal liability for a breach of fiduciary duty. With respect to the Association, such a breach may allow a court to void the corporate transaction in which a conflict was present.

### Section 4. Duty of Honesty

The duty of honesty requires all Elected Officials, Officers, Special Officers and key employees with financial or other decision-making authority to act in a trustworthy manner with regard to all aspects of their dealings with the Association; and to provide honest and forthright information with respect to any information provided to others. Answers in response to any inquiry as to the affairs of the Association shall be accurate, complete and forthright. With regard to information that other Elected Officials, Officers and Special Officers will rely upon to make decisions, the information provided shall be honest, accurate, complete and forthright.

### Section 5. Duty to Inform

In all circumstances where the Board of Governors is required to make decisions on behalf of the Association, Officers, Special Officers and key employees with financial or other decision-making authority, shall provide full, complete, accurate and honest information with respect to all aspects of any matter on which the Board shall act. This requires not only the disclosure of information that would support a decision which the staff desires to implement, but any contrary information that would impact any such Board decision.

# Board Member Code of Ethics

Formerly Article V of the ANA Bylaws; revised March 2016.

**Section 1.** All Board Members (including those who have been awarded a bourse table at an ANA convention) shall receive reimbursement for all travel, meals and necessary incidental expenses incurred in attending an ANA convention and shall attend all Association Board meetings and other functions during such convention.

**Section 2.** A Board Member will not be eligible to receive during his/her term of office any award given to him/her by a vote of the ANA Board of Governors.

**Section 3.** A Board member may file a written complaint against another ANA member, but may not orally argue in support of his/her complaint at any Board meeting in the absence of the party against whom the complaint is filed. He/she may supplement such written complaint by written statements and other evidential matters, provided that copies thereof are furnished to the other party prior to taking any disciplinary action. A Board member may orally answer questions of other Board members regarding such complaint. A Board member may not vote at a meeting of the Mediation Committee or at a meeting of the Board with respect to any complaint made by him/her or against him/her.

**Section 4.** A Board member may not vote at a Board meeting in behalf of any proposal in which he/she has a financial interest or which involves a financial interest of any company or firm with which he/she is associated as an owner, director, employee or representative; but, such Board member should provide the other Board members with pertinent information regarding such proposal and financial interest. A Board member's ownership of less than five percent (5%) of the corporate stock of any company or his/her financial interest that may be remotely but not directly enhanced by a vote in behalf of the proposal before the Board (for example, the awarding of a numismatic auction to a firm to which a Board member has consigned coins) will not be deemed to be an ownership or financial interest sufficient to disqualify a Board member from voting. Notwithstanding the foregoing, a Board member should be encouraged to bring to the attention of the Executive Director or the Board any proposal that such Board member considers to be for the benefit of the Association, notwithstanding the fact that the foregoing provisions preclude him/her from voting with respect thereto.

**Section 5.** An elected or appointed official of the Association (and also any member of the Association) shall not purport to testify as a representative of the Association in any court or administrative proceedings, except with the approval thereof by the Executive Director, General Counsel or the Board of the Association or except in response to a subpoena or court order requiring him/her to testify as a representative of the Association. No such official may approve his/her right to testify in the Association's behalf. In the event that an official of the Association testifies solely in his/her own behalf in any court or administrative proceedings involving a criminal prosecution or a civil action involving fraud or other unethical conduct and in the event that his/her office or offices in the Association are known to those participating in such proceedings or are disclosed in such proceedings by way of establishing credentials or otherwise, such official will disclose at such proceedings that he/she is testifying only in his/her own behalf and not as a representative of the Association, and will refrain from using language that would indicate or infer that his/her testimony reflects the views of the Association or its members. As every person is presumed innocent until proven guilty, an Association official may testify in his/her own behalf as a witness for an accused party. An Association official may not commit perjury or condone conduct that is obviously illegal or unethical. In the event that a person is convicted of a criminal offense, an Association official may make a recommendation to a court or other tribunal regarding the severity or leniency of a sentence by reason of such person's character or for any other legitimate reason. However, unless authorized to do so by

the Association as hereinbefore provided, such official shall, under no circumstances, use Association stationery for that purpose; sign any letter, document or paper for that purpose as an official of the Association; or in any way indicate or imply that his/her recommendation or views represent those of the Association. An Association official who is a practicing attorney may represent an accused party in a criminal proceeding or a party who is accused of fraud or other unethical conduct in a civil proceeding.

**Section 6.** A Board member shall make no reference to his/her office in the Association in any commercial advertising unless such reference is approved by the President, Executive Director or the Board for use in an advertisement that promotes only the Association or an Association project.

**Section 7.** A Board member shall serve all members of the Association impartially and provide no special privilege to any individual member on the basis of friendship or such Board member's business, family or personal relationship with such individual member or by reason of any unlawful discrimination.

**Section 8.** Each Board member shall keep confidential all information entrusted or known to him/her by virtue of his/her office to the extent that such information, by its very nature, is confidential or proprietary or is labeled or designated as such (including, but not by way of limitation, information relating to activities and contractual matters conducted for the purpose of raising funds required for ANA to conduct its tax-exempt educational activities).

**Section 9.** A Board member shall not engage in activities for personal gain at the expense of the Association, nor use "insider" information gained as a result of his/her office to promote his/her private interests.

**Section 10.** A Board member or candidate for election to the Board may not accept any gift(s) of money in any amount or any gift(s) of any other item(s) having an aggregate value in excess of \$100 in any calendar year from any person or company which does business or which is reasonably expected to do business with the Association pursuant to a written contract requiring the approval of the ANA Board during the term for which such Board candidate has been or seeks to be elected; provided, however, that a Board member may accept any gift that is available to the general public (such as the acceptance of a free, frequent flier airline ticket) or a gift that is of direct or indirect benefit to the Association (such as a complimentary hotel room, meals or travel expense reimbursement that would otherwise be paid for by the Association). In the event that a Board member has received a gift in violation of the foregoing from a contributor to whom the awarding of a contract is to be voted upon during said Board member's term of office, such Board member will disclose that fact to the Board and shall abstain from voting thereon in the event that such Board member's vote is required in order to award the contract to such contributor. The term "gift" shall be deemed to include a campaign contribution. The prohibition against a Board member accepting a gift or contribution from any company shall be equally applicable to a gift or contribution from any officer or partner of that company or any person having more than a five-percent (5%) interest in the profits in that company. A person's donation of time in conducting or participating in a campaign on behalf of a Board candidate should not be deemed to be a gift under the preceding provisions.

**Section 11.** A Board member shall not make any promises or commitments on behalf of the Association unless authorized to do so by a majority vote of the Board or as otherwise provided by the Bylaws.

**Section 12.** A Board member shall report any knowledge of waste, fraud, corruption or impropriety relating to the Association to all other Board members immediately upon learning thereof.

**Section 13.** A Board member shall maintain the highest standard of personal conduct; promote and encourage the highest level of ethics within the numismatic profession; and maintain loyalty to the Association.

**Section 14.** A Board member may enter into a contract to furnish services, goods or other items to the Association and receive payment therefor upon the following conditions:

- (a) Competitive bids should be solicited when warranted by the nature of the contract. For example, competitive bids would be appropriate in awarding an auction contract or a video project contract but would not be appropriate for an agreement with a Board member to write a column for *The Numismatist*. Competitive bids should not be solicited for any contract with a person who has unique qualifications, not possessed by other readily available parties, for the proper performance of the contract.
- (b) The ANA's selection of a contracting party will be evaluated on the basis of the contract price, such party's ability and experience to produce the quality of service, goods or other items required by the Association and the time of performance. The contract price will not be the sole criterion considered. A contractor's numismatic knowledge will be taken into consideration only when it is an important factor for the performance of the contract.
- (c) A contract will be awarded to a Board member in preference to a non-Board member only in instances when the performance of the contract by the Board member will be more advantageous to the Association.
- (d) Membership on the ANA Board shall have no significance in awarding or declining to award a contract to any party, provided, however, that the Executive Director or other Association representative who awards a contract to an ANA Board member must be able to justify such award as being in the best interests of the ANA.
- (e) A Board member may not vote or otherwise act in the ANA's behalf in awarding a contract to himself/herself.
- (f) Any contract whereby a Board member shall receive a consideration having a value in excess of \$5,000 must be approved by a majority vote of the ANA Board of Governors.
- (g) A contract with a corporation, partnership or firm in which a Board member has more than a five-percent (5%) interest or of which a Board member is an officer, employee or agent shall be subject to the provisions of the preceding subdivisions (a) through (e) hereof, to the same extent as if said contract has been made directly with said Board member.

**Section 15.** Any violation of the provisions of the preceding Sections 1 through 14 will be grounds for expulsion or suspension from membership in the Association or other disciplinary action to be imposed by a majority vote of the Board. Such vote will be taken on the basis of a complaint made by any Board member, officer, employee or member of the Association. The accused Board member shall be notified in writing of the charge against him/her and of the date set for the Board's consideration thereof by any form of reasonable delivery, provided that a return receipt or other acknowledgment of receipt is obtained, at the address last furnished to the Association, and such notice shall be sent at least 30 days prior to the date of such meeting. Said charge shall not be referred to the Mediation Committee.