

## **What are the functions of the Board?**

- Directors for the Association are trustees who act on behalf of the members.
- Directors have the principal responsibility for fulfillment of the Association's mission and the accountability for its operations.
- Directors have a duty of loyalty to the organization, its staff and other board members. While differences of opinion are sure to arise, board members should seek to keep disagreements impersonal. Practicing discretion and accepting decisions made on a majority basis will promote Board unity and confidence.
- Directors accomplish their mission and duties through regular meetings and the committee structure. Each board member should arrive at meetings prepared and ready to engage in thoughtful dialogue, make decisions, conduct community forums or assist in community planning. Their duty is to be prepared, allow time to review emails and correspondence, and respond and ask questions regarding meeting information before the meeting. Board members may also be asked to participate in at least one liaison role with a standing committee.

## **What are the responsibilities of the Board?**

- a) Regularly attend scheduled meetings
- b) Board of Directors Meetings
- c) Work Sessions and public information sessions.
- d) Committee Meetings
- e) Executive sessions of the Board
- f) Attend a Board leadership training
- g) Attend the Annual meeting and any special meetings of the members.
- h) Attend New Resident Orientations, when scheduled, representing the Board.
- i) Attends other meetings or events as necessary
- j) Prepare for meetings

- k) Review the monthly financial statements
- l) Review the resolutions, committee minutes and staff reports
- m) Read presented materials and information
- n) Present action requests to the President for inclusion in the agenda at least seven (7) days prior to the scheduled meeting.
- o) Respond to emails promptly outside of the meetings.

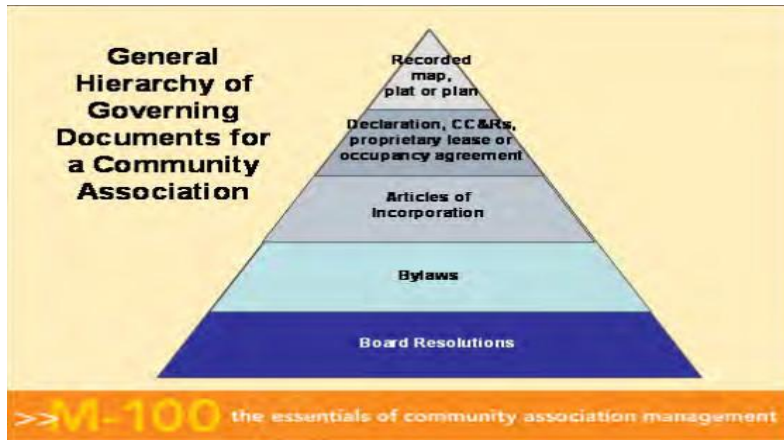
### **What is the role of the management company?**

Your Manager and Management Team is responsible for overseeing the daily operations of your community, for which we are the acting agent of the association and work on behalf of the Board.

The Manager works with homeowners, solicits bids, directs contractors, maintains association records, processes homeowner requests, works with the Board, enforces rules and regulations, etc.

### **What are the legal documents, and how do they govern the HOA?**

Below is a helpful chart outlining the hierarchy of documents. The Board is responsible to enforce and follow these. This would also be in regard to collection of assessments, violations, architectural requests etc. Changing the documents requires 75% approval from all owners. Board membership requires understanding and complying with your [HOA's governing documents](#), and your HOA board of directors code of conduct should reflect that. Make sure to always follow the provisions set forth within your bylaws and CC&Rs as well as any relevant federal and state laws.



### What are the expectations for confidential information?

As a board member, there are specific details that only board members are privy to. Therefore, your code of ethics should require you to maintain HOA board member confidentiality. That means you should never discuss these matters outside the executive session of your board meetings. Examples of confidential affairs include litigation proceedings between the HOA and an owner, delinquent accounts, disciplinary hearings, etc.

### How are the Board positions determined?

This is determined and voted on by the elected Board members.

### What is the standard code of ethics and conduct for a Board member?

#### Board members must:

- Move within the scope of their authority as determined by the law and the association's governing documents.
- Always endeavor to serve the association's best interests and put their personal interests aside.
- Carry out their responsibilities with impartiality.
- Make decisions for the association using sound judgment and due diligence.
- Disclose any potential conflicts of interest, recuse themselves from the discussion, and vote if one exists.
- Allow community members the chance to voice their opinions on association matters.
- Always support the decisions made as a board, even if they do not necessarily agree with them.
- Hold [open, honest, and fair elections](#).

**Board members must not:**

- Support or promote any activity, action, or behavior that breaches the law or other regulatory requirement.
- Disclose confidential information to any party outside of the board unless given authorization to do so.
- Share to any third party any discussions or decisions made in the executive session of board meetings.
- Reveal personal information about any homeowner, resident, or employee.
- Use association funds for personal use without authorization.
- Exploit their position as a board member for personal gain.
- Directly or indirectly accept gifts from members of the community, suppliers, or contractors.
- Misreport or conceal facts concerning the association.
- Threaten, intimidate, or harass any board member, homeowner, resident, contractor, or employee.
- Make any promises to a bidder or contractor.

**What is the liability for a Board member?**

The HOA does have several insurance policies to cover the HOA, Board and volunteers. By serving on an HOA board, a board member takes on some legal duties for the HOA. Board members generally must place the interests of the HOA above their interests in how they carry out their responsibilities. This means using reasonable care in running the HOA, only acting within the scope of authority granted by the HOA's internal bylaws, and dealing with the HOA in good faith. HOA board members can get in trouble and thus become legally liable when they violate these duties. For example, using HOA funds in a manner outside the scope of authority granted to the board member or entering the HOA into contracts with the board member's own business in bad faith might lead to a lawsuit against that board member. Board members are thus encouraged to work with counsel in addressing whether specific actions potentially violate board members' duties.