

## **FEDERATION OF FLY FISHERS, INC.**

### **STANDARD OPERATING PROCEDURES**

#### **BOARD OF DIRECTORS MEETINGS**

Authority: These procedures are based upon provisions contained in the Federation of Fly Fishers Bylaws and Robert's Rules of Order, Revised. Where the Bylaws are silent on meeting procedures, Robert's Rules of Order take precedence. Where the Bylaws and Robert's Rules of Order conflict, the Bylaws will govern.

Meetings: The Board shall hold the following meetings:

(1) The Annual Board Meeting is held during conclave week, before the annual membership meeting. It serves primarily to review actions of the officers, committees and Chief Executive Officer/President since the last meeting; to ratify actions of the Executive Committee since the last meeting; to review all budgetary matters and to approve a budget for the upcoming fiscal year; to seat newly elected Directors and to elect additional Directors as determined by the Board; to elect officers for the following year; and to provide direction for the future. Executive Committee members and elected Directors are required to attend.

(2) The Midwinter Board Meeting is held approximately six months later. It serves primarily to review actions of the officers, committees and CEO since the last meeting; to ratify actions of the Executive Committee since the last meeting; to review all budgetary matters; and to provide direction for the future. Executive Committee members are required to attend

(3) Other Board meetings may be held as prescribed in the Bylaws. Or, as necessary during the year by conference call to review and approve budgetary matters.

(4) The Executive Committee will meet prior to the Midwinter and Annual Board Meetings. The CEO and Legal Counsel shall attend. Purpose of these ExCom meetings is to review and discuss agenda items, with the goal of facilitating the smooth conduct of subsequent Board meetings. The ExCom may restrict attendance in order to protect the confidentiality of its discussions. This meeting usually takes place as a conference call.

(5) Board meetings are open to all members of the association. The Board may vote to go into executive session, at which time persons in attendance may be asked to leave until the Board comes out of executive session. Proceedings of executive sessions are secret. Only members, special invitees and necessary employees and staff members may attend. Board members violating the secrecy of executive sessions can be punished by the Board; invitees are honor bound not to divulge discussions.

Agendas:

(1) The CEO will prepare agendas based upon input from officers, directors, and committee members. Packets containing meeting agendas will be provided to Board members at

least 30 days before meetings in order to permit early review. Earlier Board review of some agenda items may be required by Bylaws.

(2) Items not requiring Board action may be placed on the consent agenda. Consent agenda items will be determined by the CEO in consultation with the Chairperson. No matter dealing with the finances of the association may be placed on the consent agenda. After approval of minutes of previous meetings and before discussion of agenda items, the Chairperson will invite motions to remove items from the consent agenda. Also, items on the consent agenda may be taken off at any time during the meeting at the request of any Board member.

(3) Agendas of the Annual Board Meeting and the Mid-Winter Board Meeting will follow these general formats:

(a) Annual Board Meeting:

- Call to Order (Chairperson)
- Roll Call (Secretary)
- Seating of the Directors (Chairperson)
- Election of additional Directors (Chairperson)
- Approval of Agenda (Chairperson)
- Statement of Directors= Responsibilities (Legal Counsel)
- Approval of Previous Year=s Minutes (Chairperson)
- Affirmation of Actions by Executive Committee (Chairperson)
- Chairperson=s Report (Chairperson)
- Chief Executive Officer/President=s Report (CEO)
- Election of Officers (Chairperson)
  - Nominating Committee Report (Committee Chair)
  - Election and Seating of Officers (Chairperson)
  - Approval of Vice Presidents (Chairperson)
- Fiscal Year Action Plan (Chairperson)
- Financial Reports (Treasurer)
  - Final for last fiscal year
  - Year-to-date
  - Budget for next fiscal year
- Legal Issues (Legal Counsel)
- Vice President Reports (Appropriate Vice Presidents)
- Federation of Fly Fishers Foundation Report (Foundation President)
- FFDC Report (FFDC Director)
- Unfinished Old Business (Chairperson)
- New Business (Chairperson)
- Committee Appointments (Chairperson)
- Announcement of future meeting dates (Chairperson)
- Adjournment (Chairperson)

(b) Midwinter Board Meeting:

Call to Order (Chairperson)  
Roll Call (Secretary)  
Officers' Reports (Chairperson, Vice Presidents, Secretary Treasurer,  
CEO)  
Old Business (Chairperson)  
New Business (Chairperson)  
Announcement of Annual Board Meeting Dates (Chairperson)  
Adjournment (Chairperson)

### Conduct of Board Meetings:

Board meetings are conducted in a highly ethical and professional manner. The purpose of the Board is to:

Set the path for the organization, define the vision and mission. The Board=s job is to govern and not to manage. Its role is strategic, not operational.

Ensure the CEO has the resources to accomplish the mission defined in the approved Business Plan.

Supervise and evaluate the CEO=s performance based on established objectives.

Refine and validate policy as established by the Chairperson and CEO.

Advise and consent on major issues of the budget, planning and policy. This means the board must, rather than discussing the specifics or details of a committee or staff report, look at the broad policy issues implicit with the report/policy language and decide what stance the organization should take. Moreover, the Board should enhance the work of the staff or committee not do staff or committee work.

Boards are meant to debate in good faith, but, once an issue is decided, the board is duty bound to speak with one voice. It is unethical and unprofessional to do otherwise.

The Board is meant to represent the organization, provide legal and financial oversight and to contribute to the moral tone of the organization.

The Board should provide expert opinions and wisdom, and perhaps only sparingly refinements and alternatives.

Focusing on matters of policy. This would permit the staff or committee to deal with the subsequent language or specifics and the board to guide or set policy.

Act only as a body, not as individual board members. Individuals board members do not have the power to direct activities of committees or staff. The purpose of the board is to act in the best interest of the organization as a whole and not on local or individual preferences.

Four Golden Rules:

- (1) Justice and fairness for all
- (2) One item of business at a time
- (3) Right of the minority to be heard
- (4) Right of the majority to prevail

Quorum: A quorum is necessary in order for the Board to legally transact business. One-third of the Directors of the Board shall constitute a quorum.

Actions Requiring Board Approval: Debate and voting on actions requiring Board approval shall not proceed unless a motion has been made and seconded.

The Handling of Motions:

- (1) Rules and Characteristics of Motions and Debate:

S-Second Required	T-2/3 Vote Required
D-Debatable	R-Can Reconsider
A-Amendable	C-Chair Decides
M-Majority Vote	I-Can Interrupt

(2) Once a Main Motion is made and seconded by Board members, the Chairperson states the question and invites debate, turning first to the member making the motion, who has the right to speak first.

(3) Each member has the right to speak twice on the same question on the same day, but cannot make a second speech on the same question so long as any member who has not spoken on that question desires the floor.

(4) During debate, any Board member may make any of the following: Subsidiary Motions affecting the pending motion; Incidental Motions affecting pending motions or other items of business; and Motions That Bring a Question Again Before the Board:

(a) Postpone Indefinitely: (SDMR) a motion that the Board declines to take a position on the pending question; it effectively kills the pending question for the duration of the session and avoids a direct vote on the question; it is useful in disposing of a badly chosen motion that cannot be either adopted or expressly rejected without possibly undesirable consequences.

(b) Amend: (SDAMR) a motion to modify the wording - and within certain limits the meaning - of a pending motion before it is acted upon.

(c) Refer or Commit: (SDAMR) a motion used to send a pending question to a committee so that the question may be carefully investigated and put into better condition for the Board to consider.

(d) Postpone to a Certain Time: (SDAMR) a motion by which action on a pending question can be put off, within limits, to a definite day, meeting, hour, or until after a certain event.

(e) Limit or Extend Debate: (SATR) a motion by which the Board can exercise special control over debate on a pending question or series of pending questions, by allowing more or fewer speeches of longer or shorter duration than permitted during normal debate.

(f) Call the Question: (STR) a motion used to bring the Board to an immediate vote.

(g) Lay on the Table: (SM) a motion to set aside temporarily the pending question when something else of immediate urgency arises.

(h) Point of Order: (IC) used to call upon the Chairperson for a ruling and an enforcement of the rules when a member believes the rules of the Board are being violated.

(I) Appeal: (ISDMR) used to challenge a decision of the Chairperson on parliamentary law.

(j) Suspend the Rules: (ST) to take up a question or do something that would be in violation of a rule that applies in order to accomplish a desired purpose, provided that the proposal is not in conflict with OWAA's bylaws, local, state or national law, or the fundamental principles of parliamentary law.

(k) Object to Consideration of the Question: (ISTR) to prevent consideration of a main motion, if a Board member believes it would do harm for the motion even to be discussed; objection must be made before debate has begun or any subsidiary motion has been stated; the main motion is dropped if 2/3 vote to support the objection.

(l) Reconsider: (ISDM) if, in the same session that a motion has been voted on but no later than the same or the next calendar day, new information or a changed situation makes it appear that a different result might reflect the true will of the Board, a member who voted with the prevailing side can move that the question shall come before the Board again as if it had not been considered previously.

(5) The Chairperson brings non-debatable motions to an immediate vote. On debatable motions, when the debate appears to have come to conclusion, the Chairperson asks, "Are you ready for the question?" If no member wishes to continue debate, the chair puts the question to a vote.

(6) Call the Question: (STR) Any member may move to bring the Board to an immediate vote on the pending debatable questions by stating, "Previous Question," or "Call the Question." If adopted, this motion immediately closes debate on the pending question. A motion to Call the Question is out of order when another member has the floor. It must be seconded, is not itself debatable or amendable, and requires approval by a 2/3 vote. If 2/3 vote to close debate, the

Chairperson immediately puts the pending question to a vote. If the motion to Call the Question fails, debate may resume.

(7) Unanimous Consent: (C) The Chairperson may declare a motion approved by unanimous consent when there seems to be no opposition to a pending motion or if, in the Chairperson's judgment, the question is of little importance. When choosing to exercise this option, the Chairperson states, "If there is no objection, the motion is adopted." If any Board member objects, the Chairperson must state the question and invite debate; after debate, the Chairperson puts the question to a vote.

#### Approval of Motions:

(1) All Board members are eligible to vote or abstain on motions before the Board.

(2) An abstention or a blank ballot does not constitute a vote cast.

(3) A simple majority of votes cast shall be sufficient to approve motions, except where a greater number is required by law, the Bylaws or Robert's Rules of Order, Revised..

#### Director and Officer Responsibilities

Directors must be a member of the Federation in good standing and Life membership is strongly encouraged. Directors must contribute financially at their personal discretion and membership in the President's Club is encouraged..

Directors are expected to attend all board meeting and participate in conference calls. If a directors is unable to attend, he or she must contact the Chairperson to be excused.

Directors cannot proxy their vote. Directors must exercise their vote and cannot delegate this responsibility to someone else. This means if a director is unable to attend a board of directors meeting, he or she will not be able to vote.

Directors are expected to provide their expertise to the organization by involvement in committees, contributions to policies, fostering growth of the organization, and contributing to the success of the CEO/COO.

Directors represent the Federation of Fly Fishers and fully support its mission, policies and activities without reservation. Directors should serve on multiple committees by doing this they are more involved at each organizational level, and particularly for council level members, this creates focus to the organization and not just to the council. Board Members are expected to participate in conclave activities, not just the meetings, to show their support for youth programs, outreach, casting games, auction luncheons, and other functions. They are encouraged to visit local clubs to spread the FFF culture. Board membership is a job for the FFF, not just a position.

#### I. Management of Non-Profit Organizations.

A. Non-profit organizations should be operated and managed with the same degree of care as for-profit corporations.

1. Formal and well-defined operating procedures should be established.
2. Strong financial controls and systems should be implemented.
3. Risk management and loss control programs should be adopted.

## II. General Principles Governing Director and Officer Liability.

A. The fundamental responsibility of directors and officers is to represent prudently the interests of the organization's members and other constituencies in directing the business and affairs of the organization within the law.

### 1. Basic Duties.

#### (a) Duty of Diligence -

(1) Act with the care that a reasonably prudent person in similar position would use under similar circumstances.

(2) Perform duties in good faith and in a manner they reasonably believe to be in the best interest of the corporation.

(3) Must inform themselves of all material information reasonably available to them.

(4) Reasonable inquiry and monitoring of corporate affairs.

#### (b) Duty of Loyalty -

(1) Refrain from engaging in personal activities which would injure or take advantage of the organization.

(2) Prohibited from using position of trust and confidence to further their private interests.

(3) No conflict between one's duty to the organization and self-interest.

#### EXAMPLES;

1. D & O's may not realize secret profits or unfair gain through personal transactions with or on behalf of the organization.

2. May not compete with the organization to its detriment.
3. May not usurp an opportunity of the organization.
4. May not realize personal gain from the use of material,  
non-public information.
5. Should avoid even the appearance of a conflict of  
interest.

(c) Duty of Obedience -

- (1) Perform duties in accordance with applicable statutes and the terms of the organization's article of incorporation and bylaws.
- (2) Insure organization is operated for 501(c)(3) purposes.
- (3) Insure monies are expended for 501(c)(3) purposes.
- (4) Insure earnings do not inure to the benefit of any individual.
- (5) Lobbying is not a substantial activity.
- (6) File required tax returns to include payment of social security  
and withholding taxes.

2. Business Judgment Rule.

(a) Directors are presumed to have acted properly and satisfied these three duties (diligence, loyalty and obedience) if the "BJR" applies.

(b) To obtain the benefit of the "BJR", directors must act in good faith and with a reasonable basis for believing that their conduct is in the lawful and legitimate furtherance of the organization's purposes and must exercise their honest business judgment after due consideration of what they believe to be relevant factors.

(c) Five elements of "BJR":

- (1) Business Decision - protects against claims for wrongful acts,  
but not against failure to act unless the result of a conscious decision to refrain from acting.
- (2) Disinterestedness.
- (3) Due Care.
- (4) Good Faith.

(5) No Abuse of Discretion.

3. Conflict of Interest.

(a) A conflict of interest transaction is one in which a director has a direct or indirect interest. An Indirect interest is one wherein another entity in which the director has a material interest or in which the director is a general partner or a director, officer, or trustee, is a party to the transaction. There would be no liability imposed upon a director for a conflict of interest transaction if the transaction was fair to the Federation of Fly Fishers, or the directors approving the transaction reasonably believed the transaction to be fair to the Federation of Fly Fishers, and the board was aware of all material facts relating to the transaction.

(b) Directors should avoid any form of self-dealing. If a director has an interest in a transaction with the Federation of Fly Fishers, Councils and Clubs, the director should note that interest. The transaction must be fair and reasonable, and the interested director should not attempt to influence other members of the board.

8) Any transactions with disqualified persons (persons who are in a position to exercise substantial influence over the affairs of the Federation of Fly Fishers, Councils and Clubs) should be monitored carefully to make certain no Aexcess benefit@ is conferred on the disqualified person.

III. Actions by Directors.

A. Any action taken by directors must be an informed decision following a thorough, well-documented investigation of all relevant facts reasonably available and applicable law.

(1) Attend meetings and review minutes and other documents.

IV. Delegation of Responsibility.

A. Although directors may not abrogate their duties, they may rely in good faith on advise or input from board committees, officers, employees or outside experts.

1. Board committees -

(a) The use of board committees permits a small number of directors to perform a more in-depth analysis and should be encouraged.

(b) Use of an executive committee permits action to be authorized between regular board meetings, although the full board should review and, if appropriate, ratify the committee's action.

2. Management delegation -

(a) The board should not engage in direct management of the

organization.

(b) However, the board has responsibility for monitoring the day-to-day conduct of the organization by assuring that satisfactory executive management personnel and policies are in place.

(c) To avoid someone from operating outside of the scope of his or her duties or neglecting an area of responsibility within the scope of such duties, clearly defined job descriptions should be prepared.

(d) Similarly defined descriptions of authority and responsibility of the organization's staff and volunteers should be prepared and understood by all involved parties.

(e) Directors are entitled to the so-called reliance defense, which permits directors to rely in good faith upon officers, committees, legal counsel or agents of the organization when making board decisions.

(1) Select competent experts.

(2) Full disclosure.

(3) Nature of reliance. Policy