



A NEW WAY FORWARD: REIMAGINING THE NONPROFIT WORKPLACE

Virtual Engagement Series

Strategic, Supportive
and Equity-Centered:

Board Best Practices
We Need Today



Today's Program

- Welcome & Housekeeping Notes
- Panelist Conversation
- Q&A Opportunity
- Presentation Featuring Legal Guidance
- Q&A Opportunity
- Closing Comments
- Lobby Available for Continued Conversation



Housekeeping Notes

- This webinar is being recorded.
- Dedicated Q&A time is built into each portion of the program.
- Use the “Chat” function to share your questions throughout the session.
- Conversations are based on our best understanding at this time.
- The attorney presentation features legal *guidance*, not legal advice.



Next in Our Series

Planning for Your
Nonprofit Financial
Health

Mergers,
Collaborations,
Dissolutions & Asset
Transfers

Advocacy &
Civic Engagement



Yodit Mesfin
Johnson
President and CEO, NEW



Randy Maiers
President and CEO,
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Foundation of St. Clair
County



Eric Wimbley
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Pretty Lake Camp



Mark Lezotte
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Yodit Mesfin Johnson

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Eric Wimbley

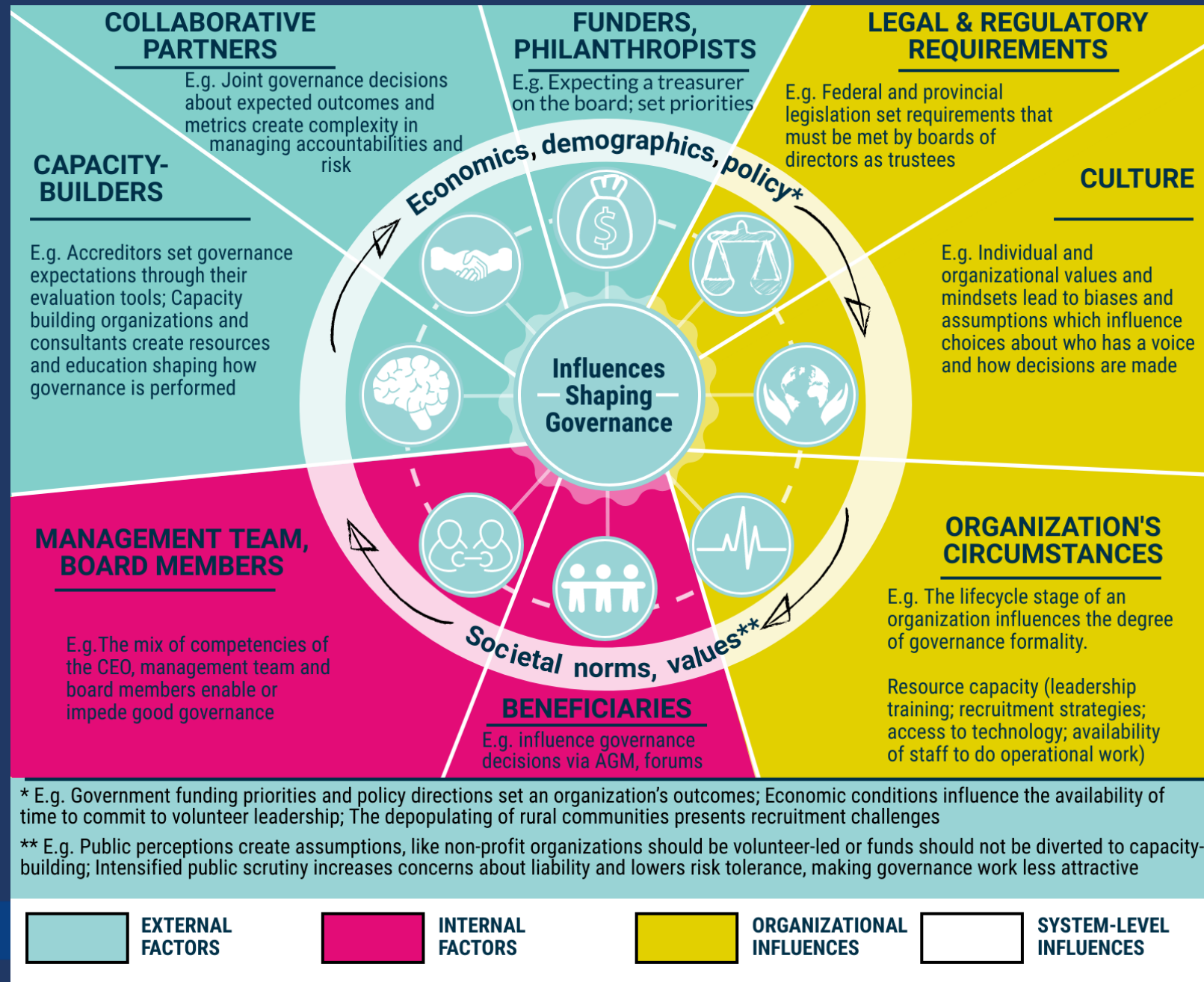
CEO,
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Audience Q&A



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Board and Organization Meetings and Action

- Good news overall: Michigan law is flexible, accommodates different ways of meeting and acting
- May depend on type of entity (public, private, religious)
- Different rules and processes for board and member meetings
- Pay attention to governing documents (articles, bylaws)

Board Meetings and Action

- Act allows meetings of a board “*by means of conference telephone or other means of remote communication if all individuals ... participating ... can communicate with the other participants.*”
- Consider board members’ fiduciary duty—discussion, consideration, listening

Board Meetings and Action

- Communicate with each other
- Must be an interactive way to make this happen
- Can never use proxies
- Video meetings should meet this, email-only “polling” of directors won’t
- Consent without meeting only allowed if unanimous

Some complications for particular organizations

- Ecclesiastical corporations; some entities formed under old laws
- Public bodies (elected, appointed, charter schools):
 - Open Meetings Act: in-person requirement temporarily suspended
 - Still requires notice, access, opportunity to participate.
 - Open attendance, no limits
 - Access and equity issues: how can people participate

Members; Annual Meetings

- Allows meetings with similar language to that for boards
- Other provisions also allow for proxy voting and ballots
- Difference between member individual interest and director fiduciary duty
- Legal requirements:
 - *“reasonable measures to verify that each person ... present ... by means of remote communication is a shareholder, member, or proxy holder”*
 - *“reasonable measures to provide each shareholder, member, or proxy holder a reasonable opportunity to participate in the meeting and to vote on matters submitted ... including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings.”*

Member; Annual Meetings

- Consider:
 - prior notice; copies of relevant documents provided in advance
 - members identify themselves; cross-check the roster to confirm
 - live/real-time presentation with chance to ask questions before any vote
- Some organizations postpone meetings or elections, rollover terms
 - Understandable, but may need to amend bylaws

Handling Meetings Effectively

- Plan ahead!
 - Notice
 - Provide information, documents
 - Test technology. What about access?
 - Quorum issues? Check the bylaws, and note different provisions for board or members
 - Hearing, vision, speech issues?
- And simply dealing with fatigue...

Consider Updating Governing Documents

- Process changes as discussed above: quorum, notice, election of directors and officers, terms
- But also liability protection language—protect directors/officers/volunteers in uncertain times
- Law was amended in 2015—review your documents to be up to date

References and resources:

- BoardSource (documents, forms) www.boardsource.org
- BoardEffect (management software, but also whitepapers on key issues) <https://www.boardeffect.com/whitepapers/>
- Blue Avocado <https://blueavocado.org/about-us/>
- Independent Sector www.independentsector.org: “Principles for Good Governance and Ethical Practice”
- Internal Revenue Service <http://www.irs.gov/Charities-&-Non-Profits>
- Council of Michigan Foundations <https://www.michiganfoundations.org/>
- Michigan Community Resources <https://mi-community.org/>
- Michigan Nonprofit Association <https://www.mnaonline.org/>
- Nonprofit Enterprise at Work <https://www.new.org/>
- Co.Act Detroit <https://coactdetroit.org/about/>
- Butzel Long: <https://www.butzel.com/resources-alerts-Business-Governance-Issues-of-Remote-Virtual-Meetings-How-Can-your-Corporation-or-LLC-Conduct-Remote-Meetings.html>

Audience Q&A

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Thank you for being a part of today's conversation!

Please be sure to complete the evaluation at the end of the session.