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## **ROLES & RESPONSIBILITIES OF THE FULL BOARD OF DIRECTORS**

### **1. SUPPORT THE ARA STRATEGIC PLAN**

Fully understand and support the ARA Strategic Plan which articulates the ARA goals and primary constituents served. Review it periodically for validity.

### **2. SELECT THE CHIEF EXECUTIVE OFFICER (CEO)/EXECUTIVE VICE PRESIDENT**

Understand the role of the CEO. In the case of a vacancy, the board is responsible for conducting a careful search process and selecting the most qualified individual for the position.

### **3. SUPPORT THE CEO**

Ensure that the CEO has the moral and professional support needed to further the goals of the organization.

### **4. ENSURE EFFECTIVE ORGANIZATIONAL PLANNING**

Actively participate with the staff in ensuring the relevance of the ARA Strategic Plan and assist in implementing, monitoring, and updating the goals and objectives. Develop policies consistent with all aspects of the Plan.

### **5. ENSURE ADEQUATE RESOURCES**

One of the board's foremost responsibilities is to define and provide adequate resources for ARA to fulfill its mission.

### **6. MANAGE RESOURCES EFFECTIVELY**

Be accountable to the members and the public by safeguarding ARA's tax-exempt status. Ensure that an effective process is in place to develop the annual budget and that proper financial controls are in place.

### **7. MONITOR AND STRENGTHEN ARA'S PROGRAMS AND SERVICES**

Ensure that programs are consistent with the Association's mission and monitor their effectiveness.

### **8. ENHANCE ARA'S PUBLIC STANDING**

The board is the association's primary link to the members and volunteers and serves a vital function to establish and maintain two-way communication. An important role of the board is to communicate ARA goals and accomplishments to the members and encourage them to support the Association.

### **9. ENSURE LEGAL AND ETHICAL INTEGRITY AND MAINTAIN ACCOUNTABILITY**

The board must establish pertinent policies and adhere to provisions of the ARA Bylaws and Articles of Incorporation. The board is ultimately responsible for ensuring adherence to legal standards and ethical norms. A clear delegation to the CEO for hiring and employee management and for utilizing solid personnel policies and grievance procedures helps to ensure proper decorum in this area.

### **10. RECRUIT AND ORIENT NEW BOARD MEMBERS AND ASSESS BOARD PERFORMANCE**

The board has a responsibility to articulate their needs in terms of member experience, skills, and many other considerations that define a "balanced" board composition. The board must orient new board members to their responsibilities and ARA's history, needs, and challenges. By periodically evaluating the board's performance in fulfilling its responsibilities, the board can recognize its achievement and reach consensus on areas that may need improvement and implement any needed change.

## RESPONSIBILITIES OF INDIVIDUAL BOARD MEMBERS

1. Attend all board meetings and functions (such as special events and committee meetings) as assigned. Prepare written reports as requested.
2. Review board meeting agendas and supporting materials prior to meetings.
3. Offer to take on special assignments, as appropriate.
4. Inform yourself and others about ARA's goals, services, policies, and programs.
5. Adhere to the ARA Board Code of Conduct, which addresses conflict of interest and confidentiality.
6. Recognize and respect the difference in roles between the CEO and the board members.
7. Refrain from using your role as a board member to make special requests of the staff or consultants.
8. Exercise fiduciary responsibility in the financial management of ARA.
9. Represent ARA to fulfil its purpose. In so doing, act in the best interests of all members and the industry, rather than personal self-interest, or on behalf of individuals or individual interests, or to the detriment of Association interests, and respect confidentiality within the position.
10. Actively elicit input from members, state and local organizations and other industry associates to contribute to sound, knowledge-based decisions and share it with the board and/or staff, as appropriate.
11. Keep current on developments within the equipment and event rental industry and provide feedback to the staff.
12. Work to identify and encourage leadership and volunteerism and suggest possible nominees for volunteer positions who could make significant contributions to the board and ARA.

### **In fulfilling their role, board members are expected to:**

- Listen and analyze; think clearly and creatively, express perspectives, and work well with people.
- Prepare for meetings; ask questions, assume responsibility, and follow through on assignments.
- Contribute personal resources to ARA programs in a generous way, whenever possible.
- Open doors in the industry whenever possible.
- Evaluate their board performance. Demonstrate skills, such as cultivating and recruiting volunteers, comprehending financial statements; and learning about substantive program areas of ARA.
- Be honest, sensitive to, and tolerant of differing views; have a friendly, responsive, and patient approach.
- Demonstrate community-building skills, personal integrity, and a developed sense of values and concern for your association's development.
- Have a good sense of humor.

## LEGAL RESPONSIBILITIES

Under well-established principles of nonprofit corporation law, board members must meet certain standards of conduct in carrying out their responsibilities to the organization. State statutes adopting some variation of these duties could be used in court to determine whether a board member acted appropriately or improperly. These standards are usually described as the duty of care, the duty of loyalty and the duty of obedience.

**Duty of Care** - Generally, the duty of care requires directors (i) to be reasonably informed, (ii) to participate in decisions, and (iii) to do so in good faith and with the care of an ordinarily prudent person in similar situations. Of course, a director may rely on information and reports from sources that he or she reasonably regards as trustworthy, such as officers of the corporation, legal counsel, accountants, and other professionals serving the corporation. This principle means that as a steward of the corporation, a board member owes the duty to exercise reasonable care when he or she makes a decision.

**Duty of Loyalty** - The duty of loyalty is a standard of faithfulness; it requires that directors act in the best interests of the organization and not for personal gain. This means that when a director has a conflict of interest, that conflict should be disclosed to the other directors and that a director can never use information obtained as a board member for personal gain.

**Duty of Obedience** - The duty of obedience requires board members to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage its funds to fulfill the organization's mission.

## FIDUCIARY RESPONSIBILITIES

Association income from every source is deposited in the ARA General Fund and is used to finance approved ARA functions.

Prior to each board of directors' meeting, a comparative balance sheet and income statement are prepared by ARA staff and sent to the board.

The fiscal year of ARA is January 1 to December 31.

During the July board meeting, the audited financial statements are considered for approval. During the fall board meeting, a proposed budget for the new fiscal year is presented for discussion and approval.

The association uses the accrual method of accounting. Federal income tax forms are filed, although the association has tax-exempt status with the Internal Revenue Service [501(c)(6)].

*All ARA board members should familiarize themselves with the financial policies of the association.*

## **REGIONAL DIRECTORS (Regions 1-9)**

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### **Reporting Relationship**

- Report to the President and are accountable to the board of directors.
- Carry out special assignments as requested by the President.

### **Responsibilities**

- Work annually with appropriate ARA staff to define and implement an action plan for their region; assist in orienting successor to transition responsibilities.
- With the support of ARA staff, build membership by promoting ARA benefits and encouraging volunteerism.
- Communicate effectively with members at large.
- Become familiar with and promote ARA products and services.
- Represent ARA at state and local member meetings.
- Network with members, returning pertinent comments and recommendations to the board and staff.
- Quarterly contribution to monthly regional newsletters. Assist with coordination and content development.
- Associate Member Director recruitment.
- Encourage applications for ARA Foundation scholarships and individual donations to the Foundation.
- Select region's "Leadership Impact Award" recipient; awarded at the regional reception at The ARA Show.

### **State/Local Leadership Role**

- Serve as Team Leaders and mentors for state and local leaders within their region.
  - Working with the ARA Director, Chapter Leadership Relations, attend one active state/local association meeting annually, coordinating with staff (in advance) on programs, speakers, relevant messages and/or materials, as needed. Connect with staff following meetings to facilitate any follow-up needed and define next steps.
  - Make presentations at state and local meetings as requested or refer leaders to ARA staff.
  - Identify and mentor potential leaders and other volunteers.
  - Meet with state and local leaders at ARA events, whenever practical, and promote teamwork. Utilize those leaders as resources.
  - Establish two-way communication and serve as liaisons to the state and local leaders and the board. Assist state leaders in understanding the State Association Policy/tier program. Work with ARA staff to help and encourage the leaders to submit required annual paperwork on time in order to maintain compliance with the policy. Keep in regular contact with local presidents through phone calls and/or correspondence.
  - Keep staff apprised regarding state and local associations that become inactive to receive assistance to help revive and/or move them to active status.

### **Board of Directors**

- Participate in the board orientation meeting prior to the beginning of their term.
- Participate as voting members in all board meetings to represent the needs and interests of ARA members.
- Identify and communicate pertinent information to the board regarding the region.
- Share all relevant information from members with the board and staff to support knowledge-based governance.
- Network with members, returning pertinent comments and recommendations to the board.

### **Awards**

- Submit nominations for or select their region's "Leadership Impact Award" recipient, awarded at their regional event at **The ARA Show™**.
- Submit nominations of qualified individuals for ARA Industry Awards.

### **Committees, Task Forces, Shared Interest Groups and Ad Hoc Committees**

- Identify potential new leaders from among the membership; encourage volunteerism.
- Serve on board subcommittees, as requested.

**The ARA Show™**

- Promote the show and encourage member participation.
- Represent the ARA Board of Directors at the show and participate in requested events.
- Host the regional event held during the show. Coordinate with the Incoming Director, as appropriate.

**National Legislative Caucus**

- Participates in the Caucus to represent the board and interface with attendees.
- Encourage participation among the states and members.

**The Leadership Conference**

- Serve as hosts at the annual conference.
- Represents the board to enhance leadership development within all levels of ARA.
- Serve as resources for the staff in helping to identify who should attend.
- Encourage participation among the state/local leaders.
- Encourage leadership and volunteerism within the association.

**Succession: Leadership Development Committee (prior to the year in which their term expires)**

- Work during term to identify potential candidates; discuss position with them.
- Serve as ex officio voting member of the committee.
- Ensure that the nominee selection is in the best interest of the association.