

APPALACHIAN MILES *for* SMILES



2021 Schedule

(Dental & Vision) (Vision Only) (RAM) (Health Wagon)

- March 4-5: Bloomingdale Baptist Church, Kingsport, TN
- ⊕ **March 10-12: Health Wagon Health Fair (Wise, Clintwood, Clinchco)**
- ⊕ March 18-19: Vernon Heights Baptist Church, Kingsport, TN
- April 8-9: Providence Medical Center, Kingsport, TN (Location TBD)
- April 22-23: Church Hill Free Clinic, Church Hill, TN
- May 6-7: Sneedville, TN (location TBD)
- **May 15-16: Remote Area Medical Event, Marion, VA**
- May 21: Project Access, Summit Bldg. Johnson City, TN
- **May 22: Johnson City Lion's Club, Johnson City**
- June 3-4: First Broad Street United Methodist Church, Kingsport, TN
- June 24-25: First Christian Church, Mountain City, TN
- **July 8-10: Health Wagon M7 Event, Wise, VA**
- July 22-23: Towering Oak Baptist, Greenville, TN
- **July 30, 2021 Providence Medical Clinic, (Location TBD)**
- August 12-13 Ridgeview Baptist Church, Carter's Valley, TN
- August 26-27: Of One Accord Ministry, Rogersville, TN
- September 9-10: Christ Fellowship Church, Kingsport, TN (pending)
- September 23-24: Indian Springs Baptist Church, Blountville, TN
- **October 1: Veteran's Stand-Down Event, Johnson City, TN**
- **October 14, Providence Medical, (Location TBD)**
- October 21- 22: Mafair/Waverly Road Churches, Prospect Center
- October 28-29: Hilton United Methodist Church, Hiltons, VA
- **November 4-6: Remote Area Medical Event, Gray, TN**



Robert E. Cooper, Jr. , Attorney General and Reporter
<http://www.tn.gov/attorneygeneral/>

Tre Hargett, Secretary of State
<http://www.tennessee.gov/sos>

Lewis Lavine, President, Center for Nonprofit Management
<http://www.cnm.org>

January 2010

The Tennessee Department of State

The Tennessee Department of State is responsible for processing documents filed pursuant to the Tennessee Nonprofit Corporation Act. Additionally, the Secretary of State is responsible for administering and enforcing the Tennessee Charitable Solicitations Act and the Tennessee Charitable Gaming Implementation Law. If you have questions regarding filing documents under the Tennessee Nonprofit Corporation Act, please contact the Division of Business Services at business.services@tn.gov or 615-741-2286. If you have questions regarding the Tennessee Charitable Solicitations Act and the Tennessee Charitable Gaming Implementation Law, please contact the Division of Charitable Solicitations and Gaming at charitable.solicitations@tn.gov or 615-741-2555.

Resources

The following resources are included for your information. The inclusion of outside sources does not, in any way, imply endorsement by the Attorney General, Secretary of State, or the Center for Nonprofit Management.

- **Tennessee Attorney General's Office:** <http://www.tn.gov/attorneygeneral/>

The Attorney General's website includes Tennessee statutes relevant to nonprofit organizations, model information requests, and information concerning the Attorney General's oversight of nonprofits. It also includes this Guidebook in pdf format.

- **Tennessee Department of State:** <http://www.tennessee.gov/sos>

The Tennessee Department of State's Division of Business Services is responsible for processing documents filed pursuant to the Tennessee Nonprofit Corporation Act. In addition, the Department of State's Division of Charitable Solicitations and Gaming administers and enforces the Tennessee Charitable Solicitations Act and the Tennessee Charitable Gaming Implementation Law. Information, forms, statutes and electronic filing are available at the Department of State's website.

- **The Center for Nonprofits (Chattanooga):** <http://www.cnpchatt.org>
- **The Center for Nonprofit Management (Nashville):** <http://www.cnm.org>
- **The Alliance for Nonprofit Excellence (Memphis):** <http://www.npexcellence.org>

These nonprofits offer a variety of services and guidance to nonprofit organizations in East Tennessee, Middle Tennessee, and West Tennessee respectively, including workshops, training, and networking with other Tennessee nonprofit organizations.

Dissolving a Nonprofit Organization

In the course of your service, you may have to make the decision to close a nonprofit organization that, for whatever reason (e.g., lack of funding, fulfillment of purpose, etc.), is no longer able or is no longer needed to continue its charitable mission. It is essential that officers and board members continue to fulfill their fiduciary obligations throughout the entire dissolution process. Dissolution is an extraordinary event that must be reported to the Attorney General. After reporting the event, the Attorney General's Office will send your nonprofit an information request packet. If your dissolution is simple, you may only be required to fill out a brief affidavit. A model information request packet and affidavit are available for your review on the Attorney General's website.

The Attorney General will need to know the value of your nonprofit's assets and what your organization intends to do with those assets upon dissolution. In general, your nonprofit can only donate its assets to other nonprofits, preferably with a similar purpose to your organization, and some assets may be restricted to a specific purpose. Your nonprofit organization's articles of incorporation and bylaws may also contain restrictions concerning asset distribution. You are responsible for ensuring that your organization distributes its remaining assets appropriately.

Your nonprofit organization will also need to file certain documents with the Tennessee Department of State, including Articles of Dissolution. For more information and forms, please visit http://state.tn.us/sos/bus_svc/forms.htm#nonprofit.

The Charitable Solicitations Act and Other Laws

Your nonprofit organization may be subject to other Tennessee laws. For example, if your organization solicits contributions, it may be subject to the Charitable Solicitations Act, Tenn. Code Ann. §§ 48-101-501, *et seq.* The Charitable Solicitations Act requires that charitable organizations who solicit contributions from, or within, the State of Tennessee register with the Department of State's Division of Charitable Solicitations and Gaming, unless exempt. The Act also requires certain professional fundraisers to register with the division and file certain documents with the division prior to soliciting contributions on behalf of a charitable organization. Finally, the Charitable Solicitations Act prohibits false and misleading solicitation practices, and empowers the division to investigate violations of the Act, and impose a civil penalty of up to \$5,000 for each and any violation of the Act.

If the organization is an eligible Internal Revenue Code 501(c)(3) organization, it may conduct a gaming event pursuant to the Tennessee Charitable Gaming Implementation

What Every Board Member and Officer Should Know: A Guidebook for Tennessee Nonprofits

- Knowing what the chief executive officer is paid, including fringe benefits. If the board has a formal compensation committee that recommends a specific salary, you are still responsible as a board member for reviewing and approving that salary level and for asking questions about how the salary level was determined. In addition, the IRS asks governing boards to review comparable salary data and specific performance measures to determine appropriate compensation levels.
- Being sensitive to the chief executive's salary in the context of your community. Remember that compensation of the chief executive officer is important to those who donate to the nonprofit, to those who are served by the nonprofit, and to the community at large.

Conflicts of Interest

Board members and officers owe their nonprofit organizations the duty of loyalty, which means acting in the best interests of the nonprofit. Prior to joining a board or being employed as an officer by a nonprofit, you must disclose any personal or business relationship that is in conflict with this duty of undivided loyalty, whether direct or indirect, actual or potential. If a transaction is presented to the board in which you, as an officer or board member, have a direct or indirect personal or business interest, you must disclose that conflict of interest to the board, remove yourself from any board discussion, and not vote on the matter. Board chairs should ask their board members and officers to sign conflict of interest statements at the start of each year in order to document existing or potential conflicts. Officers should disclose to the board any potential conflict of interest that may have arisen in the course of business.

If you are asked to vote on a conflict of interest transaction, you must do so with only the best interests of your nonprofit in mind. Before approving a conflict of interest transaction, take great care to ensure that the transaction is fair to the nonprofit, that it is in the best interest of the organization, and that it furthers the nonprofit's mission. Make sure that your reasons for approving the transaction are well documented in the board's minutes. Also be aware that Tennessee law prohibits certain conflict of interest transactions, such as loans to officers or board members.

Finally, you should know that if you vote to approve a conflict of interest transaction, you may be held personally responsible to the nonprofit if the transaction harms the nonprofit or is otherwise unfair. You also have the right as a board member to sue a conflicted party on behalf of your nonprofit organization if the transaction is unfair or harmful.

Best practices to help you be informed include:

- Having a copy of the articles of incorporation and bylaws of the nonprofit and other documents that may be necessary to understand its operations.
- Inquiring about an orientation session for new board members and about a board manual containing the nonprofit's written policies and procedures.
- Requesting reasonable access to management and reasonable access to internal information about the organization.
- Requesting reasonable access to the organization's principal advisors, such as its auditors and consultants on executive compensation.
- Engaging the services of outside advisors to assist the board with a particular matter.

Responsibility for the Chief Executive Officer's Selection and Compensation

A major responsibility of the board of directors is the selection of a qualified chief executive officer, the establishment of that person's compensation, review of that person's performance on an annual basis, and offering criticism, where appropriate. The public, which supports the nonprofit and uses its services, is interested in knowing how their charitable donations are being used and what compensation levels are being paid. This information is publicly available through the Form 990 your nonprofit may be required to file with the IRS. You may obtain the form 990 for those charities registered with the Department of State's Division of Charitable Solicitations and Gaming by contacting the Division at 615-741-2555 or charitable.solicitations@tn.gov. Form 990s are also publicly available at <http://www2.guidestar.org/>.

In addition, the IRS has established penalties to deal with excessive compensation. Under federal law, board members who knowingly approve excessive compensation and benefits for certain officers could also be subject to penalties. For more information, see the IRS charity website at <http://www.irs.gov/charities>.

Best practices in fulfilling your responsibilities for executive selection and compensation include:

- Being involved in the selection and review of the nonprofit's chief executive officer. Make certain that the chief executive officer has the appropriate skills, education and experience to carry out his or her responsibilities.

What Every Board Member and Officer Should Know: A Guidebook for Tennessee Nonprofits

This Guidebook has been prepared as a reference tool for you, the members of the board of directors and officers of Tennessee nonprofit organizations. It describes some of your rights and duties as well as issues which you may encounter. Your service should be a rewarding experience. This Guidebook attempts to help you prepare for this service. It is not intended to be a complete summary of the laws governing nonprofits in Tennessee or a substitute for legal advice.

Board Member Responsibilities

Although as a board member you may not manage the day-to-day activities of your nonprofit, you do act as a steward and have certain fiduciary responsibilities under Tennessee law. Specifically, Tennessee law imposes upon you the duty of loyalty and the duty of care.

The duty of loyalty means that you must act with undivided loyalty in the best interests of your nonprofit organization and that you not seek to benefit personally from the business activities of the nonprofit you serve. In the event that you have a conflict of interest between the best interests of the nonprofit and your own interests, you must comply with Tennessee law in resolving this conflict. Actions that benefit you at the expense of your nonprofit are a breach of your fiduciary duty.

The duty of care means that you must act reasonably, as a prudent person in similar circumstances would, that you are familiar with the nonprofit's activities and financial condition, and that you participate regularly in board meetings. It means that you act in good faith and make informed decisions. It is the job of the governing board to oversee the work of the chief executive officer of the nonprofit and to make sure that the organization is faithfully carrying out its charitable purpose without extravagance or waste.

Best practices to assist you in carrying out your responsibilities include:

- Attending board meetings and meetings of committees on which you serve. Make certain that you receive detailed information beforehand about matters that are going to be discussed and voted on at a meeting, especially the financial reports and financial statements of the nonprofit.
- Carefully reading all the material you receive, asking questions, and being active in board discussions. It is important to know how the organization is functioning and understand the specific purposes and mission of the nonprofit. Be informed about every major action that the nonprofit takes, and be proactive about reviewing materials in a timely manner.



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Board Roles and Responsibilities

Printer-friendly version

Board members are the fiduciaries who steer the organization towards a sustainable future by adopting sound, ethical, and legal governance and financial management policies, as well as by making sure the nonprofit has adequate resources to advance its mission.

One of the most important responsibilities for many boards is to hire and set the compensation of a talented CEO/executive director to run the day-to-day management activities of the organization. When there are paid staff in place, rather than steer the boat by managing day-to-day operations, board members provide *foresight, oversight, and insight*: think of them as up in the crow's nest scanning the horizon for signs of storms or rainbows to explore, perhaps with a pot of gold at the end! Yes, board members - your role as stewards of the nonprofits DOES involve fundraising. And...at the National Council of Nonprofits we are big promoters of the important role board members play as advocates for the nonprofit's mission.

Did you know?

- The vast majority of board members for charitable nonprofits serve as volunteers without any compensation.
- Arguably the most important policy for a board to adopt is a policy addressing conflicts of interest.
- A common question: Should your nonprofit's CEO also be a board member? Yes, according to BoardSource, the national leader on nonprofit governance practices: "The chief executive's input in board meeting deliberation is instrumental and invaluable for informed decision making. However, to avoid actual or perceived conflicts of interest, questions concerning accountability, or blurring the line between oversight and execution, chief executives should be non-voting members of the board, unless not permitted by law." See Recommended Governance Practices from BoardSource, "LP7".
- What's the difference between "board of directors" and "trustees"? (CharityLawyer)

What's the role of the board of directors of a nonprofit corporation? ¿Cuáles son las responsabilidades legales de una junta directiva sin fines de lucro?

Just as for any corporation, the board of directors of a nonprofit has three primary legal duties known as the “duty of care,” “duty of loyalty,” and “duty of obedience.”

1. **Duty of Care:** Take care of the nonprofit by ensuring prudent use of all assets, including facility, people, and good will;
2. **Duty of Loyalty:** Ensure that the nonprofit's activities and transactions are, first and foremost, advancing its mission; Recognize and disclose conflicts of interest; Make decisions that are in the best interest of the nonprofit corporation; *not in the best interest of the individual board member* (or any other individual or for-profit entity).
3. **Duty of Obedience:** Ensure that the nonprofit obeys applicable laws and regulations; follows its own bylaws; and that the nonprofit adheres to its stated corporate purposes/mission.

However, a board of directors does not exist solely to fulfill legal duties and serve as a fiduciary of the organization's assets. Board members also play very significant roles providing guidance to nonprofits by contributing to the organization's culture, strategic focus, effectiveness, and financial sustainability, as well as serving as ambassadors and advocates. Beyond fulfilling legal duties, board members can be important resources for the organization in multiple ways.

PRACTICE POINTERS

We encourage all nonprofit board members to **subscribe** to our free monthly newsletters to stay up-to-date with issues that are popping up around the country, affecting the operations of charitable nonprofits, and in addition to be aware of these useful resources:

- How does your board compare with others? **Leading With Intent** offers benchmarks from a national study (BoardSource).
- Board members have an important role as advocates to help advance nonprofit missions: **Stand for your Mission**
- Boards and CEOs have to dance a special dance. **Building strong board/CEO relationships** (Maine Association of Nonprofits)
- The resources that are part of the **Leap of Reason** initiative are excellent springboards for discussions at board meetings about how your nonprofit can demonstrate its effectiveness.
- **Tip sheet for candid conversations** for boards about typical governance challenges (National Council of Nonprofits)
- Start your new board members off on the right foot with an **orientation** program that introduces them to the basic roles and responsibilities of serving as a nonprofit board member. Don't forget to include those special issues that pertain specifically to your nonprofit's mission, plus information on: **governance policies** (so that

need to disclose conflicts of interest); and the responsibility to hire, review the executive director's performance, and approve annual compensation.

- Consider creating a "work plan" for your board based on the calendar year. What month will your board typically review the executive director's compensation? adopt a budget? elect new board members? Here's an example of a board's work plan for a calendar year: [The Board Member's Yearbook](#) (Alliance of Arizona Nonprofits)
- Asking board members to volunteer for various committees benefits from thoughtful planning and a bit of "matchmaker" magic! [Who should serve on which board committees?](#) (BoardSource)
- When board members are recruited, consider using a [board member contract](#) to ensure that everyone's on the same page (Blue Avocado) and don't forget that fundraising and making personal contributions are widely accepted expectations for board members.
- Job descriptions can help board members feel comfortable in their roles as officers of a nonprofit. [Download a sample.](#) (BoardSource and Bridgespan)
- Yes, the role of board members DOES include helping to raise money for the nonprofit! Help board members understand that this usually includes making a [personal contribution](#). (Bridgespan)
- Consider using a [consent agenda](#) as a way of saving time during meetings, and focusing the board's work on high priority issues that benefit most from discussion and discernment. Many governance gurus suggest putting the most important item on the agenda first – in order to leave enough time for full discussion.
- Evaluating the performance of the executive director is one of the most-likely-to-be-avoided but most important roles that a board can play in supporting a nonprofit's sustainability. (Minnesota Council of Nonprofits)
- Board members are always curious, and sometimes surprised to learn that they can – in limited circumstances – be personally liable for a nonprofit's financial responsibility. One notable circumstance is for failure to pay withholding taxes on an employee's wages.
- Do your nonprofit's board members appreciate the expectation that their role includes fundraising for the nonprofit? (BoardSource)

Education for Board Members

Not everyone is familiar with the roles and responsibilities of board members for a charitable nonprofit and fortunately educational programs for board members abound. The harder issue is asking volunteers to take time to learn about their role and grasp what makes a great board member. Luckily there are watch-from-your-computer options, although in-person, and especially peer-to-peer programs, are often the most useful – and fun.

- Many state associations of nonprofits offer special programs for board members, whether by webinars, or in-person, on governance topics, including basic board roles and responsibilities

- On a national level, BoardSource is a leading authority on board governance issues: *What makes a good board member?* (BoardSource)
- Read about important policy issues that impact all charitable nonprofits
- Board members may also be curious about insurance policies that cover their volunteer service and their duty of due care should motivate them to ensure that the nonprofit is covered with adequate insurance protection. Of note in the nonprofit world: Directors & Officers liability insurance usually covers not only board members and officers; it also generally also covers the CEO and other staff, as well as the nonprofit's corporate actions. The Nonprofit Risk Management Center is a resource on issues that can help board members understand the role of insurance and the importance of risk management
- We've compiled lots of tips and tools about effective meetings that board members can use to make sure that board meetings are efficient, effective, and engaging!

Resources

- Become a member of your state association of nonprofits!
- Recommended governance practices (BoardSource)
- 10 Basic Responsibilities of Board Members (BoardSource)
- Annual Board Tune-up Checklist (National Council of Nonprofits)
- How to be a great board member (National Council of Nonprofits)
- Board basics (Minnesota Council of Nonprofits)
- Research, reports, and data about nonprofits state by state
- Roles and responsibilities of the first board of directors (NEO Law Group)
- Read about effective meetings for good governance (National Council of Nonprofits)
- Sample consent agenda compared to a regular agenda
- Board meeting attendance reimbursement policies (Board Source)
- Gamify your board retreat with a Board Member Bingo game.
- Discussion guide to help board members understand their role as advocates (Stand for Your Mission)
- Board Fundamentals: Understanding Roles in Nonprofit Governance, 2nd Edition (BoardSource)
- Meeting and exceeding expectations: A guide to successful nonprofit board meetings (BoardSource)
- Sample Code of Conduct for board members (National Council of Nonprofits)

- FAQs about boards (Nonprofit Association of Oregon)
- Directors and Officers' (D&O) Key Facts about insurance and legal liability (Nonprofits Insurance Alliance of California and Alliance of Nonprofits for Insurance)
- Resources for All-Volunteer organizations (Blue Avocado)

State-Specific Resources

Explanations of nonprofit board roles and responsibilities by state attorneys general, state charity officials, and representative resources from some state associations of nonprofits are linked below:

- Arizona
- California
- Illinois
- Maryland
- Massachusetts
- Ohio
- Oregon
- Tennessee

Category: Boards and Governance

Tags:

Board Roles And Responsibilities, Board Roles, Orientation, Governance, Board Members, Directors and Officers