

Board Governance Framework & Board Member Responsibilities

Board-Ready Draft | Governance Document #1

People. Planet. Progress.

THE BOARD GOVERNS. MANAGEMENT EXECUTES. NEITHER SUBSTITUTES FOR THE OTHER.

1. Purpose

This framework defines the governance role of SEAD's Board of Directors, the responsibilities of individual directors, the relationship between the Board and executive management, and the standards by which Board decisions are made and documented. It is intended to promote mission fidelity, fiduciary stewardship, accountability, transparency, and effective institutional leadership.

2. Governing Principles

- Mission First - Board decisions must advance SEAD's charitable purposes and long-term sustainability.
- Governance, Not Day-to-Day Management - The Board provides direction, oversight, policy, accountability, and stewardship; authorized management carries out operations.
- Collective Authority - Individual directors do not exercise Board authority unless the Board, bylaws, or applicable law expressly delegates that authority.
- Evidence-Informed Oversight - Material decisions should be supported by appropriate information and documented consistently with SEAD's Credibility, Evidence & Documentation Policy.
- Independence & Integrity - Directors must identify conflicts and place SEAD's interests ahead of personal or related-party interests.

3. Fiduciary Duties

Fiduciary Duty	Board Member Responsibility
Duty of Care	Participate actively, prepare for meetings, ask informed questions, exercise reasonable judgment, and prudently oversee SEAD's assets, people, reputation, programs, and risks.
Duty of Loyalty	Act in SEAD's best interests; disclose actual or potential conflicts; protect confidential information; and avoid using Board service for improper personal benefit.
Duty of Obedience	Ensure SEAD follows applicable law, its governing documents, Board-approved policies, restrictions on charitable assets, and its stated mission and purposes.

4. Core Responsibilities of the Board

- Protect and advance SEAD’s mission, vision, values, and charitable purposes.
- Approve major strategy, strategic plans, annual priorities, and material changes in organizational direction.
- Provide financial oversight, approve budgets as required, review financial performance, safeguard assets, and promote appropriate internal controls.
- Select, support, oversee, and evaluate the chief executive/top management official when that role exists; establish or approve compensation using an appropriate conflict-free process.
- Oversee program effectiveness and impact without micromanaging program operations.
- Adopt and periodically review key governance, ethics, financial, risk, data, and compliance policies.
- Ensure adequate resources through responsible fundraising, partnership development, ambassadorship, and stewardship.
- Oversee significant legal, regulatory, reputational, financial, safety, and operational risks.
- Review material transactions, related-party matters, and conflicts in accordance with Board policy.
- Maintain Board effectiveness through recruitment, orientation, education, succession planning, and periodic self-assessment.

5. Board and Management Relationship

Board / Governance	Management / Execution
Sets mission-aligned direction and approves major policy.	Implements Board-approved strategy and policies.
Approves and monitors organizational budget and major financial commitments.	Manages approved resources and routine expenditures within delegated authority.
Evaluates the chief executive/top management official.	Supervises staff, contractors, volunteers, and daily operations.
Monitors program outcomes, risk, and compliance.	Designs and operates programs, maintains records, and reports performance.
Acts collectively through meetings, resolutions, and delegated committees.	Acts through delegated executive and operational authority.

6. Individual Director Responsibilities

- Attend and prepare for Board and assigned committee meetings consistently.
- Read meeting materials in advance and request clarification when needed.
- Exercise independent judgment while respecting collective Board decisions.
- Maintain confidentiality regarding nonpublic Board, personnel, participant, legal, financial, and strategic information.
- Disclose conflicts promptly and comply with recusal/abstention requirements.
- Support lawful Board decisions once adopted, while preserving the right to have dissent appropriately recorded.
- Serve as an informed ambassador for SEAD and avoid unauthorized commitments or public statements on SEAD’s behalf.
- Participate appropriately in resource development and relationship-building consistent with Board-approved strategy.
- Complete required annual disclosures, acknowledgments, orientation, and governance training.

7. Officers

Officer titles, appointment/election procedures, terms, removal, vacancies, and specific legal authority must remain consistent with SEAD’s bylaws and applicable law. This framework does not amend the bylaws.

Officer	Governance Function
Board Chair	Facilitates effective governance; presides at Board meetings; helps set agendas with executive leadership; promotes participation, accountability, and Board development; does not independently control operations unless separately authorized.
Vice Chair	Supports the Chair and performs the Chair’s governance duties when the Chair is unavailable, as authorized by the bylaws or Board.
Secretary	Supports accurate Board records, notices, minutes, resolutions, and governance documentation.
Treasurer / Financial Officer	Supports Board-level financial oversight, budget review, financial reporting, internal-control awareness, and appropriate coordination with accountants/auditors. The role does not eliminate collective Board responsibility.

8. Meetings, Voting & Documentation

Meeting frequency, notice, quorum, voting thresholds, written consents, remote participation, and special-meeting procedures must follow SEAD’s bylaws and applicable law. Board and authorized committee actions should be documented contemporaneously through minutes, written consents, resolutions, or other legally permitted records. Minutes should record decisions, material recusals/abstentions, and other information necessary to demonstrate responsible governance without becoming a verbatim transcript.

9. Conflicts of Interest & Related-Party Matters

Directors must disclose actual or potential conflicts in accordance with SEAD’s Conflict of Interest Policy. A director with a material conflict should not improperly influence the decision and must comply with required recusal, departure from deliberation, and abstention procedures. The minutes should document the disclosure and disposition of the matter. Compensation and other insider transactions should be reviewed by appropriately disinterested decision-makers using suitable comparability and documentation procedures.

10. Committees

The Board may establish standing or ad hoc committees consistent with the bylaws and applicable law. Committees exercise only the authority delegated to them and remain accountable to the Board. SEAD’s anticipated committee structure may include Governance, Finance/Audit, Programs & Impact, and Development/Partnerships, activated as organizational size and complexity justify them. Committee charters should define purpose, authority, membership, reporting, and limits.

11. Financial & Resource Stewardship

- Review timely financial information and understand SEAD’s financial condition.
- Approve the annual budget and material deviations as required by policy/bylaws.
- Protect restricted funds and ensure resources are used for authorized charitable purposes.

- Promote appropriate separation of financial duties and internal controls as capacity allows.
- Ensure required tax, grant, corporate, and regulatory filings are completed and appropriately reviewed.
- Consider insurance, reserves, cybersecurity, fraud prevention, contractual exposure, and other material risks.

12. Form 990 & Governance Reporting

Where SEAD is required to file Form 990, the Board should establish a documented review process before filing. The IRS asks whether the final return was provided to governing-body members before filing and requires the organization to describe its review process on Schedule O. Board review should focus on whether the filing accurately communicates SEAD's mission, activities, governance, finances, compensation, and material relationships.

13. Board Composition, Recruitment & Orientation

SEAD should seek directors whose collective experience supports the mission and governance needs of the organization, including appropriate perspectives in community development, environmental sustainability, finance, legal/compliance, program evaluation, fundraising/partnerships, public health or social services, and organizational leadership. Recruitment should also consider independence, availability, judgment, community connection, and commitment to SEAD's mission. Every new director should receive an orientation package containing governing documents, key policies, recent financial information, strategic/program materials, conflict disclosures, and Board expectations.

14. Board Performance & Accountability

The Board should periodically assess its own effectiveness, meeting quality, composition, committee performance, attendance, policy compliance, strategic contribution, financial oversight, and succession needs. Persistent failure by a director to meet responsibilities should be addressed using the procedures available under SEAD's bylaws and applicable law.

15. Confidentiality, Ethics & Public Representation

Board service carries access to sensitive information and institutional authority. Directors must protect confidential information, comply with SEAD's Code of Ethics and applicable privacy requirements, and avoid implying personal opinions are official SEAD positions. Only authorized persons may enter commitments, issue official statements, sign agreements, or represent SEAD in matters requiring organizational authority.

16. Review, Legal Consistency & Adoption

This framework is a governance policy and does not replace SEAD's articles of incorporation, bylaws, applicable New Jersey law, federal tax requirements, grant/contract obligations, or professional legal/accounting advice. If a conflict exists, controlling law and governing documents prevail. The framework should be reviewed at least annually and when SEAD's structure materially changes.

Board Adoption

Adopted by the Board of Directors of SEAD on: _____

Board Chair / Authorized Director

Date

President / Executive Officer

Date

Secretary

Date

Appendix A - Annual Board Member Acknowledgment

- ☐ I have received and reviewed SEAD's current governing documents and Board policies.
- ☐ I understand the duties of care, loyalty, and obedience.
- ☐ I understand that Board authority is collective unless specifically delegated.
- ☐ I will disclose actual or potential conflicts and comply with recusal requirements.
- ☐ I will protect confidential information and organizational records.
- ☐ I will prepare for and participate in Board and assigned committee meetings.
- ☐ I will support evidence-based, mission-aligned, financially responsible decisions.
- ☐ I understand that I may ask questions and request information reasonably necessary to fulfill my governance responsibilities.

Director Name: _____

Signature: _____ Date: _____

SEAD - The Board governs. Management executes. Integrity guides both.