

Yellow Springs Senior Center
Board of Trustees
Glossary of Terms

Bylaws: primary characteristics of an organization. They generally prescribe how it should function, and are rules that are so important that they may not be changed without prior notice to members and formal vote and agreement by a majority of members.

Governance: how an organization controls its actions. **Governance** describes the mechanisms an organization uses to ensure that its constituents follow its established processes and policies. It is the primary means of maintaining oversight and accountability. A proper governance strategy implements systems to monitor and record what is going on, takes steps to ensure compliance with agreed policies, and provides for corrective action in cases where the rules have been ignored or misconstrued.

Management: the organization and coordination of the activities of a business in order to achieve defined objectives.

Policies: the framework in which an organization operates. They define what your organization does and how they do it.

Board Development: the activities involved in enhancing skills of the corporation's board members to effectively fill their role in governing the corporation. Board development typically includes helping board members to understand their role of boards, build skills in recruiting and training board members, carry out effective board meetings, make policy decisions about strategic goals and finances, evaluate the board and chief executive officer, etc.

Articles of Incorporation: the basic charter of a corporation which spells out the name, basic purpose, incorporator, and any special characteristics such as being non-profit. Each state has its own system of approval of articles, prohibits names which are confusingly similar to those of existing corporations, and sets specific requirements for non-profits (charitable, religious, educational, public service, and so forth.) Articles must be signed by the incorporating person or persons or by the first board of directors.

Procedures: an established or official way of doing something

501c3 Corporation: a tax-exempt under section 501(c)(3) of the Internal Revenue Code, an organization must be organized and operated exclusively for exempt purposes set forth in section 501(c)(3), and none of its earnings may inure to any private shareholder or individual. In addition, it may not be an *action organization*, i.e., it may not attempt to influence legislation as a substantial part of its activities and it may not participate in any campaign activity for or against political candidates.

Executive Director: a working director of an organization who is usually also its employee, and has a specified decision making role as director of finance, marketing, operations, etc., on an on-going basis.

Standing Committee: a permanent committee that meets regularly.

Ad Hoc Committee: committee formed for a specific task or objective, and dissolved after the completion of the task or achievement of the objective.

Mission Statement: a formal summary of the aims and values of an organization

Strategic Plan: the organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy.

Tactical Plan: a systematic determination and scheduling of the immediate or short-term activities required in achieving the objectives of strategic planning.

Board of Trustees: a group of people who are responsible for making rules and financial decisions on behalf of a not-for-profit organization

Conflict of Interest: a situation in which someone who has to make a decision in an official capacity stands to profit personally from the decision.

Staff: all the people employed by a particular organization.

Minutes: permanent, formal, and detailed (although not verbatim) record of business transacted, and resolutions adopted, at an official meeting of the board of trustees. Once written up (or typed) in a minute book and approved at the next meeting, the minutes are accepted as a true representation of the proceedings they record and can be used as evidence in legal matters.

Fund Development: the process of uncovering shared values. It is about cultivating meaningful relationships and then providing opportunities for people to invest in areas that are important to them.

Fiduciary duty: requires board members to stay objective, unselfish, responsible, honest, trustworthy, and efficient. Board members, as stewards of public trust, must always act for the good of the organization, rather than for the benefit of themselves. They exercise reasonable care in all decision making, without placing the organization under unnecessary risk.

Robert's Rules of Order: book of rules for presiding over a meeting; written by Henry M. Martin in 1876 and subsequently updated through many editions.

Membership: belonging, either individually or collectively, to a group. Some memberships may require a fee to join or participate while some do not.

Operations: the administration of business practices to create the highest level of efficiency possible within an organization.