Locust Valley Historical Society

Board Governance Policy

I. Purposes of this Policy

A. To provide a framework within which trustees and officers of the Board of LVHS will be guided in the execution of their fiduciary duties on behalf of the LVHS.

B. To help assure awareness by trustees and officers of the Board of LVHS of their basic fiduciary duties under state law and of their obligations related to federal tax exemption granted LVHS.

C. To help assure that the decisions and conduct of the trustees and officers of the Board of LVHS are at all times consistent with their duties and obligations and with the charitable mission of LVHS.

II. Obligations of the Board and Individual Trustees

A. Mission: LVHS is operated exclusively for the exempt purpose established in its mission, and shall engage primarily in activities which further that mission.

B. Trustees' Role:

1. The trustees are those persons with voting power on the Board of Trustees responsible for the operation of LVHS. All corporate powers are exercised by or under the authority of the Board and the affairs of LVHS are managed under the direction of the Board.

2. The trustees do not manage the day-to-day affairs of LVHS, but delegate that function to others. Trustees must, however, exercise reasonable and prudent oversight with respect to corporate officers, agents and employees to whom such affairs are delegated.

3. In the performance of his or her duties, a trustee may rely on information and reports received from officers or employees of LVHS whom the trustee reasonably believes to be reliable and competent in the matters presented, as well as on professional advisors (e.g. attorneys, public accountants) and other persons with regard to matters the trustee reasonably believes are within the person's professional or expert competence. A trustee may also rely upon a committee of the board of which the trustee is not a member, as to matters within its jurisdiction, if the trustee reasonably believes the committee merits confidence.

a. Duty of Care

(i) A trustee shall discharge his or her duties as a trustee, including duties as a member of a committee:

(a) In good faith;

(b) With the care of an ordinarily prudent person in a similar position would exercise under similar circumstances; *and*
(c) In a manner the trustee reasonably believes to be in the best interests of LVHS.

(ii) The duty of care implies a duty of reasonable inquiry. Each trustee is obligated to ask questions and demand information to allow that trustee to have sufficient information and understanding to make decisions he or she reasonably believes are in LVHS's best interests.

(iii) A trustee is not acting in good faith if the trustee has knowledge concerning the matter in question that makes reliance on advice from employees, officers, advisors and consultants, or other trustees or board committees unwarranted.

b. Duty of Loyalty

(i) Each trustee is obligated to exercise an undivided and unselfish loyalty to LVHS. Each trustee must exercise his or her obligations and powers in the best interests of LVHS and its charitable mission, not in his or her own interests or in the interests of another person or entity (even if charitable in nature).

(ii) Each trustee must serve the best interests of LVHS and may not narrow his or her board role to serving the interests of a particular member, non-voting affiliate, or narrow segment or constituency within the localities served by LVHS.

(iii)Each trustee shall fully comply with LVHS's conflict of interest policy and code of ethics.

(iv) Each trustee must refrain from taking corporate or personal opportunities that rightfully belong to LVHS. A corporate opportunity is a business (for profit or not-for-profit) or personal opportunity that is known to the trustee because of his or her position as a trustee. A trustee may not personally benefit from an opportunity that rightfully belongs to LVHS. Each trustee is obligated to affirmatively protect the interest of LVHS and to refrain from doing anything that would deprive LVHS of profit or advantage which the trustee's skill or ability might bring to it.

c. Obedience to Purpose: Each trustee is obligated to further the mission of LVHS, to be faithful to its purposes and goals, and to act in conformity with all laws affecting LVHS.

III. Manner of Governing

A. The Board shall enforce upon itself whatever discipline is needed to govern with excellence.

B. The Board shall cultivate a sense of group responsibility. The Board, not the staff, is responsible for governing with excellence. The Board will use the expertise of individual members to enhance the ability of the Board as a body, rather than allowing individual expertise of trustees to substitute for judgments that should be made by the Board as a body.

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C. The Board shall follow the Bylaws in implementing a governance structure and operations that are accountable to LVHS's members and its mission. In particular, it shall do the following:

1. Establish standing committees with charters and require that trustees actively participate in such committees in accordance with the committee charters.

2. Conduct regularly scheduled board meetings and expect that trustees will attend (unless they have an excused absence) and actively participate.

3. Adopt and monitor policies that assure adequate oversight of the affairs of LVHS, including of its officers and employees, adequate implementation of its programs, and compliance with the law.

D. The Board shall assess its performance and the performance of individual trustees at least annually. This self-assessment shall include monitoring of Board and trustee performance against policies related to governance and to relationships to the Executive Trustee (if any) and staff. This assessment may be conducted by a committee of the Board initially, especially with regard to the performance of individual trustees, but the Board shall engage in a discussion and self-assessment of its performance at least annually.

E. The Board shall engage in periodic evaluation of whether it is fulfilling its obligations by asking for member input or by conducting a survey of the historical society community in the State of New York and of parties interested in the historical society community in the State of New York.

F. The Board shall direct, control and inspire LVHS through careful organizational planning to assure that LVHS is effectively pursuing its mission. The Board shall review its organizational plan at least annually and shall update it as needed to effectively pursue LVHS's charitable mission.

Adopted: _____

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