

Congratulations on Being Elected to the Board and Being Named an Officer. Now What?

Serving on the board of directors for your community is one of the best ways of ensuring that your voice is heard when decisions for the community are made. By this time of the

year, most boards have selected the individuals that will serve as the officers to operate the association. Many newly appointed officers want to do what they can for their community but are unsure exactly what their new position requires. Though many have a common understanding of the roles of President, Vice President, Secretary and Treasurer, they volunteer to serve based on that common knowledge but are unsure of the precise responsibilities of these positions for a community association.

This article will outline some of the common responsibilities for directors and officers.

Since community associations are incorporated as nonprofit corporations, the Georgia Nonprofit Corporation Code (the "Act") controls the actions of the association. The Act provides certain standards of conduct for officers and directors. The

exact responsibilities for each officer, however, are not clearly outlined in the Act. Instead, you must look at the Bylaws for your association to determine the obligations of your position. The

> following lists outline some of the more common responsibilities of directors and officers that are detailed in most association Bylaws.

Many newly appointed board officers want to do what they can for their community but are unsure exactly what their new position requires.

Designation

Generally, the principal officers of the association are the President, Vice President, Secretary and Treasurer. Typically, the President, Vice President and Secretary must be directors, but the Treasurer need not be a director. Some associations hire accountants to fill this

position. Also, many Bylaws provide that, except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one office simultaneously. Always check your Bylaws to confirm these requirements.

Election and Terms of Offices

Most association Bylaws provide that the board of directors, not the

members of the association, elects the association officers annually at the first Board meeting following each annual membership meeting. The association officers generally serve one year, or until the Board removes the officer, or until the officer resigns.

Removal of Officers

The board of directors may remove any officer with or without cause at any time.

Vacancies

The board of directors may fill any vacancy in any office arising because of death, resignation, removal, or otherwise.

Individual Positions

President

The President is the chief executive officer of the association and establishes the agenda for and presides at all meetings of the membership and the board of directors. The President has all the general powers and duties that are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code.

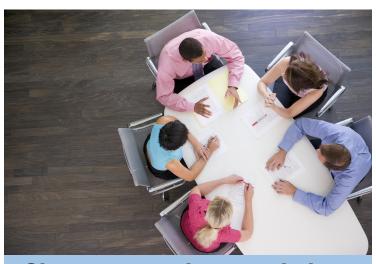
Vice-President

The Vice President acts in the President's absence and shall have the same powers, duties, and responsibilities as the President when so acting.

Secretary

The Secretary keeps the minutes of all meetings of the membership and the board of directors. The Secretary also shall keep all association books and records and perform all duties incident to the office of the secretary of a corporation organized under the Georgia Nonprofit Corporation Code. Please see our Tips & Tricks article in this edition for an example of meeting minutes.

Though it is common for associations that have professional management to delegate several of the responsibilities of the



Since community associations are incorporated as nonprofit corporations, the Georgia Nonprofit Corporation Code (the "Act") controls the actions of the association. The Act provides certain standards of conduct for officers and directors.

Secretary, the Secretary still needs to review the actions of the professional manager to ensure that proper records are maintained and notices are sent out on a timely basis.

Treasurer

The Treasurer is generally given the task of paying bills that have been approved by the board of directors, creating the budget, keeping up with the collection of assessments and other related matters. Since the creation of the budget is so important to the well-being of a community, the budget, though led by the Treasurer, is the responsibility of the entire board of directors. Additionally, like the Secretary, there are several

tasks of the Treasurer that are often delegated to a professional community association manager. Also, like the Secretary's position, the Treasurer still needs to ensure that proper records are kept and any recommendations for the budget by the manager are reasonable.

The Treasurer must keep full and accurate financial records and books of account showing all receipts and disbursements of the association, prepare all required financial statements and tax returns, deposit all association funds in such depositories as may be designated by the board of directors, and prepare the budget as provided in the Declaration.

Differences Between a Director and an Officer

Many people confuse the responsibilities and obligations of the directors with the responsibilities and obligations of officers. This is further complicated by the fact that, generally, only individuals who have been elected as a director are qualified or chosen to serve as an officer. There are, however, differences between the two positions.

Directors

Directors are elected by the members of the association. The Bylaws for most associations provide the number of directors that must be at a board meeting to meet quorum requirements and the number of directors that must vote to approve a decision for the association. Individuals that serve on the board vote in their capacity as a director, not as an officer. Though Roberts Rules of Order limits the times that a President may vote, this limitation does not generally apply to associations. This is because the individual who is President is actually voting in his or her capacity as an elected director.

Officers

The officers are appointed by the board of directors, not the membership of the

association. These appointments are generally made at an organizational meeting of the board, often immediately after the election. Officers sometimes need to be directors but this is not always a requirement. Since the board of directors appoints the officers, the board of directors can vote to remove an officer but that individual remains on the board of directors. For example, if there is a problem with the Treasurer, the majority of a quorum



Many people confuse the responsibilities and obligations of the directors with the responsibilities and obligations of officers. Generally, only individuals who have been elected as a director are qualified or chosen to serve as an officer.

of the board of directors can vote to replace the Treasurer with another director.

Other Officers

If the association's Bylaws permit it, the board of directors may appoint one or more assistant treasurers, assistant secretaries or other officers or subordinate officers with such title and duties as defined by the Board. Generally, any assistant, subordinate or other officer shall not be required to be a director.

Looking to your association Bylaws will provide additional guidance for officers and directors of the association. If you have any questions about your position, please feel free to

contact your attorney at WNCW.



For more information, contact Mindy Waitsman via email at mindywaitsman@wncwlaw.com or by telephone at 404-926-4525.