



Mindfulness-Based Ecotherapy Organization Board Member Agreement

Vision Statement

The Mindfulness-Based Ecotherapy Organization shall be a force for positive change by helping individuals and families reconnect with nature, their loved ones, and themselves.

Mission Statement

The Mindfulness-Based Ecotherapy Organization shall be a charitable nonprofit offering educational workshops, seminars, retreats, and counseling services to therapists, counselors, and the general public, using nature and the outdoors to facilitate mindful states of being. Our goal is to be a force for positive change. The Mindfulness-Based Ecotherapy Organization shall strive to be good stewards of the Earth, our home; of our community, and of the world at large by fostering a deeper understanding and appreciation of our natural environment and our place in it, through the use of mindful awareness and ecotherapy.

MBEO Board Membership

I understand that as a member of the Board of Directors, I have a legal and ethical responsibility to ensure that the organization does the best work possible in pursuit of its goals. I believe in the purpose and the mission of the organization, and I will act responsibly and prudently as its steward. As part of my responsibilities as a board member:

Outreach

1. I will interpret the organization's work and values to the community, represent the organization, and act as a spokesperson.
2. I will interpret our constituencies' needs and values to the organization, speak out for their interests, and on their behalf, hold the organization accountable.

Board and Committee Participation

1. I will attend and prepare for at least 75% percent of board meetings and prepare for these meetings by reviewing materials and bringing materials to meetings. I will inform the board in advance of any meetings that I cannot attend.
2. I will be an active member of at least one Committee or Task Force and will, if asked, be willing to take a leadership role.
3. I will also be willing to accept individual initiatives and to share my professional expertise.

Resource Development

I will help support the resource development of the organization, specifically:

1. Reach into diverse communities and help identify and cultivate relationships to support the organization as donors, board members, volunteers, and advocates.
2. Actively participate in fundraising activities if requested. Such fundraising activities will be limited to:
 - a. Sharing any expertise or experience I might have in marketing and/or fundraising.
 - b. Using my community contacts to support and promote the organization.
 - c. I understand that “cold calling” or otherwise individually soliciting contributions is not a requirement for board membership.

Board Policies

1. I understand that the Mindfulness-Based Ecotherapy Organization will be incorporated as a 501c3 nonprofit in the state of Washington, United States of America.
2. Board members of Washington state nonprofit organizations must discharge their duties in good faith, in a manner that each member reasonably believes to be in the best interests of the organization, and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances.
3. Good governance requires the board to balance its role as an oversight body with its role as a force supporting the organization.
4. The board of directors may establish committees and may rely on information, opinions or reports of these committees.
5. Committees operate subject to the direction and control of the board. As a result, board members are still responsible for the committees and should periodically scrutinize their work.
6. I understand that Board membership is a voluntary position, and that no monetary compensation is offered for service on the Board. Monetary compensation constitutes a conflict of interest.
7. I will excuse myself from discussions and votes where I have a conflict of interest.
8. I will maintain the confidentiality of board deliberations and will publicly support the decisions of the board, including those with which I might have disagreed.
9. I will support, where possible, the recommendations of the committees so long as such support does not entail a potential conflict of interest.
10. I will encourage, enable, and respect the participation and contributions of fellow board members.
11. I will respect and support the Executive Director’s authority, communicate ideas about program or administrative activities to the Executive Director rather than to line staff, refrain from making special requests of the staff without the Executive Director’s consent, and avoid discussion of personnel matters with staff without the consent of the Executive Director.

Active Participation

1. I will stay informed about what's going on in the organization and developments in fields relevant to the organization. I will ask questions and request information.
2. I will participate in and take responsibility for making decisions on issues, policies, and other matters. I will not stay silent if I have questions or concerns.
3. I will participate in the assessment of my fulfillment of these commitments and will, if asked, agree to step down from the board.

Duty of Care

The Duty of Care describes the level of competence that is expected of a board member (hereinafter referred to as a “director”) and is commonly expressed as the duty of “care that an ordinarily prudent person would exercise in a like position and under similar circumstances.” (See Washington State RCW 24.03A.495). This means that a board director has the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.

1. **Active Participation.** A director should actively participate in the management of the organization including setting direction, attending meetings of the board, evaluating reports, reading minutes, reviewing the performance and compensation of the executive director and so on. Persons who do not have the time to participate as required should not agree to serve on a board.
2. **Board Actions.** A board member who is present at a meeting when an action is approved by the entire board is presumed to have agreed to the action unless the member (a) objects to the meeting because it was not lawfully called or convened and doesn’t otherwise participate in the meeting; (b) votes against the action; or (c) is prohibited from voting on the action because of a conflict of interest. Normally, the minutes will record such objections to create a record of the dissent.
3. **Minutes of Meetings.** Written minutes should be taken at every board meeting, by someone other than the chair. The minutes should accurately reflect board discussions as well as actions taken at meetings. The minutes should be reviewed and approved by all board members by the next board meeting.
4. **Books and Records.** A board member should have general knowledge of the books and records of the organization as well as its general operation. The organization’s articles, bylaws, accounting, and membership records, voting agreements and minutes must be made available to board members who wish to inspect them for a proper purpose.
5. **Accurate Record Keeping.** The board of directors should not only be familiar with the content of the books and records but should also ensure that the organization’s records and accounts are accurate. The board is ultimately responsible for ensuring that internal controls are adequate to safeguard the organization’s assets and help prevent fraud. This also means the board might take steps to require regular financial audits by an independent certified public accountant. At the very least, the board should be aware of what the financial records disclose. If the board determines that the growth of the organization requires the establishment of such, a Finance Committee that includes at least one member with a background in finance should be created to focus on the financial details and report to the full board.
6. **Assets.** The board of directors has the duty to protect, preserve, invest, and manage the corporation’s assets and to do so in a manner consistent with the organization’s mission, donor restrictions, and legal requirements. Oversight of appropriate internal controls will aid in the protection of assets and the prevention of fraud.
7. **Resources.** The board of directors should assist the organization in obtaining adequate resources to enable it to further its mission.
8. **Investigation.** The board of directors has a duty to investigate warnings or reports of officer or employee theft or mismanagement. The board should adopt procedures to handle reports of inappropriate uses of resources or inaccurate reporting of financial affairs. These procedures should include protection for anyone reporting the possibility of such damaging activities. In some situations, the board may have to report misconduct to the appropriate authorities, such as the police or the Attorney General of the State of Washington or the state

in which the infraction occurred. Where appropriate, a director should consult an attorney or other professional for assistance. The board as a whole may also seek such advice when needed to assist the members in dealing with a difficult situation.

Duty of Loyalty

The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain but must act in the best interests of the organization.

1. **Conflicts of Interest.** Under certain circumstances, a contract or transaction between a nonprofit corporation and a board member or an organization in which a board member has a material financial interest is acceptable. However, if the transaction is challenged, the board member will have the burden of establishing that the contract or transactions was fair and reasonable, that there was full disclosure of the conflict and that the contract or transaction was approved by other board members in good faith.
2. **Written Policy.** Board members should adhere to the written policy on avoiding conflicts of interest described in the Mindfulness-Based Ecotherapy Organization Bylaws.
3. **Loans.** Washington State law disfavors a nonprofit corporation making a loan to a board member or the board member's family members. If a loan is made, all officers and board members who participated in making the loan will be liable for the amount until the loan is repaid.
4. **Corporate Opportunity.** Board members of business organizations are under a fiduciary obligation not to divert a corporate business opportunity for their personal gain. A board member of a nonprofit corporation is also subject to this duty. This duty means that a board member may not engage in or benefit from a business opportunity that is available to and suitable for the corporation unless the corporation decides not to engage in the business opportunity and conflict of interest procedure is followed.
5. **Internal Revenue Code.** Other prohibitions relating to the duty of loyalty are specified in the rules of the Internal Revenue Code regarding self-dealing. These rules also apply to private foundations.

Duty of Obedience

The duty of obedience requires the board of directors to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage donated funds and other resources to fulfill the organization's mission.

1. **Federal, State and Local Statutes.** Board members should be familiar with federal, state, and local laws relating to nonprofit corporations, charitable solicitations, sales and uses taxes, FICA (Social Security) and income tax withholding, and unemployment and worker's compensation obligations. They should also be familiar with the requirements of the Internal Revenue Service regarding nonprofits. Directors should see to it that their organization's status with federal, state, and local agencies is protected and current. Board members should assure themselves that the provisions of the Internal Revenue Code applying to 501(c)(3) organizations have been met before advising donors that their contributions may be tax deductible.

2. **Filing Requirements.** Board members must comply or assure compliance with deadlines for tax and financial reporting, for registering with the Secretary of State, for making Social Security payments, for income tax withholding and so on. Additionally, if an organization is incorporated, its directors have a duty to maintain its corporate status by submitting or assuring submission of timely filings to the Office of the Secretary of State. If the organization conducts fund raising activities, a separate annual Charitable Solicitation Report may be required. See RCW 19.09.065 and the information about the Charitable Solicitations Act on the Washington Secretary of State's website at <https://www.sos.wa.gov/corporations-charities> for details.
3. **Governing Documents.** Board members should ensure that the organization's mission is being accomplished in accordance with the stated purpose in the organization's articles of incorporation. They should be familiar with their organization's governing documents and should follow the provisions of those documents. Board members should be sure that proper notice is given for meetings, that regular meetings are held, and that members are properly appointed or elected.
4. **Outside Help.** Where appropriate, board members should obtain opinions of legal counsel or accountants. In addition to the three general fiduciary duties (Care, Loyalty, and Obedience), there are several specific responsibilities that should be observed by the board of directors.

Reducing the Risk of Liability

Although lawsuits against board members of nonprofit corporations occur less frequently than those against board members of for-profit business corporations, they are not unknown. Recent widespread publicity and, in some cases, criminal convictions have highlighted the fiduciary role of board members and officers of nonprofit organizations. It is possible that board members of a charitable/nonprofit corporation will find themselves sued as personal defendants in a lawsuit filed by an "outside third party" that has incurred some personal injury or financial loss as a result of dealings with the organization. To encourage citizens to serve as board members for charities, the law cloaks volunteer board members with qualified immunity. (See RCW 24.03A.540)

This means that board members cannot be sued for negligent acts. They may, however, be subject to lawsuits alleging that a loss was due to their gross negligence, willful or fraudulent acts.

NOTE – The IRS may also hold board members personally liable if the organization violates federal tax law. The most likely situation is the failure of the organization to perform mandatory payroll withholding. Because there is some degree of risk, including the cost of defending a frivolous claim, board members should discuss with the organization's legal counsel the prospect of purchasing Directors and Officers (D & O) liability insurance, and/or including indemnification provisions in the organization's governing documents.

The organization should carry insurance appropriate to its activities (including, for example, general liability, errors and omission, automobile, or malpractice) in amounts to meet its needs. The absence of appropriate insurance may cause an injured person to seek recourse from board members. If adequate insurance is in force, an injured person is less likely to seek damages from a board member.

Federal Guidelines for Governance, Management and Disclosure

The federal government has prescribed that certain governance practices are desirable for non-profit entities that have federal tax-exempt status. While they are not required by law, the federal Return of

Organization Exempt from Income Tax (Form 990) does require disclosure as to whether or not these practices are in place. Potential donors may consider the absence of these features as an indication that the organization is not well run.

Read more: The Washington Nonprofit Corporation Act: RCW (24.03A)

Definitions: RCW 24.03A.010(5)&(6)

Mindfulness-Based Ecotherapy Organization Responsibilities to Directors

The organization will be responsible to Board of Directors members in the following ways:

1. I will be sent regular financial reports and an update of organizational activities that allow me to meet the "prudent person" standards of the law. (To act with the same judgment and care as, in like circumstances, a prudent person would act.)
2. Opportunities will be offered to me to discuss with the Executive Director and the Chairs of the organization's programs, goals, activities, and status.
3. The organization will help me perform my duties by keeping me informed about issues in the industry and field in which we are working and by offering me opportunities for professional development as a board member.
4. Board members and staff will respond in a straightforward fashion to questions that I feel are necessary to carry out my fiscal, legal, and moral responsibilities to this organization.
5. If for any reason I am unable to carry out my duties as described in the Board Member Description and this Agreement, I agree to contact the Board Chair and the Executive Director in a timely manner.

Printed Name: _____

Signature _____ Date _____

Executive Director Printed Name: _____

Executive Director Signature _____ Date _____