

Role of the Board of Directors

**General Function:** The Board of Directors is the ultimate governing authority. It exercises fiduciary oversight of the American Diabetes Association’s financial, ethical and legal affairs and ensures the organization’s stability and viability to fulfill the Association’s mission. It has ultimate responsibility for the control and management of the affairs, funds, and property of the Association including, but not limited to, ongoing oversight of the Association’s strategic direction, final approval of the budget and other fiscal matters, and approval of all Board policies. The Board is further responsible for ensuring that the Association and its subsidiary organizations fulfill its obligations under the law and the public at large.

**Composition:** The Board of Directors shall be composed of individuals who have demonstrated notable achievements in business, medicine, science, research, health care, advocacy, the arts, media and/or public service.

They must have the requisite intelligence, education and experience to make a significant contribution to the deliberations of the Board of Directors. In light of the Association’s mission and services, of particular value is experience in financial stewardship, reaching and serving consumers, medicine, science, research, health care,

advocacy, and raising public awareness. The membership of the Board of Directors as a whole should bring a broad range of experiences to the organization.

# Responsibilities:

1. Manages the affairs of the Association in accordance with the Articles of Incorporation, Bylaws and existing Board-approved policies.
2. Develops and monitors the strategic plan and the subsequent execution of annual organizational priorities related to the existing strategies.
3. Sets policy and determines the basic framework within which the Association will operate both financially and programmatically.
4. Ensures the effective and proper use of funds for the purposes of the Association by:
   1. Approving an annual budget.
   2. Monitoring the ongoing budget.
   3. Providing for an adequate accounting and financial reporting system.
   4. Ensuring that a certified independent audit is provided annually.
5. Employs a Chief Executive Officer (CEO) and ensures that the CEO effectively discharges his/her responsibilities.
6. Creates and dissolves committees and sub-committees as it deems necessary.
7. Sets a tone that fosters a culture of transparency, compliance/ethical conduct, diversity, inclusion, and innovation; shows respect and sensitivity towards gender, sexual orientation, cultural, and religious differences.
8. Provides oversight, challenges the status quo and ensures alignment with the mission.
9. Demonstrates and reinforces the Association’s commitment to the volunteer and staff partnership.
10. Abides by the Conflict of Interest policy, and exercises the fiduciary Duties of Care and Loyalty.
11. Ensures a succession of capable and effective volunteer leaders.
12. Demonstrates a personal commitment to fundraising and the Association’s signature events. Accepts the responsibility to raise and contribute a minimum amount of funds for each year of service as a Board Member (Board Members are $5,000 for each year of service; Officers are $10,000 for each year of service).

Board of Directors Description Page 2

# Board Member Qualifications

The Association’s key strategic priorities will, at any given time, help to determine what specific experience or expertise might be needed on the Board to help advance those priorities and achieve the related goals. The overall ability and experience of an individual should determine his or her suitability and should be assessed in the context of the then current composition of the Board as a whole, so that the Board will always have the mix of individuals needed to govern effectively.

Although not exclusive, the experience and personal attributes outlined below will be considered in evaluating the incumbency or candidacy of an individual for service as a Member of the Board. Individuals considered should also have a demonstrated personal commitment to, or interest in, diabetes and/or the American Diabetes Association.

Ideally, the candidate has diabetes-related knowledge.

**Experience.** A Board candidate must have experience in business, medicine, science, research, health care, advocacy, the arts/media, or public service. An ideal Board candidate may have experience in more than one of these areas. A candidate should have sufficient applicable experience to understand fully the legal and other responsibilities of a director of a 501(c) (3) not-for-profit corporation. Ideally, a candidate will have had volunteer service with the Association. Qualities desirable in Board Member candidates are:

* Business: The Board candidate is or has been a senior operating or staff officer of a business or health care corporation, with a background in marketing, finance and/or operations.
* Medicine, Science, Research, Clinical Practice or Health Care: The Board candidate is, or has been, in a leadership role in a medical or health care institution or clinical setting, ideally with responsibilities in the area of medicine, science, research or patient care.
* Advocacy: the Board candidate has leadership experience impacting public policy.
* Public Service: The Board candidate has held one or more elected or appointed senior positions in a prominent nonprofit organization or in the federal or state government.
* Arts/Media: The Board candidate is, or has been, a prominent person in the arts or media.

**Personal Attributes.** The Board candidate should have the personal qualities to be able to make a substantial active contribution to Board deliberations. In considering candidates for election to the Board of Directors, the Association should constantly be striving to achieve and reflect the diversity of the communities and constituencies served by the organization. Ideal candidates will have the following qualifications:

1. Commitment to the Association's mission to serve people with diabetes preferably based on experience and a passion for improving the lives of the Association’s constituents.
2. A clear understanding and knowledge of the Association and its organizational structure, including how policy is developed and implemented.
3. Demonstrated leadership skills, ability to effectively communicate and think globally.
4. Willingness to make decisions in the best interest of the Association as a whole.
5. Ability to bring special knowledge, experience, contacts, and resources to the Association.
6. Personal qualities of intelligence, self-assuredness, a high ethical standard, inter-personal skills, independence, courage, a willingness to ask the difficult question, commitment, communication skills, inquisitiveness, objectivity, passion, practical wisdom and mature judgment.
7. Ability to interact with a variety of persons representing a variety of professional interests.
8. Willingness to respect the rights of other volunteers and staff to disagree and to allow a fair hearing for other points of view, keeping disagreements and controversies impersonal.
9. Ability to engage in productive, constructive conversation and willingness to offer alternative courses.
10. Diplomatic skills and a natural affinity for cultivating relationships and building consensus among diverse individuals.
11. Ability to promote unity and cohesiveness.
12. Integrity and professionalism.
13. An understanding of financial reporting and internal control principles.
14. The means and willingness to support the Association with their personal financial resources, and/or influence other individuals and organizations to support the Association.

Term of Service: Each Board member shall serve an initial three-year term and shall be eligible for consideration to serve a consecutive three-year term. Each Officer shall serve one three-year Board term (the first as an elect, the second as a Principal Officer (Chair of the Board, President, Health Care and Education, President, Medicine Science, and Secretary/Treasurer, respectively), and the third as an Immediate Past Officer, not extendable. Officer terms are served separate from and will not count towards At-Large Director term limits.

Approved by Board of Directors June, 2014