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## PROUD LEBANON BOARD OF DIRECTORS ROLES AND RESPONSIBILITIES

The PROUD LEBANON BOARD OF DIRECTORS (heretofore known as “BOD”) is a governing BOD and the following will serve as a guideline both for the BOD’s key roles and responsibilities with the Association, along with its key functions.

### *The reporting structure of PROUD LEBANON is as follows:*

- The PROUD LEBANON staff reports directly to the respective Manager as organized by the PROUD LEBANON President/CEO.
- PROUD LEBANON staff is hired directly by the PROUD LEBANON President/CEO
- The PROUD LEBANON President/CEO reports direct to the PROUD LEBANON BOD.
- The PROUD LEBANON BOD oversees and reviews the PROUD LEBANON’s staff.
- The PROUD LEBANON Executive Committee, consisting of the Chairperson, Vice Chairperson (both respectively owners of the endorsed chairs as per legal registration), Secretary and Treasurer delegated among the members of the BOD and are on a volunteering basis responsible for the management of the affairs and further the purposes of PROUD LEBANON. The Executive Committee can make some decisions on behalf of the BOD that are deemed standard under everyday structure. However, the Executive Committee will report to the entire BOD of any decisions. The Executive Committee’s role is to provide Organization and oversight of the key strategies and provide direction to the BOD.
- No single member of the BOD has control over the President/CEO or the strategy of the Association. As stated in the Bylaws, the BOD must hold a majority rule in order for decisions to be made.
- The PROUD LEBANON’s Executive Committee is to report quarterly to the Advisory Board.

### *The key strategies of the PROUD LEBANON BOD are as follows:*

#### **ROLE: Why we are here**

The BOD oversees the execution of PROUD LEBANON’s powers in accordance with the Bylaws. The BOD manages the business and affairs of the PROUD LEBANON and in such a role:

- Articulates long-term strategic direction in light of the PROUD LEBANON mission
- Provides a connection to and understanding of the external environment for PROUD LEBANON
- Monitors the vigor and impact of PROUD LEBANON and the President/CEO
- Supports PROUD LEBANON, promotes the Organization’s standing in the global community and serves our best interests
- Ensures and assists with the financial Stability of the Organization

#### **RESPONSIBILITIES: What we do**

##### **The BOD, as part of its responsibilities as articulated in the Bylaws:**

- Establishes and oversees the strategic direction and goals
- Establishes and monitors policies to ensure PROUD LEBANON’s ethical, legal and business accountability and integrity
- Monitors PROUD LEBANON’s effectiveness in advancing its mission and protects and enhances PROUD LEBANON’s resources
- Identifies and provides orientation to new staff
- Delegate and selects among the BOD’s members, the Treasurer and the Secretary to be part of the Executive committee
- Approves the annual operating budget and is responsible for the financial stability and survival of the Organization as stated in the Bylaws
- Reviews and approves the compensation of the President/CEO
- Enhances and promotes PROUD LEBANON’s public image, reputation and connection to the community
- Has the ability to establishes Committees
- Evaluates the effectiveness of the Board, its Committees and individual staff
- Avoids any activities that would invalidate PROUD LEBANON’s legal status

#### **YOUR RESPONSIBILITIES: Individuals**

- Perform duties in good faith in a manner reasonably believed to be in the best interest of PROUD LEBANON that a person of ordinary prudence would use in similar circumstances
- Serve for a maximum of 3 consecutive terms
- Adhere to the Board policies
- Understand and approve, advance and monitor PROUD LEBANON’s mission, policies, programs and results
- Alert the Board to key issues in related fields and the external environment in which PROUD LEBANON operates
- Prepare for and actively participate in official BOD meetings
- Attend BOD meetings. As stated in the Bylaws, a BOD member cannot miss more than 2 meetings
- Actively serve on at least one BOD Committee
- Understand and assist with the financial stability of the Organization
- Provide advice and counsel to management as appropriate
- Endeavor to advocate for and support PROUD LEBANON, its resources and its standing within the community



## B. Legal Duties of Association Board Members

Association Officers, Directors, Committee Members, and others involved in the Association's governance structure will be responsible for adhering to the attached Code of Conduct and internal regulations. These documents are to be reviewed and signed by the party involved stating the clear understanding of their role and responsibilities.

## C. Policymaking/Ruling

The PROUD LEBANON BOD is the governing body of the Association, responsible for the ultimate direction of the management of the affairs of the Organization. The BOD is responsible for *policymaking*, while Employees are responsible for executing *day-to-day management* to implement board-made policy. However, the legal responsibility for the actions (and inactions) of the Association rests with the Executive Committee.

The BOD can act legally only by consensus (majority vote of a quorum in most cases) and only at a *duly constituted and conducted meeting*, or by *unanimous written consent*. The BOD may delegate authority to act on its behalf to others (for example: Committees), but, in such cases, the BOD is still legally responsible for any actions taken by the Committees or persons to whom it delegates authority. An *individual* Board Member has no individual management authority simply by virtue of being a member of the board.

However, the BOD may delegate additional authority to a Board Member such as when it appoints Board Members to Committees. In a similar fashion, an *Officer* has only the management authority specifically delegated in the Bylaws or by the BOD (although the delegated authority can be general and broad).

*Committees* have no management authority except for that delegated to them by the Bylaws or by the BOD.

## D. Fiduciary Duty

Those in positions of responsibility and authority in the governance structure of the Association - both volunteers who serve without compensation and employed staff - have a fiduciary duty to the Organization, including duties of care, loyalty and obedience. In short, this means they are required to act *reasonably, prudently and in the best interests of the Organization*, to *avoid negligence and fraud*, and to *avoid conflicts of interest*. In the event that the fiduciary duties of care, loyalty or obedience are breached, the individual breaching the duty is potentially liable to the Association for any damages caused to the Association as a result of the breach. This fiduciary duty is a duty to the Association as a whole; even those who only serve on a particular Committee or task force owe the fiduciary obligation to the entire Association.

### ➤ Duty of Care

This duty is very broad, requiring Officers and Directors to exercise *ordinary and reasonable care* in the performance of their duties, exhibiting honesty and good faith. Officers and Directors must act in a manner which they believe to be *in the best interests of the Association*, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

### ➤ Duty of Loyalty

This is a duty of faithfulness to the Association. This means that Officers and Directors must give undivided allegiance to the Association when making decisions affecting the Association. In other words, Officers and Directors cannot put personal interests above the interests of the Association.

Officers and Directors will be asked to review the attached Conflict of Interest document and be responsible for their personal execution of the required procedures.

### ➤ Duty of Obedience

This duty requires Officers and Directors to act in accordance with the Organization's Articles of Incorporation, Bylaws and other governing documents, as well as all applicable laws and regulations.

## E. Reliance on experts

Unless an Officer or Director has knowledge that makes reliance unwarranted, an Officer or Director, in performing his or her duties to the Organization, may rely on written or oral information, opinions, reports, or statements prepared or presented by:

- (i) Officers or Employees of the Association whom the Officer or Director believes in good faith to be reliable and competent in the matters presented;
- (ii) Legal Counsel, Public Accountants, or other persons as to matters which the Officer or Director believes in good faith to be within the person's professional or expert competence; or
- (iii) in the case of reliance by Directors, a Committee of the BOD on which the Director does not serve if the Director believes in good faith that the Committee merits confidence.

## F. Confidentiality

Board Member discussions of PROUD LEBANON matters are to be kept confidential to promote a full exchange of viewpoints and to protect the interests of PROUD LEBANON. Discussions are not to be repeated to members, staff or to anyone outside or inside the Organization.



#### **G. Liability**

PROUD LEBANON BOD is a volunteer Board, thus, PROUD LEBANON's BOD assumes no liability for financial related matters. Accountant, Director and staff are fully responsible for this matter.

#### **H. Willful ignorance and intentional wrongdoing**

Directors cannot remain willfully ignorant of the affairs of the Association. Officers and Directors acting *outside of or abusing* their authority as Officers and Directors may be subject to personal liability arising from such actions. Furthermore, Officers or Directors who, in the course of the Association's work, *intentionally* cause injury or damage to persons or property may be personally liable, even though the activity was carried out on behalf of the Association. Association Officers and Directors can help minimize their risk of personal liability by doing the following:

- Being thoroughly and completely prepared before making decisions.
- Becoming actively involved in deliberations during BOD meetings, commenting as appropriate, and making inquiries and asking questions where prudent and when such a need is indicated by the circumstances.
- Making decisions deliberately and without undue haste or pressure. Insisting that meeting minutes accurately reflect the vote counts (including dissenting votes and abstentions) on actions taken at meetings.
- Requesting that legal consultation be sought on any matter that has unclear legal ramifications.
- Requesting that the Association's Accountants assess and evaluate any matter that has significant financial ramifications.
- Obtaining and carefully reviewing both audited and unaudited periodic financial reports of the Association.
- Attending the Association's meetings and reading the Association's publications carefully to keep fully apprised of the Organization's policies and activities.
- It is the responsibility of the BOD Member to read the Association's Articles of Incorporation, Bylaws and other governing documents.
- Avoiding completely any conflicts of interest in dealing with the Association and fully disclosing any potential conflicts.

If preventive risk management fails, the liability of Association Officers and Directors can be limited through indemnification by the Association, insurance purchased by the Association, and state Volunteer protection laws.

#### **I. Whistle Blower Policy**

The Organization's Code of Ethics and Conduct (heretofore known as "Code") requires Directors, Officers and Employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

As Employees and representatives of the Organization, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

#### **J. Reporting Responsibility**

It is the responsibility of all Directors, Officers and Employees to comply with the Code and to report violations or suspected violations in accordance with PROUD LEBANON's Code of Conduct.

##### **➤ No Retaliation**

No Director, Officer or Employee who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. An Employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

This Code of Conduct is intended to encourage and enable Employees and others to raise serious concerns within the Organization prior to seeking resolution outside the Organization.

##### **➤ Reporting Violations**

The Code addresses the Organization's open door policy and suggests that Employees and the BOD share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, the President/CEO is in the best position to address an area of concern. However, if a person are not comfortable speaking with the President/CEO or are not satisfied with the President/CEO's response, this person is encouraged to speak with the "BOD's Committee in Charge of Complaints".

Supervisors, Managers, Employees and Board Members are required to report suspected violations of the Code of Conduct to the Organization's President/CEO or to the "BOD's Committee in Charge of Complaints", who has specific and exclusive responsibility to investigate all reported violations.

##### **➤ Accounting and Auditing Matters**

The Treasury and Finance Committee of the BOD shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Accountant shall immediately notify the Finance Committee of any such complaint and work with the Committee until the matter is resolved.



➤ **Acting in Good Faith**

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code.

Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

➤ **Confidentiality**

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the every extent possible, consistent with the need to conduct an adequate investigation.

➤ **Handling of Reported Violations**

The Vice-Chair will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

➤ **Relationship Policy**

As explained in the PROUD LEBANON's Conflict of Interest policies, favoritism or extended courtesies can create unwanted consequences. For this reason, PROUD LEBANON wants to avoid situations where there are romantic, personal, or marital relationships between Members of the BOD and Employees of PROUD LEBANON as well as it's beneficiaries. PROUD LEBANON Board Members should avoid such relationships with Employees and will overview if any violations happen between any of BOD or staff and beneficiaries. The BOD will address violations of this policy on a case-by-case basis, and may remove members of the Board or suspend working agreement with staff that violates this policy.



Doc B

## **PROUD LEBANON BOARD OF DIRECTORS CONFLICT OF INTEREST POLICY**

### **ARTICLE I**

#### **PURPOSE**

The purpose of this Conflict of Interest Policy is to protect PROUD LEBANON's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Director, Officer, Board Member or Key Employee of the Organization, or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable laws governing Conflict of Interest applicable to non-profit Organizations.

### **ARTICLE II**

#### **DEFINITIONS**

##### **I. CONFLICT OF INTEREST**

A Conflict of Interest arises when a person in authority over the Organization, such as a Director, Officer, Manager or Board Member, may benefit personally from a decision he or she could make in the that capacity, including indirect benefits (e.g., to family members or businesses with which the person is closely associated).

##### **II. INTERESTED PERSON**

Any Director, Officer, Manager, Board Member or Member of a Committee with delegated powers, who has a direct or indirect Financial Interest, as defined below, is an Interested Person. For purposes of this Policy, "Key Employee" means an Employee of the Organization other than a Director who

- (a) has responsibilities, powers or influence over the Organization that is similar to those of Directors or Officers:
- (b) manages a discrete segment or activity of the Organization that represents 10% or more of its activities, assets, income or expenses:
- or
- (c) has or shares authority to control or determine 0% or more of the Organization's capital expenditures, operating budget or compensation for Employees.

##### **III. FINANCIAL INTEREST**

A person has a Financial Interest if the person has, directly or indirectly, through business, investment or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement
- b. A compensation arrangement with any entity or individual with which the Organization has a transaction or arrangement or
- c. A potential ownership or investment interest in or compensation arrangement with any entity or individual with which the Organization is negotiating a transaction

Compensation includes direct and indirect remuneration as well as gifts or favors that are not substantial.

"Family" refers to a spouse, brothers or sisters (by whole or half blood), same-sex partners, same-sex marriage, spouses of brothers or sisters (by whole or half blood), ancestors, children, grandchildren, great grandchildren and spouses of children, grandchildren, and great grandchildren. For these purposes, a legally adopted child is treated as a child by blood.

A Financial Interest is not necessarily a Conflict of Interest. Under Article III, Section 2, a person who has Financial Interest may have a Conflict of Interest only if the appropriate governing Board or Committee decides that a Conflict of Interest exists.

### **ARTICLE III**

#### **PROCEDURES**

##### **I. DUTY TO DISCLOSE**

In connection with any actual or possible Conflict of Interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the Directors and Members of the Committees with governing Board delegated powers considering the proposed transaction or arrangement. Any report brought on by another Board, Committee or Executive Board will be held in confidence.

##### **II. DETERMINING WHETHER A CONFLICT OF INTEREST EXISTS**

After disclosure of the Financial Interest and all the material facts and after any discussion with the Interested Person, he/she shall leave the Executive Board or Committee meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Board or Committee members shall decide if a Conflict of Interest exists.

##### **III. PROCEDURES FOR ADDRESSING THE CONFLICT OF INTEREST**

- a. An Interested Person may make a presentation at the Executive Board or Committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible Conflict of Interest.
- b. The Chairperson of the Executive Board or Committee shall, if appropriate, appoint a disinterested person or Committee to



- c. After exercising due diligence, the Executive Board or Committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict of Interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a Conflict of Interest, the Executive Board or Committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or agreement.

#### **IV. VIOLATION OF THE CONFLICTS OF INTEREST POLICY**

- a. If the Executive Board or Committee has reasonable cause to believe an Interested Person has failed to disclose actual or possible Conflicts of Interest, it shall inform that person of the basis for such belief and afford that person the opportunity to explain the alleged future to disclose.
- b. If, after hearing the Member's response and after making further investigation as warranted by the circumstances, the Executive Board or Committee determines the Interested Person has failed to disclose an actual or possible Conflict of Interest, it shall take appropriate disciplinary and corrective action.

#### **ARTICLE IV RECORDS OF PROCEEDINGS**

The minutes of the Executive Board and all Committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible Conflict of Interest, the nature of the Financial Interest, any action taken to determine whether a Conflict of Interest was present, and the Executive Board's or Committee's decision as to whether a Conflict of Interest in fact existed.
- b. The name of the persons who were present for discussion and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### **ARTICLE V COMPENSATION**

In connection with any actual or possible Conflict of Interest, an Interested Person must disclose the compensation by containing the following:

- a. A voting member of the Executive Board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to the member's compensation.
- b. A voting member of any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing Board or any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any Committee regarding compensation.

#### **ARTICLE VI ANNUAL STATEMENTS**

Each Director, Officer, Key Employee and member of a Committee with Executive Board delegated powers shall annually sign a statement, which affirms such person:

- a. Has received a copy of the conflicts of interest policy and Board Policy & Procedures documents
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy,
- d. Has disclosed their interests that could give rise to conflicts of interest

#### **ARTICLE VII PERIODIC REVIEWS**

To ensure the Organization operates in a manner consistent with tax-exempt purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the results of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management Organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further exempt purposes and do not result in inurnments, impermissible private benefit or in an excess benefit transaction.

#### **ARTICLE II USE OF OUTSIDE EXPERTS**

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing Board of its responsibility of ensuring periodic reviews are conducted.





DOC C

## **PROUD LEBANON BOARD OF DIRECTORS SEXUAL HARASSMENT AND OTHER PROHIBITED HARASSMENT POLICY**

### **General**

PROUD LEBANON is committed to maintaining a workplace free of sexual harassment and harassment on the basis of race, color, religion, national origin, gender, sexual orientation, age or disability. Any such conduct by staff or Board or members will be viewed as a serious disciplinary offense.

### **Persons Covered**

This policy applies to anyone who works on behalf of PROUD LEBANON, either paid or unpaid. It prohibits sexual harassment and other prohibited harassment of Employees, Board members, applicants for employment and third parties such as beneficiaries, contacts, visitors, PROUD LEBANON members or any member of the public.

Regardless of whether you are a victim of sexual harassment or other prohibited harassment or a witness to it, all Employees and Board members are expected and encouraged to report any incident of harassment that they witness or be a victim of.

### **Definition of Sexual Harassment**

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is either made explicitly or implicitly as a term or condition of an individual's employment;
- Submission or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment or official PROUD LEBANON business.

Sexual harassment can occur between individuals of the same gender as well as between individuals of the opposite gender.

The following are examples of conduct, which may constitute sexual harassment: sexual propositions, touching, or comments; telling jokes or stories of a sexual nature; using gender-related epithets; or displaying sexually explicit material.

### **Definition of Harassment**

Harassment is defined as verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his or her race, color, religion, national origin, gender, sexual orientation, age, disability or any other impermissible factor, and that:

- Has the purpose or effect of creating an intimidating, hostile or offensive work environment including official PROUD LEBANON Board duties
- Has the purpose or effect of unreasonably interfering with an individuals' work performance;
- Otherwise adversely affects an individual's employment opportunities

The following are examples of conduct, which may constitute prohibited harassment: slurs, derogatory statements, negative stereotyping, or threatening, intimidating, or hostile acts that relate to color, religion, national origin, sex, sexual orientation, age, disability, or any other impermissible factor. This includes "jokes" or "pranks" that are hostile or demeaning.

### **Use of Common Sense and Good Judgment**

The examples listed in the definitions above are not meant to be exhaustive lists of the conduct that may constitute sexual harassment or other prohibited harassment and PROUD LEBANON expects that you use common sense and good judgment to avoid any offensive conduct. To the extent there is a question as to whether any conduct falls within these definitions, you should err on the side of NOT engaging in the conduct. If you have any questions regarding the scope of this policy, please contact the Board Chairperson, Vice Chairperson and/or the President and CEO. All questions should be documented in writing.

### **Reporting Violations**

Any incident that may constitute sexual harassment or other prohibited harassment by an Employee or board member should be immediately reported to the President and CEO and Board Executive Committee or the BOD's comity of complains provided however, that any complaint involving the President and CEO may also be reported solely to the Executive Committee of the Board. PROUD LEBANON will investigate all complaints of sexual harassment or other prohibited harassment in as prompt and confidential a manner as is reasonably possible and will take appropriate corrective actions when warranted. Any Employee or board member who is found to have engaged in sexual harassment or other prohibited harassment in violation of this policy will be disciplined appropriately, up to and including termination of employment and removal from the board.

### **No Retaliation**

PROUD LEBANON expressly prohibits any form of retaliation against Employees or board members who raise in good faith suspected violations of sexual harassment and other prohibited harassment. PROUD LEBANON will not discharge, suspend, threaten, harass or in any manner discriminate or retaliate anyone who brings forth any complaint of harassment.

### **Confidentiality**

Reports or suspected violations under this policy may be submitted in a confidential basis by the complainant or may be submitted



## BOARD OF DIRECTORS

### Letter of understanding

As a PROUD LEBANON Executive Board Member I am committed to the mission of PROUD LEBANON and am representing the mission of the Organization.

I have received, read and understand the following documents and will abide by the rules that have been established by the PROUD LEBANON Board.

Please initial next to each section:

- ☐ PROUD LEBANON Internal Regulations
- ☐ PROUD LEBANON Code of Conduct
- ☐ PROUD LEBANON Role and Responsibilities
- ☐ PROUD LEBANON Executive Board Conflict of Interest Policy
- ☐ PROUD LEBANON Executive Board Sexual Harassment and other Prohibited Harassment Policy
- ☐ I will participate on one or more Committees that are defined by the Executive Board.

Name: \_\_\_\_\_  
(Print name) (Signature)

Date: \_\_\_\_\_