

ABC National Board of Directors Orientation

presented by:

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About ABC

- ABC is a 501(c)(6) organization composed of a national organization and local chapters, which are administratively, financially and operationally independent from the national organization, while remaining subject to certain national standards.
- Governance of the national organization is through a national board of directors, which is composed of representatives from each chapter and national officers elected by the national board of directors.

National Board of Directors

- Based on the number of its members, each chapter may have one, two or three representatives on the national board.
- Selection of its representatives is conducted solely by the chapter, and the national organization does not mandate any criteria for membership on its national board of directors.
- The current board consists of 169 members including the members of the Executive Committee.

National Board of Directors

- Since its inception, ABC has ensured that all members – regardless of company volume size – may participate in the governance of the association.
- The purpose of having face-to-face meetings of the national board is to present issues, debate differing perspectives, and make decisions based on evaluations of the positions presented.
- For that reason, chapters are discouraged strongly from requesting that their board members vote for or against any issue prior to the meeting of the national board.

Understanding Your Oath

- The members of Associated Builders and Contractors are placing their trust and confidence in you.
- Your leadership will largely determine the success and continued progress of ABC.
- Your leadership is needed to fulfill the noble purposes for which this organization stands.
- You are the leaders of this organization and the servants of the membership.

Volunteer Agreement

The Volunteer Agreement is consistent with the Oath of Office. Nothing in the Agreement is intended to create any conflict between a volunteer's activities for ABC and any obligations to his or her company or any legal requirements.

- As a member of the [circle one: committee, task force, Board of Directors, Executive Committee], for Associated Builders and Contractors at the National level, I hereby agree to:
- Represent the interests of ABC National and observe fiduciary duties of loyalty, care and obedience to ABC National bylaws and policies
- Practice honesty and integrity, exercise good conduct, observe high standards of business ethics and comply with all applicable laws and regulations
- Not engage in actions that may constitute an actual, apparent or potential conflict of interest with the mission and activities of ABC National
- Create a safe environment for ABC members and staff to raise concerns for investigation in good faith on a confidential and anonymous basis without consequence of retaliation
- Not disclose or cause to be disclosed to anyone outside of ABC any confidential information related to ABC
- Not use any of the confidential information derived from my service in any way to the competitive harm or other detriment of ABC
- Read, understand and fulfill the duties outlined in the volunteer job description

Name

Signature

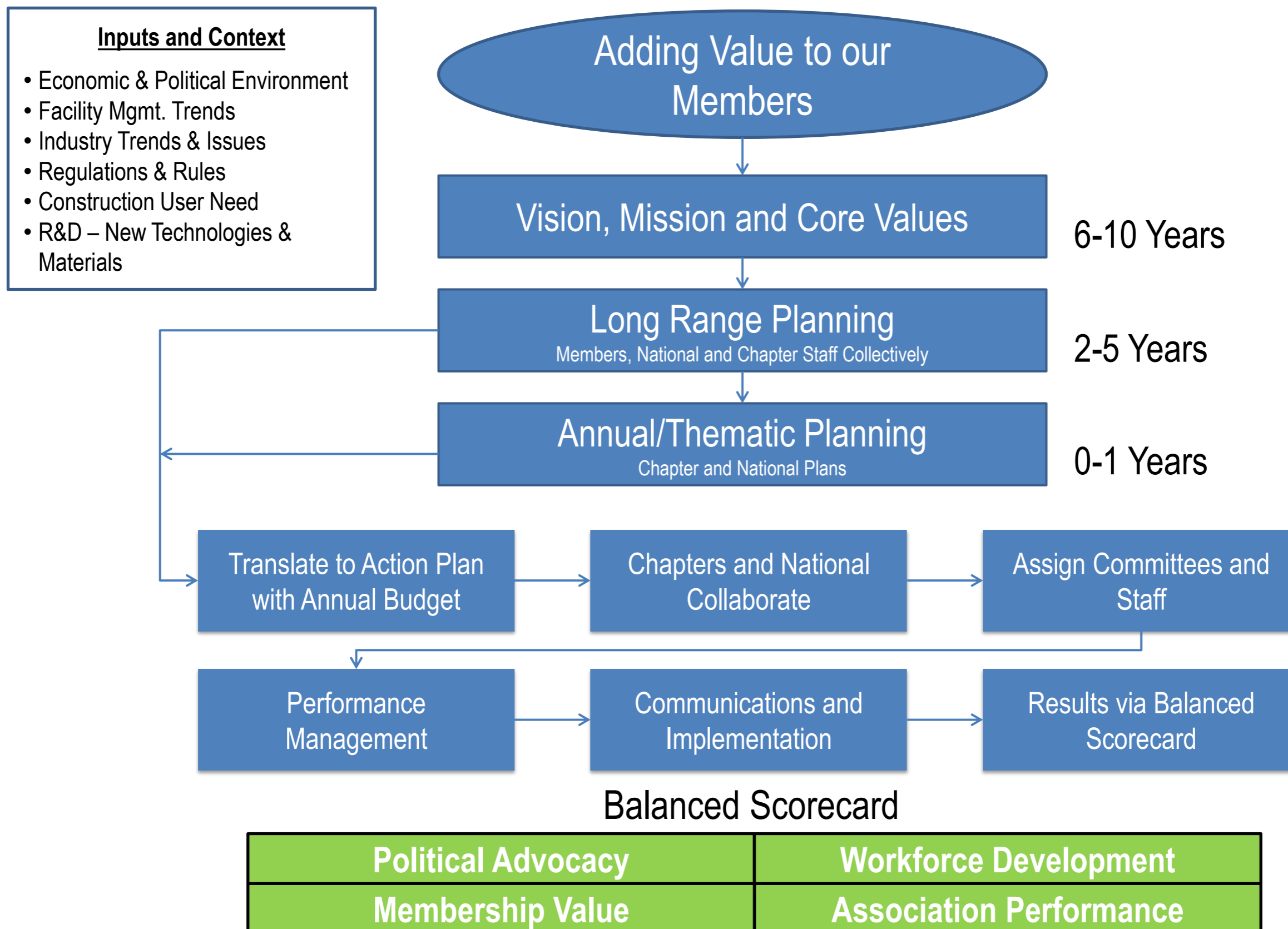
Date



The Role of the Board

1. The Board of Directors is the legislative body of the Association.
2. The Board of Directors shall:
 - Formulate all policies of the Association;
 - Approve all budgets of the Association and provide proper financial oversight
 - Ensure adequate resources
 - Ensure legal and ethical integrity and maintain accountability
 - Ensure that the strategic direction of the association reflects its core values
 - Settle all disputes within the Association

ABC Strategic Planning Framework



Value Proposition

Mission:

ABC will continually strive to be the leading voice promoting free enterprise within the construction industry. ABC will promote and defend the merit shop philosophy. This philosophy encourages open competition and a free-enterprise approach to construction based solely on merit, regardless of labor affiliation.

Value Proposition:

Based on the Merit Shop Philosophy, we help Members develop people, win work and deliver work Safely, Ethically, and Profitably for the betterment of the communities in which they work.



Summary of the 2014-2019 Strategic Goals

- 1. Association** – Be an organization of high trust, high collaboration and effective communication to deliver Value to our Members
- 2. Health, Safety & Environment** – Establish ABC's Members as the “world class” standard for health, safety and environment in the construction industry
- 3. Political Advocacy** – Increase the political influence of ABC to advance the Merit Shop philosophy and Free Enterprise
- 4. Workforce** – Be the leading force in the construction industry for Workforce Development and Training
- 5. Membership Growth** – To continuously grow and deliver value to a diverse and committed membership.
- 6. Information Technology** – Utilize quality data to be an effective and efficient fact based decision making organization



Board Member Responsibilities

- Attend, at a minimum two (2) national board meetings per calendar year.
- Be willing to report national actions, priorities, and initiatives to the general membership of the individuals' home chapter and its board.
- Be willing, after the consideration of positions raised during board debate, to make decisions that serve the best interests of the national organization.
- Be willing to debate issues before the national board in an open and fair manner while respecting the opinions of other members of the national board.

Board Member Responsibilities

Fiduciary Responsibilities

- Review and Approve Annual Budget
- Review and Accept Current Financial Statements
- Review and Accept Annual Independent Audit
- Approve Distribution of Surpluses
- Approve Special Assessments on Members and Chapters
- Approve Use of Reserve Funds

Board Meeting Materials

- Board meeting materials will be posted 30 days prior to a Board Meeting at;
<http://www.abc.org/en-us/abc/leadership/executivecommitteebodfiles.aspx>
- The log in and password is;
Username: abcboard
Password: abcnational123
- **Please do not change this username or password**, it is a generic login for Board Members to use to access Board meeting materials and Executive Committee meeting minutes only. When you log in, you will receive a pop up with a confidentiality agreement, click “I accept” to get access.

Point of Contact at ABC National

For questions about reimbursements, pre-reads, minutes and anything related to the ABC National Board of Directors, contact:

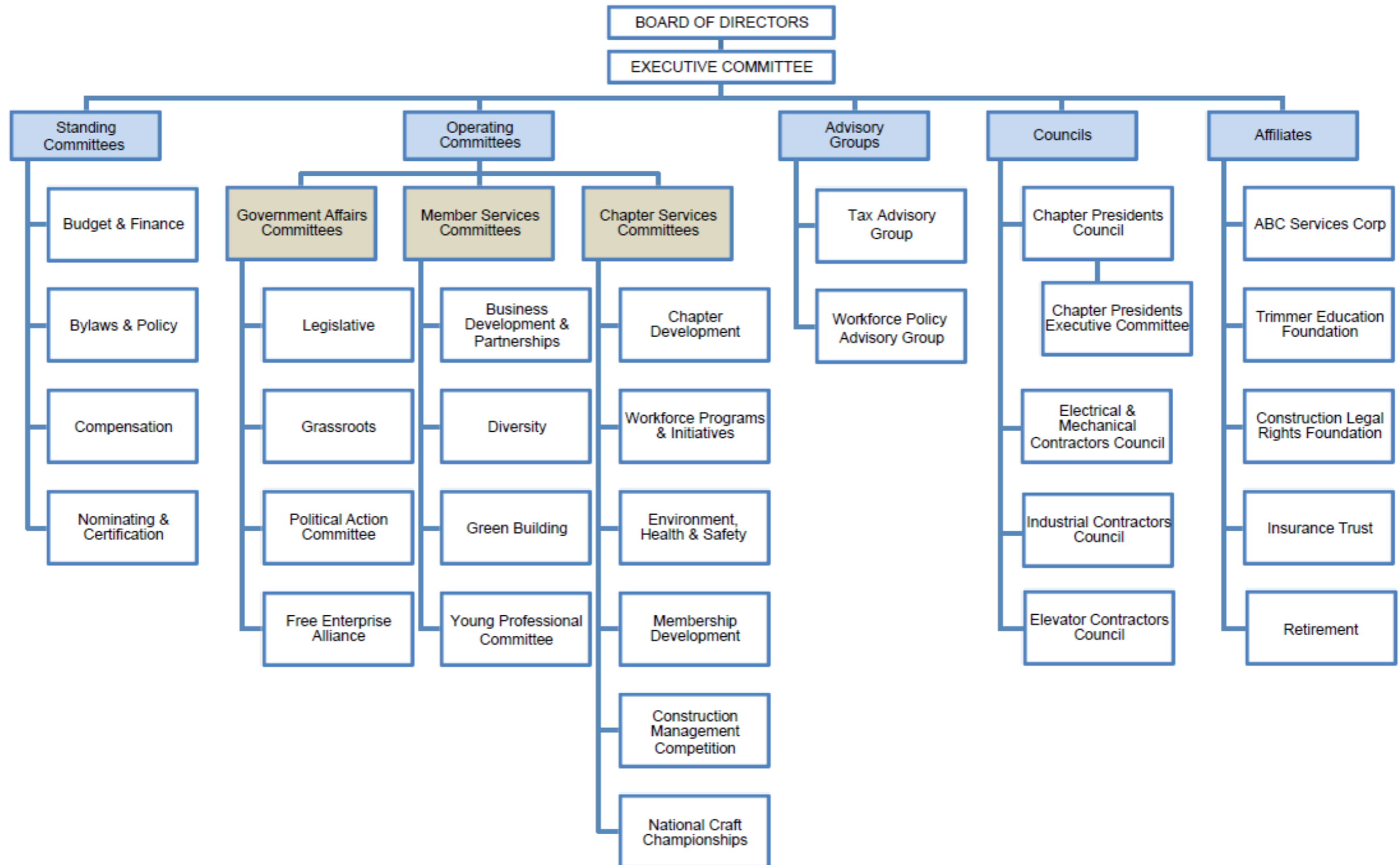
Kim Greene

[greene@abc.org](mailto:green@abc.org)

202-595-1327



ABC National Committees and Affiliates Structure



Association Governance & The Law

Fiduciary Duties of National Officers and Directors

1. Duty of Loyalty

- Upholding ABC's Merit Shop Mission as stated in the Bylaws

(<http://www.abc.org/en-us/abc/leadership/bylawspolicies.aspx>)

- Maintaining National Standards

2. Duty of Care to Read and Understand What You Are Voting On

3. Duty to Avoid Private Benefit and/or Disclose Conflicts of Interest

Association Governance & The Law

Understanding the Association's Structure

1. Balancing national standards and local chapter responsibilities
2. Adhering to the leadership structure (especially to avoid liability for “apparent” authority)

Association Governance & The Law

Avoiding Antitrust Violations

1. Price fixing, bid rigging and information exchanges
2. Membership restrictions and the law
3. Standard setting, certification and accreditation

Association Governance & The Law

Labor and Employment Law Issues

1. Protecting the Merit Shop while avoiding charges of unlawful “anti-union” animus
2. Avoiding harassment based on sex or other prohibited reasons – The Importance of Zero Tolerance
3. Understanding the basic labor and government affairs issues confronting ABC members nationally

Association Governance & The Law

Understanding the Association's Tax Status

1. Non-profit and tax exempt status under 501(c)(6)
2. Filing and disclosing Form 990s: Public disclosure requirements
3. Non-dues income: corporate sponsorships, affinity programs and UBIT

Do's and Don't's for ABC Leaders

- Do take care to read and understand the issues presented
- Do strive to uphold ABC's bylaws and merit shop principles
- Do disclose any potential conflicts of interest
- Do monitor the leadership's compliance with laws
- Don't be "anti-union" – understand the merit shop philosophy
- Don't condone sexual or other harassment of or by staff or members
- Don't speak for ABC without actual authority

Q & A

Closing Remarks

**Mike Bellaman,
President & CEO**