Memo

To: Hot Springs Village Board of Directors
From: Tom Weiss, Vice Chairman
Date: October 18, 2017
Re: Motion – Proposed Board Policy Chapter 8, Article 2, “Board Member Recruitment” and Committee Charter

Motion

I move to approve Board Policy, Chapter 8, Article 2, “Board Member Recruitment” and the Board Recruitment Committee charter as presented.

Background

Effectiveness of the board in its governing role depends, in part, on the alignment of board member competencies with the mission statement and strategic needs of Hot Springs Village. Property owners and the Board must work together to identify a pool of board member candidates whose competencies will strengthen the board’s effectiveness in achieving those needs. Board Policy, Chapter 8, Article 2, “Board Member Recruitment” establishes a “needs based” process to board member recruitment.

1. Involving the property owners
2. Gaining credibility and trust in your board
3. Enhancing the effectiveness of your board

Drafts of Chapter 8, Article 2 Board policy, “Board Member Recruitment” and the Board Member Recruitment Committee charter are attached.

This was discussed at the September 20, 2017 regular meeting.
ARTICLE 2
BOARD MEMBER RECRUITMENT

Section I Purpose - Aligning Board Member Competencies
The effectiveness of the board in its governing role depends, in part, on the alignment of board member competencies with the mission and strategic needs of Hot Springs Village. Additionally, the board of directors has a fiduciary responsibility as a part of its duties of care and loyalty to ensure property owners are presented with a clear understanding of what strategic needs the Board and Leadership will be addressing in the future and what competencies would enhance the Board’s effectiveness in doing so. This information and a pool of candidates with the needed competencies ensures our election process is effective.

Section II Board Member Recruiting Process
In an effort to increase the effectiveness of your POA Board and to involve the property owners in the process, we will use the following “needs based” approach to board member recruitment.

A. This process will contain the following and will be shared with the property owners:
   1. A key strategic needs assessment for the next 3-5 years
   2. A Board Members’ position description and pledge
   3. A targeted professional experience needs listing required to enhance board effectiveness
   4. A standing board committee made up of three members of the board (who are not running for election) and 3 property owners will be responsible for:
      a. Informing property owners on the process and strategic needs
      b. Inviting property owners to identify candidates
      c. Discussing the needs based approach with candidates
      d. Educating candidates on governance roles and encouraging them to run
      e. Providing a list of interested candidates to the board

B. This recruitment process is aimed at:
   1. Involving the property owners
   2. Gaining credibility and trust in your board
   3. Enhancing the effectiveness of your board

Section III Board Member Eligibility
These best practices are recommended to ensure successional leadership. We recognize any property owner who meets the eligibility requirements stated in Article VIII, Section 3 of the Bylaws may run for the Board, independent of this process.
I. AUTHORITY

Article XII, Section 1(B), of the By-laws of the Hot Springs Village Property Owners Association. The Board Member Recruitment Committee is accountable to the Board of Directors.

II. PURPOSE

The Board Member Recruitment Committee contributes to an effective board of directors recruitment process by presenting property owners with a clear understanding of what strategic needs the Board and leadership will be addressing in the future and what competencies would enhance the Board’s effectiveness in doing so, and providing the Board with a list of candidates who have the needed competencies.

III. ORGANIZATION AND APPOINTMENT

The committee shall consist of a Committee Chair (appointed annually by the Board Chair at the Board retreat), two elected Board members (appointed by the Committee Chair, and who are not running for election), and three property owners.

IV. DUTIES AND RESPONSIBILITIES

The Board Member Recruitment Committee will use a “needs based” approach to the board member recruitment process, which contains the following attributes:

A. Informing property owners on the board-election policy, process, and strategic needs.
B. Inviting property owners to identify board-election candidates.
C. Discussing the needs based approach with candidates.
D. Educating candidates of governance roles and encouraging them to run for the board of directors election.
E. Providing the Board with a list of interested and qualified board of director candidates by December 31st.

V. LIMITATIONS

A. The committee shall work through the Board Chairman to recommend assignments for staff or other committees. The committee shall not issue orders to any POA employee, nor will any member have the authority to discipline employees.
B. The committee is not authorized to commit funds of the POA.

C. No committee member shall engage in any activity that would constitute a conflict of interest with the duties and responsibilities of the committee.

D. Committee members are prohibited from accepting any form of gratuity, any form of remuneration from suppliers, contractors, realtors, property owners, or any person doing business, attempting to do business, or in conflict or competition with the POA.

E. The committee shall not seek policy or rules changes with governmental agencies or outside stakeholders. Such recommendations shall be made to the Board Chairman for further consideration and action.

F. Committee members are not authorized to submit minutes or unofficial reports to anyone other than the COO, who serves as the Secretary and official record keeper of the corporation.

VI. MEETINGS

The committee will meet monthly between their appointment and candidate list submittal, or as required, to ensure a continual and effective board-recruitment process.

As an advisory committee to the Board of Directors, meetings of this committee may be closed sessions due to the sensitivity of the subject matter.