

IADD LEADER GUIDE

2025/26

Cheat Sheet

4 HOW TO GET AWAY WITHOUT READING THIS WHOLE GUIDE!



Guide

5 WELCOME TO THE BOARD

Serve with enthusiasm...
... and get something back!
Who is the Board?
Officers
President

6 President-Elect

Secretary/Treasurer
Immediate Past President
Vice Presidents
Board Directors
Legal duty

7 Board meetings/agenda

Effective Board member checklist

8 Getting ready for the Board meeting

9 FUNCTIONAL AREAS/YOUR RESPONSIBILITIES

Chapters

10 Education

11 Membership Engagement

12 Membership Recruitment

13 Sales & Marketing

14 Technical Services

15 How candidates for elected positions are selected

Committee Chairs

Task Force Chairs

16 Chapter Officers

Reference

17 GOALS & STRUCTURE

Vision
Goals
Performance Plan
IADD in brief

18 Constitution and bylaws

Membership
Nonprofit designation
Antitrust guidelines

19 Other policies

Role of staff

20 OTHER COMMITTEES & TASK FORCES

Overview
Awards Committee
Braille Standards Task Force
Bylaws Revisions Task Force
DDES3 Task Force
Dues Restructuring Task Force

Reference (continued)

21 Education Committee

- Executive Committee
- Finance Committee
- Membership Committee
- Nominating Committee
- Odyssey Committee
- Program Planning Task Force(s)
- Sales & Marketing Committee
- Technical Services Committee

22 TechTeam™

- Volunteer Pipeline Task Force

23 MEETINGS & PROGRAMS

- Midyear Leadership Conference
- Xchange
- Annual Business Meeting
- Annual Meeting
- Odyssey Expo

24 BENEFITS & ACTIVITIES

- Membership Benefits
- Awards

25 Chapters

- The Cutting Edge*
- E-Newsletters
- Glossary of Terms
- Logos
- Membership and Resource Directory

26 Online Gift Shop

- Online Store
- Plaques
- Podcast
- Publications, Tech Tips and Tech Notes
- Recommended Specifications and Standards
- Resource Library
- Social Media Sites
- TechTeam™
- Training Guide – Bending Rule

27 Videos

- Wage and Fringe Benefit Analysis
- Website URLs

28 FINANCE

- General
- Understanding financial operations

Articles

30 Your Legal Duties

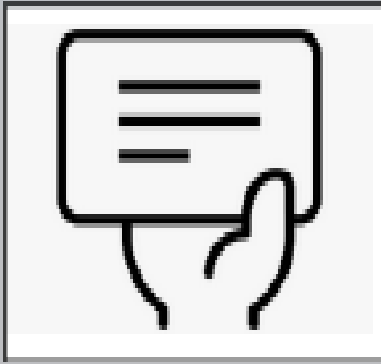
- What the law expects of you as a board member

32 Conversation That Counts

- Engaging in the right dialogue at the board table

35 Get On Board

- Perspectives on becoming a great board member



CHEAT SHEET

Don't have time to read this whole Leader Guide? Just follow these 5 quick steps and *in less than 15 minutes* you'll know everything you need to be an effective and knowledgeable Board member!

Step 1:

Find your function!!! **READ ONLY THE ONE PAGE** (from pages 8 through 14) that applies to your position and has your name on it!

Approx. time: **3 minutes**

Step 2:

REVIEW THE BOARD CHECKLIST (page 7).

Approx. time: **3 minutes**

Step 3:

READ GETTING READY FOR THE BOARD MEETING (page 8).

Approx. time: **2 minutes**

Step 4:

Shuffle through all the pages and **LOOK QUICKLY at anything highlighted with a gold star.**

Approx. time: **3.5 minutes**

Step 5:

SCAN EVERYTHING ELSE for anything interesting that catches your eye.

Approx. time: **3.5 minutes**

Later:

Use the Guide as an **ongoing reference.** When you need it, read anything that applies.

WELCOME TO THE BOARD

Serve with enthusiasm...

Congratulations: You've been elected or appointed to the IADD Board of Directors. You now have an awesome responsibility to serve and serve well. You'll be working regularly with a group of professionals at the peak of their careers, making decisions that will have a direct impact on the association's directions, members and staff.

... and get something back!

There are many advantages to board work, one of which is fine tuning your leadership skills. Chief among them is strategic thinking—learning to think down the road about internal and external factors that will affect the organization or the industry as a whole. As you grow in your role on the board, you'll gather insights from colleagues as well as from board training that will help you think about the future in both concrete and abstract ways. Your knowledge will benefit both the IADD and the company you work for. Soon enough, you'll contribute more to the board than just votes on issues.

You'll also learn the importance of diversity of thought. It is a great equalizer: the best boards make room for all kinds of ideas, and you have a responsibility to voice them. No one can take your thoughts away from you, but you have to express them in order to be heard and gain respect among your peers. Don't lose your voice just to fit in—that's not the reason why you were elected.

Who is the Board?

The Board is the main decision making body of the Association and is responsible for determining Association policy, establishing the bylaws, approving the annual budget, setting the dues structure and determining the goals of the Association. The Board ensures the continuity of the Association by planning for the future, establishing and reviewing the major policies and

programs that support its mission and making sure that the organization is financially sound.

Currently the IADD Board is made up of 7 Officers and 10 Directors. All Officers and Board Directors are expected to attend two board meetings per year and participate in other committee or task force meetings (usually by conference call) that may arise as a result of their Board assignments (Board members are assigned functional responsibilities which may result in their participation as a liaison or member on a related committee or task force). Travel is at the individual's own expense. The Board is staffed by the CEO.

Officers

The elective Officers of the Association are the President, President-Elect, Secretary/Treasurer and Vice Presidents. These Officers and the Immediate Past President also form the Executive Committee (see Committee section) and are members of the Board of Directors. Current bylaws require successful candidates for these positions to have previously served on the Board for one year prior to the beginning of their service.

President

The President is responsible for running the Association in keeping with the goals and objectives established by the Board of Directors. As chief elected officer, they often are a spokesperson for the Association to represent the best interests of the members, the Association and the industry. They are a strong motivational force in the association and provide personal leadership to the other Officers, Board members, committee members and staff during their two-year term. Specifically, they:

- preside at all meetings of the Executive Committee, Board and membership
- ensure that the IADD follows its strategic plan

- monitor the progress and effectiveness of ongoing programs and ensure that new programs and policies are presented to the Board
- work with the President-Elect and CEO to appoint committee and task force Chairs
- often serve as a co-chair of the Odyssey Planning Committee
- may serve as an ex officio member of all committees except Awards, Finance and Nominating
- delegate duties to other Officers, Board members and committee and task force Chairs

President-Elect

The President-Elect is the second-ranking elected officer in the Association and automatically assumes the presidency at the conclusion of their two-year term. They support the President in fulfilling the goals and objectives of the Board of Directors by providing continuity to established programs and formulating future programs for their own presidency. Specifically, they:

- assume the responsibilities of the President in their absence
- assist and make recommendations to the President in creating committees and appointing Chairs
- attend Executive Committee, Board and business meetings of the Association
- often serve as a co-chair of the Odyssey Planning Committee
- serve on projects that further the goals of the IADD
- accept responsibilities delegated by the President

Secretary/Treasurer

In their two-year term, the Secretary/Treasurer supervises all financial affairs of the Association, represents the financial interests of the membership and ensures the financial viability of the Association and its programs. Specifically, they:

- chair the Finance Committee
- work with the CEO to prepare the annual budget
- monitor fiscal policy, oversee preparation of monthly financial reports and see that the poli-

cies and programs established by the Board have adequate financial allocation to achieve their objectives

- attend and report the Association's financial condition at Executive Committee, Board and Association business meetings

Immediate Past President

The Immediate Past President of the Association serves for two years (optional) to provide continuity of leadership. Specifically, they:

- chair the Nominating Committee
- chair the Awards Committee
- attend the Executive Committee and Board meetings

Vice Presidents

In accordance with the current Bylaws, the Board of Directors determines the number of, and defines the responsibilities of, the Vice Presidents. The Vice Presidents may represent geographic regions, functional areas or other purposes.

Vice President positions are elected for two-year terms. Successful candidates must have previously served on the Board for one year prior to beginning their service. Candidates may be re-elected for up to three consecutive two-year terms. Vice Presidents are Officers of the Association and members of the Executive Committee.

Board Directors

Every Board Director position is function-based, and 2-3 of the 10 director positions are responsible for the association's chapters. The remaining positions are assigned functional responsibilities as needed by the association.

Legal duty

All Board members have many responsibilities. In the eyes of the law, however, their single most important legal duty is prudently managing the affairs of IADD. This doesn't mean personally overseeing day-

to-day affairs. That's the job of IADD's paid professional staff. The ultimate responsibility for actions (or inactions) of IADD as a legal entity rests with the Board. A Director fulfills the responsibility to manage the IADD's affairs by acting with the same degree of skill and care as he or she would exercise in business affairs. Directors have an obligation always to act in the best interest of IADD. The Board's legal responsibilities to the federal government primarily involve antitrust and tax laws. All volunteer leaders are covered under the IADD's comprehensive Officers and Directors Liability insurance coverage. For more information, see the article *Your Legal Duties* on page 32.

Board meetings/agenda

The Board meets twice each year (usually March/April online and October/November in-person), and the President sets the agenda with input from the Executive Committee and Chief Executive Officer (CEO). All items to be considered by the Board should be submitted to the CEO in writing at least three weeks prior to each Board meeting. Matters for Board action may include:

- projects and activities requiring expenditures of Association funds, regardless of whether the amounts were approved as part of the Association's annual budget and planning process
- recommendations for new Association policies and procedures or amendments to existing policies and procedures
- requests to enter into contracts or agreements with outside consultants or vendors for services or products
- requests to seek outside funding or sponsorship
- requests to present stand-alone programs and special conferences
- recommendations for new or revised Association bylaws

If Board action needs to be taken at a time other than a regular meeting, the Board may act by a poll. Minutes of each Board meeting are prepared by the CEO and approved at the Board's next meeting. Minutes are available to any member upon written request to the IADD headquarters.

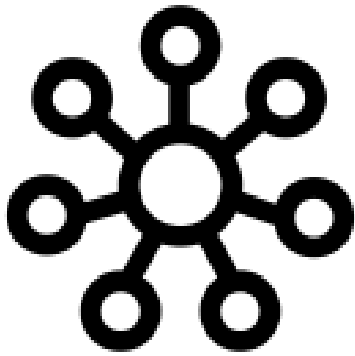
EFFECTIVE BOARD MEMBER CHECKLIST

- | | |
|---|--|
| <input type="checkbox"/> Have I read the IADD Leader Guide? | <input type="checkbox"/> Do I treat the affairs of IADD as if they were my own? |
| <input type="checkbox"/> Do I understand my IADD responsibilities (job description/function)? | <input type="checkbox"/> Do I ask questions if I do not understand policies or procedures? |
| <input type="checkbox"/> Do I attend and participate in Board meetings? | <input type="checkbox"/> Do I avoid self-serving policies? |
| <input type="checkbox"/> Do I read the minutes of every Board meeting? | <input type="checkbox"/> Do I understand the different roles of Board and staff? |
| <input type="checkbox"/> Do I follow through on Action Items which are assigned to me? | <input type="checkbox"/> Do I know if IADD is living up to all the requirements of its nonprofit status? |
| <input type="checkbox"/> Do I understand IADD's budget and finances? | <input type="checkbox"/> Do I monitor the image of IADD in the community on a continuing basis? |
| <input type="checkbox"/> Am I familiar with the IADD's Performance Plan? | <input type="checkbox"/> Do I help the Board be truly representative of its members? |
| <input type="checkbox"/> Do I read <i>The Cutting Edge</i> each month? | |
| <input type="checkbox"/> Do I understand and enforce the antitrust policy? | |
| <input type="checkbox"/> Do I periodically review IADD's Vision, Goals and Constitution and Bylaws? | |

Getting ready for the Board meeting

Effective board leadership is one of the keys to successful association management. Here are some suggestions for making a difference:

- Attend every meeting.
- Don't feel that you have to speak on every item. You really don't, unless you feel strongly about something.
- Read the Board meeting minutes and all materials sent to you prior to the Board meeting.
- Communicate with the CEO and other staff throughout the year, not just at the Board meetings.
- Don't get involved in the day-to-day administration of the Association and its staff. Your job is to develop strategies, come up with new ideas, set policy and implement projects. The CEO's job is to manage the office and staff.
- Respect the views of your fellow Board members.
- Respect the diligent efforts put into recommendations by the staff and committees.
- Speak clearly and state your position or motion in a direct, concise manner.
- Arrive on time for meetings.
- Don't carry on side conversations.
- Remember that you represent a group of people. Base your decisions on the best of the group, not on your individual preference or personal agenda. Your decisions must take into account the Association as a whole.
- Respect the confidentiality of the Board.
- Don't personalize debates. Focus on issues rather than personalities.
- Recognize potential conflicts of interest.
- Have a sense of stewardship for the Association. Understand and identify with its central purpose, goals and values. See the big picture.
- Do your homework. Give the necessary time for thoughtful planning, study the information given to you and stay on top of current situations.
- Bring your expertise, judgment and understanding of the issues to Board meetings.
- Be an enthusiastic advocate. Use your prestige to sell the Association and its programs and activities.
- Think futuristically. Help your organization evaluate how social, political and economic trends will impact the Association's goals and activities.
- Set sound and explicit policies, and set priorities that will ensure the long range survival of the Association. Constantly evaluate strategy alternatives and bring information about the field to the CEO.
- Exercise sound judgment by making decisions based on facts, not opinion. Don't hesitate to send something back to a committee or task force for more work.
- Think creatively. Furnish ideas and ask questions to help the Board be productive.
- Share in the decision making and support the democratic process. Establish a system of trust and mutual respect. Treat everyone as a source of creative input. Have a positive attitude and a sense of humor; harmony is required to achieve goals.
- Ensure the financial viability of the Association. Oversee the commitment of resources and monitor programs and priorities.
- Respect the authority and responsibility delegated to committee, task forces, staff and other segments of the Association.
- Be realistic regarding achievements.
- Admit mistakes, individual and organizational, and then move on.
- Set an example for less experienced members of the Association.



CHAPTERS

PURPOSE: Ensure that the IADD is accessible to everyone within the industry in a cost-efficient and effective manner that provides maximum value.

PROJECTS:

- Plan & organize 1-4 technical and/or social meetings annually (per chapter), according to need
- Create a robust prospective member list for each region/functional area
- Identify prospective members, key players and future chapter leaders
- Develop unique ways to provide local access in all geographic areas and/or virtual access in diverse functional areas
- Encourage the formation of new chapters and growth of regional membership

BOARD DIRECTORS

**DERRICK AMES (CA LM TC),
GREG FADDIS (CB6 RM):**

- report to the VP
- communicate with, support & be a mentor to chapter officers; provide an awareness of other chapters' activities
- advocate for chapters; raise chapter officer concerns
- encourage/help chapter officers hold meetings & activities; attend where possible
- provide a quarterly written update on chapter activity
- attend Board meetings 2x per year

VICE PRESIDENT NATALIE TAYLOR:

- reports to IADD President
- provides vision/oversees & coordinates communication & sharing of information among Directors; identifies trends
- provides a written & verbal update on chapter activities at each Executive Cte/Board meeting
- attends Executive Committee, Board & Association business meetings
- works with staff to oversee chapter activities & help bring meetings/projects to fruition

STAFF:
Leanne Schimming





EDUCATION

PURPOSE: Develop integrated strategies for creation and delivery of the Association's educational offerings to make them diverse & easily accessible.

PROJECTS:

- Develop short video clips
- Curate and repurpose existing technical content created by/ from TechTeam, Annual (AM) & Midyear (MY) meetings, chapter meetings, Xchange & Odyssey Expo
- Ensure that educational offerings meet pre-set standards
- Assist Tech Services in planning AM & MY programs
- Create online education courses with The Packaging School
- Identify opportunities to partner with other organizations to provide, receive or share technical content

BOARD DIRECTORS

MIKE DAILEY, ANNE BARRETT, SARAH FARLEY, MARK GOCKLIN & COLE IPPOLITE:

- reports to the VP (or Chair)
- serves on the Education Committee
- assists in creating video clips and repurposing existing technical content
- assists with planning technical events or opportunities
- provides a quarterly written update on education activities
- attends Board meetings 2x per year

VICE PRESIDENT

VACANT (Chair is temporarily Mike Dailey):

- reports to IADD President
- provides vision/chairs the Education Committee, recommends appointment of committee members & assigns needed task forces
- provides a written & verbal update on education activities at each Executive Cte/Board meeting
- attends Executive Committee, Board & Association business meetings
- works with staff to oversee education activities & helps committee members bring projects to fruition

STAFF:

Leanne Schimming





MEMBERSHIP ENGAGEMENT

PURPOSE: Engage and retain a diverse international constituency of engaged members.

PROJECTS:

- Ensure that global membership satisfaction remains a high priority & is integrated into other IADD activities and endeavors
- Identify measurable engagement & retention goals and objectives
- Identify marketing efforts to engage existing IADD members
- Oversee ongoing development & expansion of the member database, creation of member surveys & evaluations & membership-related content in *The Cutting Edge* & on the website
- Develop various programs to support membership retention and engagement such as a member appreciation process, an updated welcome package, an exit interview process, etc.

BOARD DIRECTOR JOE MCDOWELL:

- reports to the VP
- chairs Member Engagement Subcommittee
- organizes mentor calls to new members
- develops member recognition vehicles
- identifies ways to increase member engagement
- develops member satisfaction surveys to identify trends & opportunities
- suggests membership-related content for magazine and websites
- provides a quarterly written report on engagement activities
- attends Board meetings 2x per year

VICE PRESIDENT GIACOMO FARNÈ:

- reports to IADD President
- provides vision/chairs the Membership Committee, recommends appointment of committee members & assigns needed task forces
- provides a written & verbal update on membership activities at each Executive Cte/Board meeting
- attends Executive Committee, Board & Association business meetings
- works with staff to oversee membership recruitment & engagement activities & helps committee members bring projects to fruition

STAFF:
Cassi Mills





MEMBERSHIP RECRUITMENT

PURPOSE: Recruit a diverse international constituency of engaged members.

PROJECTS:

- Ensure that global membership growth remains a high priority & is integrated into other IADD activities and endeavors
- Identify measurable recruitment goals and objectives
- Identify marketing efforts to increase IADD membership
- Oversee ongoing development & expansion of the prospect member database, creation of non-member surveys & evaluations, representation at trade shows & membership-related content in *The Cutting Edge* & on the website
- Recommend recognition of chapters or individuals who contribute to the increase of association membership

VICE PRESIDENT GIACOMO FARNÈ:

- reports to IADD President
- provides vision/chairs the Membership Committee, recommends appointment of committee members & assigns needed task forces
- provides a written & verbal update on membership activities at each Executive Cte/Board meeting
- attends Executive Committee, Board & Association business meetings
- works with staff to oversee membership recruitment & retention activities & helps committee members bring projects to fruition

STAFF:
Cassi Mills





SALES & MARKETING

PURPOSE: Develop integrated sales and marketing strategies and promotional campaigns for IADD membership, meetings and products.

PROJECTS:

- Develop a sales force to implement sales and marketing plans to promote IADD's products and services with the goals of increasing dues and nondues revenues, attendance at meetings and use of the TechTeam
- Work with Membership Committee to create sales and marketing plans to increase global association membership and retention
- Identify target audiences and develop key association messages to provide consistent branding of products and services throughout the world
- Assist in development of marketing and promotional pieces like brochures, flyers, video spots, etc.

BOARD DIRECTORS RICHARD APPLETON & DAVID BIALOGLOW:

- report to the VP
- serve on the Sales & Marketing Committee
- assist in identifying target audiences & develop specialized language
- suggest ideas for increasing sales of non-membership products and services
- make calls to promote activities like MFG Day, Xchange, Odyssey, etc.
- provides a quarterly written report on activities
- attend Board meetings 2x per year

VICE PRESIDENT (Chair is temporarily Brent Stephens):

- reports to IADD President
- provides vision/chairs the Sales & Marketing Committee, recommends appointment of committee members & assigns needed task forces; oversees Media chair
- provides a written & verbal update on sales/marketing activities at each Executive Cte/Board meeting
- attends Executive Committee, Board & Association business meetings
- works with staff to oversee sales/marketing activities & helps committee members bring projects to fruition

STAFF:
temporarily Leanne Schimming



TECHNICAL SERVICES

PURPOSE: Develop technical educational content and technical services that enhance the professional growth and knowledge of diemakers, diecutters, suppliers & other individuals who work in the converting industry.

PROJECTS:

- Identify topics, solicit authors & produce/submit a steady stream of technical articles for *The Cutting Edge* magazine
- Assist in creating technical programming for the Annual (AM) & Midyear (MY) meetings
- Review existing technical products/services for relevance, effectiveness & comprehensiveness; suggest improvements/additions
- Create new technical products/services (e.g., Diemaking/Diecutting 101) to meet needs of our diverse target audiences
- Oversee and improve online & printed Resource Directory

VICE PRESIDENT RICK RUCKH:

- reports to IADD President
- provides vision/chairs the Technical Services Committee, recommends appointment of committee members & assigns needed task forces; oversees TechTeam chair
- provides a written & verbal update on technical services activities at each Executive Cte/Board meeting
- attends Executive Committee, Board & Association business meetings
- works with staff to oversee technical activities & helps committee members bring projects to fruition

TECHTEAM CHAIR PATRICK QUINLAN:

- reports to the VP
- provides vision/oversees technical experts; recruits for subject matter diversity & knowledge of TT members
- ensures questions are answered quickly and confidentially
- recommends TT process improvements

STAFF:
temporarily Jenny
Holliday



How candidates for elected positions are selected

Nominations and elections are held in accordance with Article XI of the Association's Bylaws. Each year the President appoints a five-person Nominating Committee, chaired by the Immediate Past President and at least two members of whom are current Directors of the Board. This committee's responsibility is to monitor the nomination and election process throughout the year; ensure that qualified candidates for each vacant position are identified and properly nominated; prepare a slate of all duly nominated candidates; and present it to the CEO prior to elections in June/July.

So how do the candidates come about? An announcement of all vacant positions is made at the Annual Meeting and in one or two issues of *The Cutting Edge*. Members are encouraged to nominate themselves or others for all open offices and Board seats. There are three ways to become a candidate. You can be nominated: (1) by the Nominating Committee; (2) by the Board; or (3) by the general membership at the Annual Business Meeting or through the mail. Nominations by the general membership (No. 3) have to be seconded by at least ten members of the Association. At the Annual Business Meeting, this is easy because everyone is together and the seconders are simply asked to raise their hands and we count to ten. By mail, the seconds have to be submitted in writing and must be postmarked by a selected deadline, usually midnight December 31.

All of these nominations are duly noted by the Nominating Committee, which confirms the candidates' eligibility and prepares the aforementioned slate in February to submit to the Board. In June or July, the CEO prepares a ballot and sends it to all voting members, who must respond by a selected date (usually a date at least 60 days prior to the Annual Meeting). The ballots are counted, and the results are given to the CEO in late June/early July to be published on the website. Each of the new Officers and Directors is invited to attend their respective Executive Committee and Board meetings at the October/November Annual Meeting, but their terms of service officially begin at the close of this meeting, approximately one year after they were first nominated to serve.

Committee Chairs

The establishment, continuation or discontinuation of committees is the responsibility of the President, who acts in consultation with the President-Elect and CEO and with final approval by the Board. The Vice Presidents serve as the standing Committee Chairs for the five primary areas of functional responsibility (Chapters, Education, Membership, Sales & Marketing, Technical Services) for a two-year term. Other Committee Chairs are appointed by the President for a one-year term officially beginning with the close of the Annual Meeting. In practice, the Chairs are asked to begin planning for their committees as early as July or August to effect a smooth transition from the previous year. Unless otherwise noted, committee members are appointed by the Committee Chair with approval from the President/Board.

Specific Duties: Appoint committee members; develop/review the committee's purpose and goals and support the Association's Performance Plan; oversee committee operations and support the specific interests and concerns of Association members; submit quarterly committee reports; evaluate committee member performance; develop future committee leadership; and attend general Association meetings.

Task Force Chairs

Chapter and Committee Chairs may form task forces within their structure where necessary to carry out the work of their groups. The establishment, continuation, or discontinuation of association-wide task forces is the responsibility of the President, who acts in consultation with the President-Elect and CEO and with notice to the Board. Association-wide Task Force Chairs are appointed by the President as needed. The difference between committees and task forces is that the latter are created and disbanded for the term of a project and are less bureaucratic and more flexible in their implementation.

Specific Duties: Appoint task force members; oversee the specific project or activity to completion; and submit task force reports as requested, usually quarterly.

Chapter Officers


Each Chapter elects officers according to its policies and procedures, as long as these are consistent with the IADD Constitution and Bylaws. Generally speaking, Chapter elections are conducted by the IADD staff. Member nominations and votes are solicited by email. Chapter Officers serve in their positions for a renewable term of two years. Officers are encouraged to meet at the IADD Annual Meeting and every four months thereafter to discuss chapter activities. Inactive or ineffective Chapter Officers may be replaced at the discretion of the Chapter chair.

Chapters are currently established in these areas of the US and Canada:

- Can-Am
- Central Big 6

- Lake Michigan
- Rocky Mountain
- South
- Southwest
- Twin Cities

Specific Duties: Detailed duties and more complete Chapter information are contained in the online Chapter Resource Center.


**DO YOU UNDERSTAND YOUR
FUNCTIONAL RESPONSIBILITIES AS
LISTED IN YOUR JOB DESCRIPTION?**
(see pages 8 thru 15)

GOALS & STRUCTURE

Vision

The vision of the IADD is to be the definitive resource of the diecutting converting industry.

Goals

1: PROFESSIONAL AND BUSINESS DEVELOPMENT

The IADD will be a primary provider of information, educational and training programs that enhance the professional growth and competence of converters and contribute to the strength of the industry overall.

2: INDUSTRY RECOGNITION

Industry members will respect the IADD as a vehicle for information exchange and will understand the value of sharing, contributing and learning through participation in the IADD.

3: MEMBERSHIP

The IADD will remain strong and vital by attracting new members and retaining existing members in order to afford greater peer interaction and the influx of new ideas.

4: LOCAL ACCESS

The IADD will be accessible to everyone within the industry in a cost-efficient and effective manner that provides maximum value.

5: INDUSTRY INFLUENCE

The IADD's influence on industry standards and principles will result in continued improvement of production methods and consumption.

6: STRUCTURE

The governance structure of the IADD will support the projects and activities of the Association, including a continuous program of volunteer recruitment, training, recognition and evaluation.

Performance Plan

Each year the Board creates a Performance Plan for the CEO which—along with the Budget—becomes the entire Board's blueprint for the year's activities. The Performance Plan runs from April 1 through March 31 and often focuses simply on the following top tier goals:

- General Finance
- Membership & Engagement
- Non-Dues Revenue & The Cutting Edge Magazine
- Odyssey
- Education
- Leadership & AMS

The 2025/26 Performance Plan is to build a business plan for 2026 and beyond, keeping in mind general goals.

IADD in brief

The IADD delivers services which are uniquely valuable to diecutters, diemakers and industry vendors. It was created in 1972 by a small group of foresighted people. These individuals recognized that an Association could respond to needs which they, as individual companies, could not. From this small group, the Association evolved into an approx. 500 member organization whose companies span the globe and who continue to seek information and a common forum for networking and discussing subjects of common interest. Most recently, membership has eroded to under 500 due to the economic uncertainty and fallout from mergers and acquisitions. However, the Association is working hard to rebuild its membership base. The Association is still guided by the vision of serving as a worldwide leader and catalyst in inspiring industry suc-

cess and the ultimate benefits to society that the industry provides.

A 2015 mini survey of our members gave us some important information about our current members. CEOs, owners and managers form the primary membership (71%); front-line production employees and supervisors (8.5%), production, diemakers, diecutters and operators (6.4%), sales (9.6%) and other staff also benefit from our services and products. Approximately 40% of our members are age 46-55, with 27% 45 or less, 19% 56-65 and 12% over 65. Only 1% of our members have less than 5 years' industry experience; 4.1% have 6-10 years, 9.3% have 11-15 years, 11.3% have 15-20 years and 74% have over 20 years.

Perhaps more telling is how this has changed from 15 years ago. We are serving a much older and more experienced group than we did back then. Previously 23% of our membership had 10 or less years of experience. Now it is 5.1%. Previously 28% of our membership had 11-15 years' experience - now it is only 9.3%. And whereas 50% of our membership had over 15 years' experience, it is now a whopping 85.3%. At our upcoming Board and Chapter Officer meetings, we should continue to discuss how this shift in demographics affects all areas of the association - programming, content, marketing, membership, etc. Is this trend reflective of the industry at large, or are we failing to attract the younger, less experienced diemakers and diecutters? Are there other factors we should be looking at or other information we should be collecting?

Industries served by member firms include corrugated boxes, folding cartons, packaging, gaskets, rubber products, plastic and vinyl products, electronic circuitry, toys and games, labels, greeting cards, envelopes and other paper products.

Constitution and bylaws

Further descriptions of the Association's operations are contained in its Constitution and Bylaws which were amended in August 2020. The complete set of Bylaws is available on the IADD website at www.iadd.org.

Membership

Membership is available to any firm, corporation, or individual actively engaged in the field of diemaking and/or diecutting, including manufacturers and suppliers of products and services. Membership categories include Patron, Company, Affiliate, Associate, Individual, Subscriber and Alumni. These categories, and the levels of benefits and services aligned with each, are described on the IADD website at www.iadd.org.

Nonprofit designation

The IADD is a nonprofit corporation chartered in the State of Illinois and designated under the 501(c)(6) clause of the IRS Code for tax-exempt organizations which are business leagues (a membership organization created for the mutual benefit of the members).

Antitrust guidelines

All IADD leadership is asked to be familiar with antitrust guidelines for items which cannot be discussed at any association meeting.

Association members, officers, directors, agents and staff need to have an understanding of federal and state antitrust laws and how these laws apply to their activities. Not doing so may well be subjecting the leadership and the IADD to costly governmental investigations and prosecutions with a potential for fines and jail terms, or a costly private treble damage lawsuit.

Here is a list of subjects which should not be discussed at any IADD seminars, conferences, committee meetings, chapter meetings, or elsewhere or be the

subject of any type of agreement, whether formal or informal, express or implied, among competitors:

1. Prices to be charged to clients, customers or by suppliers.
2. Specific methods by which prices are determined, with directions as to “how to do it” for even less.
3. Terms and conditions of sale, such as credit or discount terms.
4. “Profit” levels, i.e., “here’s what our members need to do to make money.”
5. Whether a company’s pricing practices are unethical, improper, etc.
6. Coordination of “bids” or “requests for bids” or requests for proposals (RFPs).
7. Production levels or schedules.
8. Division or allocation of markets, territories or customers, i.e., “you have ‘XYZ’ and I get ‘ABC.’”
9. Refusal to deal with a customer or supplier.
10. Approved list of customers or suppliers.

Why is this important? Traditionally, the conduct of trade associations and professional societies has been subject to legal scrutiny because such organizations are (1) generally comprised of competitors who meet and who may take joint action on various matters of common interest and (2) have been misused in the past to carry out or facilitate anticompetitive purposes.

A link to these Antitrust Guidelines appears on the IADD website home page. If you have any questions or concerns about antitrust compliance, please immediately contact the IADD Chief Executive Officer for guidance.

Other policies

The IADD Board of Directors has approved the following policies: Anti-Discrimination; Conflict of Interest; Meetings and Events: Code of Conduct; Sexual Harassment; Social Media; and Whistleblower, all of which are available on the IADD website. Policies have also been approved on staff attendance (vacation, holidays, etc.), the use of technology in the office and document retention. These policies are available from the CEO. An overview of the IADD’s financial policies is located in the Finance section of this Guide.

Role of staff

The IADD’s vitality is enhanced by the strong partnership between its leaders and staff. Leaders provide technical expertise and a firsthand understanding of Association members’ needs and the needs of the industry. The staff utilize their administrative and management expertise to direct the Association’s day-to-day operations, freeing you for the essential tasks of planning and policy making.

During your term of office you will find the staff has the commitment and advanced skills to help you bring your ideas to fruition. Contributing their knowledge in committee meetings, planning sessions and other forums, they provide you with information, answer your questions, identify problems and offer solutions.

The staff keep abreast of the multitude of issues facing the industry and use this knowledge to anticipate trends and proactively recommend programs and policies which will best serve the diverse needs of the Association’s members. Profiles and bios for the current staff may be viewed on the IADD website.

COMMITTEES & TASK FORCES

Overview

The difference between committees and task forces is that the latter are created and disbanded for the term of a project and are less bureaucratic and more flexible in their implementation.

As mentioned previously, the establishment, continuation, or discontinuation of committees is the responsibility of the President, who acts in consultation with the President-Elect and CEO and with final approval by the Board. The Vice Presidents serve as the standing Committee Chairs for five primary areas of functional responsibility (Chapters, Education, Membership, Sales & Marketing and Technical Services) for a two-year term. Other Committee Chairs are appointed by the President for a one-year term officially beginning with the close of the Annual Meeting. In practice, the Chairs are asked to begin planning for their committees as early as July or August to effect a smooth transition from the previous year. Unless otherwise noted, committee members are appointed by the Committee Chair with approval from the President/Board.

Chapter and Committee Chairs may form task forces within their structure where necessary to carry out the work of their groups. The establishment, continuation, or discontinuation of association-wide task forces is the responsibility of the President, who acts in consultation with the President-Elect and CEO and with notice to the Board. Association-wide Task Force Chairs are appointed by the President as needed.

Awards Committee

Purpose: Reviews the different awards that are currently authorized by the Association to determine the proper criteria for the awarding of such awards; advises the Association Board of Directors on procedures to facilitate the unbiased and fair selection of recipients of awards authorized by the Association; and oversees the recommendation process for award recipients. See “Services and Activities” section for descriptions of the IADD’s Awards. Staff: Jenny Holliday

Braille Standards Task Force

Purpose: Formed within the purview of the Can-Am Chapter, develops recommendations for standards related to the use of Braille on packaging within the industry. Staff: Jenny Holliday (Currently inactive)

Bylaws Revisions Task Force

Purpose: Reviews current bylaws and makes suggested changes to the Board. Staff: Jenny Holliday (Currently inactive)

DDES3 Task Force

Purpose: IADD created the DDES3/IT8.6 Standard for prepress digital data exchange. This task force identified proposed revisions which were affirmed in 2017. Staff: Jenny Holliday (Currently inactive)

Dues Restructuring Task Force

Purpose: Reviews current dues levels and makes suggested changes to the Board. Staff: Jenny Holliday & Cassi Mills (Currently inactive)

Education Committee

See page 10.

Executive Committee

Purpose: Functions on behalf of the Board of Directors in emergencies and/or in between Board meetings; reviews and prepares Board agendas to ensure all matters are relevant and appropriate; develops the Association's strategic plan and coordinates implementation of same. Ensures that Board size and composition are synchronized with the Association's governance needs and its circumstances. Develops performance standards for Board members, recommending their adoption by the full Board, monitoring Board members' performance against these standards and recommending corrective action as appropriate. Directs and coordinates the work of the standing committees. Identifies issues and external influences impacting the Association. Ensures that a comprehensive orientation program for new Board members is implemented and that the leadership capability of members is systematically developed. Staff: Jenny Holliday

Finance Committee

Purpose: Advises the leadership regarding the finances of the Association and assists in the formation of the annual budget. Recommends to the Executive Committee policies and procedures related to financial matters. Membership on this committee is defined partially by the Association's Bylaws. Staff: Jenny Holliday

Membership Committee

Purpose: Establishes short- and long-range goals to achieve association membership objectives. Ensures that global membership growth, retention and satisfaction remain a high priority and are integrated into other activities and endeavors of the association. Has two primary subcommittees: Engagement (see page 11) and Recruitment (see page 12). Staff: Cassi Mills

Nominating Committee

Purpose: Develops a profile of desired characteristics and attributes of Board members, identifying likely candidates to fill Board seats and assessing their suitability and willingness to serve. Presents a slate of candidates for available Association leadership positions which is used to prepare the official election ballot. The Committee, whose operations are governed by IADD Bylaws, Article XI, consists of a Chair (usually the Immediate Past President) and four other members. At least two of the five members must be members of the Board of Directors. Staff: Jenny Holliday

Odyssey Committee

Purpose: A mix of members and staff from the IADD, as well as the contracted Exhibit Coordinator, this group oversees planning and implementation of the bi-annual Odyssey Expo trade show, including site selection, programming, registration, exhibits, etc. Staff: Jenny Holliday

Program Planning Task Force(s)

Purpose: Created to develop specific stand-alone technical seminars or programming for Xchange, Mid-year or Annual Meeting programming. Develops the program agenda, topics and speakers. This responsibility may also be handled by the Education and/or Technical Services Committees. (Currently inactive)

Sales & Marketing Committee

See page 13.

Technical Services Committee

See page 14.

TechTeam™

Purpose: The TechTeam is a group of dedicated and experienced industry professionals who stand ready to assist IADD members with their diecutting challenges. The TechTeam's mission is to quickly research and answer technical diecutting and diemaking questions in an unbiased, confidential, current and direct manner. See page 14.

Volunteer Pipeline Task Force

Purpose: Develops a continual pipeline of potential volunteers for all areas of the Association, from one-time opportunities all the way to future leadership. Staff: Leanne Schimming

Other Task Forces

From time to time the President or the Board will appoint special Task Forces for the purpose of completing a specific task or activity. Task Force Chairs are asked to follow the same appointment and quarterly reporting procedures as standing Committee Chairs.

MEETINGS & PROGRAMS

Midyear Leadership Conference

Usually held in March/April of non-Odyssey years, this Conference focuses on providing industry executives with the practical tools they need to succeed in our quickly-changing and demanding economy. Members join other top managers facing similar issues and find practical ways to meet the challenges of today's tough competitive environment. Internationally recognized experts present the newest management theories and motivational programs to maximize the performance of owners, managers and staff and to help industry leaders manage their businesses more effectively and more profitably. For several years this conference has been held jointly with the Foil & Specialty Effects Association or the Gasket Fabricators Association. Registration fees for non-members usually run approximately 40%-50% higher than for IADD members. *May become less frequent due to attendance trends and as the Board voted in 2024 to begin holding their Spring meetings online.*

Xchange

Xchange programs are intensive, highly focused, one-day seminars geared toward converters and diemakers. A panel of industry experts is assembled to provide answers for the most challenging issues faced in one particular area, such as gaskets, folding cartons, corrugated, packaging, paperboard, etc. Attendees may submit questions and challenges in advance and receive specific, personalized answers on-site. Offered in conjunction with the IADD Chapters (who handle the local promotion) and/or with the IADD Annual Meeting, these programs may also include a networking lunch, tabletop trade fair featuring the latest in supplies and equipment and an end-of-day hosted bar for additional interaction.

Annual Business Meeting

Now held online so all members may attend, this is the official annual meeting of the membership. Usually held October/November, this meeting features Association updates, nominations and sometimes awards or other presentations.

Annual Meeting

Usually held October/November, the IADD Annual Meeting provides members with the knowledge they need to get ahead. A variety of programs are targeted to senior managers and owners, as well as middle managers and other personnel. Ranging from emerging technologies to training and skill improvement, these programs are designed to increase members' professional and personal growth. Registration fees for non-members usually run approximately 40%-50% higher than for IADD members.

Odyssey Expo

The IADD sponsors this unique technical education and technology exhibition. Odyssey combines problem solving for a wide array of hard-to-cut materials with issues related to converting folding cartons and corrugated, as well as covering foil stamping and embossing.

The creative educational sessions blast beyond mere theory and the talking heads seen at other seminars. Participants find themselves seated inside a fully operational diecutting, diemaking, foil stamping and embossing TechShop,[™] where show-and-tell clinics are enhanced by real-time diemaking and diecutting demonstrations using the latest high-tech equipment.

The Odyssey is held every other year in the odd-numbered years. Odyssey has its own website at www.OdysseyExpo.org.

BENEFITS & ACTIVITIES

Membership benefits

IADD members receive a number of benefits and services for their dues (individual members receive selected but not all benefits). Some of these include:

- subscription to monthly magazine, *The Cutting Edge*
- listing in the printed and online Membership & Resource Directory
- listing on IADD website and link to company's website
- new member profile and listing in magazine upon joining
- complimentary membership plaque (voting members only) and membership display sticker
- use of online TechTeam for problem solving
- access to 700+ technical item Resource Library
- free Chapter membership and discounts on Chapter programs
- discounts on educational programs, training modules, advertising rates, videos and publications

Some of these benefits are described in more detail below.

Awards

A complete list of IADD Award recipients is available on the IADD website.

Lifetime Achievement Award. Honors exceptional, long-term and consistent contributions to the industry and the Association. Recipients' achievements will have led to the advancement of the industry and Association. Presented as deemed appropriate.

S. Ray Miller International Award. Honors IADD members who have been instrumental in advancing the

state of diecutting or diemaking on an international basis. Participation in the global industry, having an impact on international sales, through product or process development and participation in the advance of our industry through education or training. Presented as deemed appropriate. (Note: this award has been retired.)

Cutting Edge Award. Honors the person (or team of people) who has made the most positive impact on our industry, preferably within the last 24 months, demonstrating a unique, meaningful, or emerging contribution to the diecutting/diemaking industry. This contribution may be in the form of technology, hardware systems, methods, association development and betterment, active participation within the IADD, education, or through some other significant contribution to further the industry as a whole. The award is presented annually, and past recipients are eligible.

Pillar Award. This award recognizes service to the Association and industry not covered by other awards. This award is for those who have served the IADD over a period of time and not less than eight years. The criteria include having made huge contributions to the Association, whether through committee work, chapters, presentations, articles, Odyssey, etc. This person is perceived to be a pillar of information and expertise. The award is presented as needed.

Presidential Award. Bestowed by the current IADD President to honor exceptional leadership, active support of IADD programs and activities, significant contributions to the Association and achievement in the industry. Presented bi- or semi-annually.

Safety Award. Various award levels recognize companies with the most consecutive incident/accident-free days in categories of hours worked. Presented annually.

Unsung Achievement Award. Recognizes deceased leaders within our Association and industry who have gone unrewarded or unrecognized for their significant contributions to the diemaking, diecutting and converting industry. Presented sporadically.

Chapters

IADD members can maximize the value of their membership by participating in a local chapter. Chapter meetings allow diecutters, diemakers and industry vendors to network with others who share interests and concerns. Participants exchange ideas, discuss local problems, compare notes on new products, meet competitors and establish better business relations. The IADD supports the development of additional chapters when interest is expressed. Current Chapters are listed on the IADD website.

Chapters have their own leadership and may hold separate meetings, may establish committees and may pursue such courses of action as they deem desirable subject to overall review and control by the Board of Directors of the Association. Also see page 9.

The Cutting Edge

The Cutting Edge is a technical journal and trade magazine written and edited specifically for diecutters, diemakers and industry suppliers who are faced with the need to stay ahead of technologies in an industry that is changing at break-neck speed. Twelve times a year, *The Cutting Edge* gives its 1,500 average monthly readers timely coverage of diecutting converting industry issues and trends relevant to commercial and implant diecutters and diemakers, along with detailed, how-to technical articles on a variety of aspects of the diecutting and diemaking process. Plus, *The Cutting Edge* keeps its readers up-to-date on Association news and activities and provides an opportunity for members to showcase their expertise through authorship of articles.

The magazine is also available online at library.iadd.org/cutting-edge which offers electronic versions of the magazine, archived issues, access to the technical Resource Library, advertising information, a link to the IADD website and more. Author Guidelines and Advertising Rates are also available on the IADD website at www.iadd.org.

E-Newsletters

The IADD staff creates e-newsletters which are distributed monthly or quarterly. Members receive a monthly update email with the latest Association news and events. “Training News” provides quarterly resources and opportunities.

Glossary of Terms

The online Glossary is a compilation of over 500 words and definitions most commonly used in the diecutting process. It is also available in Spanish as a PDF.

Logos

IADD provides all of its members with camera ready Association logos which they can use for imprinting onto their letterheads, invoices, ads, etc. By displaying the IADD logo, members designate that they are professionals belonging to their industry association. (Free to members; not available to non-members)

Membership and Resource Directory

This publication and online directory lists an extensive network of diecutters, diemakers and suppliers around the world and breaks out many categories of diemaking and diecutting. It is an excellent peer consultant directory.

Online Gift Shop

Visit IADDrules, our online shop at www.redbubble.com/people/iaddrules to purchase creative gifts for the diecutting, diemaking, foil, specialty effects, folding carton and corrugated converting industries.

Online Store

Visit the IADD's online store at www.IADDstore.org to purchase and/or download many IADD publications and products. Members receive discounts on many items.

Plaques

Attractive wood and metal membership plaques are available to all company members to denote their membership in the one professional organization representing their industry. The sturdy 8" x 10" (20.32 x 25.4cm) plaques convey a clean, modern image and contain the IADD logo, the word "Member," and places for five years' worth of plates. Year plates are issued annually to all members. All member companies receive one free plaque. (\$15 USD for members; not available to non-members)

Podcast

IADD Die-Verse Thoughts is a podcast featuring "technical knowledge and expertise to die for." The experience and skill of our IADD members is as vast as it is varied. This series brings a wealth of information, tips, solutions, trends, training, history and more. You can find our podcast, created under the auspices of the Media Committee, here: <https://itunes.apple.com/us/podcast/iadd-die-verse-talks/id1225424862> or here: <http://iaddmedia.org/podcasts/> (Currently inactive)

Publications, Tech Tips, Tech Notes

The IADD offers a library of technical publications designed to illustrate the fundamentals of topics

such as calibrating the press, eliminating flaking, corrugated structural design, soft anvil rotary accuracy, etc. See the online store for a complete listing. (Range from 10-60 pages) (\$20-\$50 USD for members; \$30-\$80 USD for non-members)

Recommended Specifications and Standards

This valuable publication includes revised and expanded specifications for products used in the diecutting and diemaking industry. Rule, punches, counter plates, cutting plates, ejection material, dieboard, automatic rule bending machines, rotary diecutting, plotters and lasers are only some of the 20 different chapters covered. (160 pages - currently available as a free download online)

Resource Library

The IADD maintains a library of over 700 substantive articles and technical papers online at the website. A powerful search engine allows members to find articles of interest. (Free to members only)

Social Media Sites

Quick links to the IADD's LinkedIn page, Facebook page, YouTube channel and podcast are located at the bottom of the home page at www.iadd.org.

TechTeam™

Visit the IADD website to access the TechTeam where members can go to get their toughest converting questions answered, quickly and confidentially. (Free to members only; other associations may subscribe for a fee)

Training Guide – Bending Rule

The IADD offers a self-training module which is designed for independent use in learning how to bend rule. The manual's eight chapters cover a general in-

roduction of the industry, measurement, tools and equipment, types and characteristics of steel rule, bending steel rule, skill development, blueprint reading and ejection information. The module also contains a laser cut dieboard with 25 practice figures, a vinyl and a dimensioned drawing with which the student can practice until proficient. (60+ pages) (\$150 USD for members; \$450 USD for non-members)

Videos

Educational videos are recorded onsite at Odyssey, Chapter meetings and Xchange programs with participation by real diemakers and converters. Videos are the perfect way to enrich employees' knowledge at their pace and their schedule. Topics such as cutting and creasing plastics, soft anvil rotary rubbering and improved corrugated nicking techniques are available. See the Online Store at www.IADDstore.org for a complete listing. (Prices range, but average around \$50 USD for members; \$75 USD for non-members)

In addition, various videos and how to's are published on the IADD's YouTube Channel which can be accessed from the home page at www.iadd.org.

Wage and Fringe Benefit Analysis

The only statistical study of its kind in the industry. Quickly determine how your remuneration package compares to others [Not currently available; may be reinstituted in future.]

Websites

Visit www.iadd.org for 24/7 access to the online Membership & Resource Directory, Events Calendar, Resource Library and much more. Includes President's columns, what's new, industry links and staff and contact information. In addition, the main website provides links to all of the services listed below:

Over 700 technical articles, videos and publications can be found in the online Resource Library at library.iadd.org.

Visit www.IADDstore.org for a variety of educational videos, publications, training guides, free downloads and other products.

The online version of the monthly magazine can be found at library.iadd.org/cutting-edge, along with archived editions, advertising information and more.

Access the TechTeam™ at www.askTechTeam.org to get personalized technical solutions to your toughest converting problems.

Information about the Odyssey—our industry's premier trade exposition—is available at www.OdysseyExpo.org.

Chapter information is available at www.iadd.org/chapters.

The online calendar can be accessed at www.iadd.org/events.

The "Die-Verse Thoughts" podcast can be accessed at <https://itunes.apple.com/us/podcast/iadd-die-verse-talks/id1225424862> or here: <http://iaddmedia.org/podcasts/>

Visit IADDrules, our online shop at www.redbubble.com/people/iaddrules to purchase creative gifts for the diecutting, diemaking, foil, specialty effects, folding carton and corrugated converting industries.

FINANCE

General

The Association's fiscal year runs from April 1 through March 31. In January/February of each year, the Finance Committee prepares an annual budget setting forth an estimate of expenses and income for the succeeding fiscal year for approval by the Board of Directors at the midyear meeting. Usually, the Association's goal is to have projected revenues equal to or exceeding projected expenses, although occasionally the Association incurs a deficit in a given year to meet an emergency need or invest in a program, activity, or publication from which projected revenues are anticipated in later years.

The Association earns investment income from its limited reserve funds, which provides a modest portion of its operating budget.

The purpose of a reserve is to help the association survive during economic bad times without increasing dues, service fees, or drastically cutting back on its operating expenses. The IADD's reserve goals are:

1. To achieve an operating reserve that is approximately 50% of annual IADD gross operating revenue.
2. To achieve an Odyssey reserve that is approximately 20% of Odyssey gross operating revenue.
3. At least 25 % of reserves should be invested in short term vehicles (available within 60 days).
4. Up to 75% of reserves may be invested in long term vehicles.

The **Board of Directors has approved detailed financial policies** regarding reserve funds, investments, bank accounts, signatories and reimbursement of members, all of which are available from the CEO.

Understanding financial operations

Educating yourself about typical nonprofit policies and procedures will give you the knowledge you need to carry out your fiduciary responsibilities.

It is important for you to know the differences between the goals and operations of for-profit and nonprofit organizations. For-profit organizations, which are typically governed by compensated boards and corporate insiders, obviously have a profit motive. Nonprofit organizations, on the other hand, are usually governed by volunteer leaders, and although these organizations must at least break even to survive, making a profit is not their primary goal. Typically they exist to improve conditions for society or advance a specific cause, profession, or industry, hence their nonprofit, tax-exempt status. However, this does not mean that the IADD should not make a profit or price its products and services to be profitable.

Nonprofit organizations must report the results of their efforts to the public and to federal, state, and local agencies by filing the annual Form 990 federal tax return; producing and distributing annual reports; and submitting other reporting documents, as required.

On a quarterly basis, the Secretary/Treasurer provides financial reports to the Board of Directors. It is your responsibility to review the financial statement and ask questions where appropriate. General questions which you may wish to ask about IADD finances include:

- Are adequate cash balances and reserves maintained?
- Are investment and reserve policies in place (see previous paragraphs)?
- Are financial statements prepared regularly?

- Do financial statements contain budget and prior-year information?
 - Are financial statements easy to read and understand?
 - Is a budget prepared annually?
 - Has adequate insurance coverage been purchased?
 - Are there adequate internal controls?
 - How often is an independent audit performed?
 - What are the observations or analyses that the Finance Committee has considered?
 - Have there been any unexpected events, or do we anticipate external changes of which the full Board should be aware? For example, are we experiencing any change in membership renewals from this same time last year?
 - Are there any reasons why we should be worried? Are there opportunities that are going unexplored?
- The members of your Association have invested their own money, or their organization's money, in the Association, and they have entrusted you with ensuring that their funds are used wisely. Do not hesitate to ask questions.

If we don't run our
association like a business,
we won't be in business.

Your Legal Duties

What the law expects of you as a board member

The ultimate authority for managing your association's affairs is vested in the board. Because the law grants you such authority, the law also imposes on you a standard of performance—an obligation to act in the organization's best interests.

By agreeing to serve on your association's board of directors, you have made a significant commitment that brings with it several important responsibilities. Some of these responsibilities are imposed by state law; others came about as a result of years of court decisions that have imposed various fiduciary duties on directors.

Fiduciary comes from a Latin word meaning trust. This is fitting because your association's assets are held in trust for the accomplishment of its mission. These assets do not belong to your board, the association staff, or even the members. Even so, the ultimate authority for managing your association's affairs is vested in the board. Because the law grants you such authority, the law also imposes on you a standard of performance—an obligation to act in the organization's best interests.

The three essential duties

Here is a summary of the fiduciary duties you must carry out to meet that standard of performance.

1. Duty of care. As a board member, you must exercise the care that an ordinary prudent person in a like position would be expected to demonstrate under similar circumstances. The most frequent source of liability for board directors concerns the duty of care. Fulfilling this duty involves the following issues:

Attendance. Courts have no sympathy for directors who claim they did not know of a particular issue or did not participate in a particular action because they failed to attend board meetings. It surprises directors who are

new to the nonprofit world that they are bound by actions taken at meetings that they did not even attend. Not only will you be held responsible if any such actions are deemed negligent, but failing to attend board meetings may in itself be deemed to be negligent behavior. You should only miss board meetings when you encounter unavoidable emergencies. If you repeatedly miss meetings, consider resigning.

Delegation versus abdication. Even though your board makes the important policy decisions that guide the association's activities, you must rely on others to carry out the decisions. Such delegation—to staff, committees, and outside parties such as accountants and attorneys—is necessary and legal. Nevertheless, you must monitor those to whom you delegate authority to make sure they act responsibly. It is not a sufficient defense to claim that your board asked someone else to accomplish a task or supervise its execution.

Information. Courts will not tolerate directors who are not sufficiently informed about their association's activities. On the other hand, courts will not generally second-guess board decisions that were based on thorough research and business judgment. You and your fellow directors must ensure that the association possesses information and reporting systems that are reasonably designed to provide to senior management and to the board itself timely, accurate information sufficient to reach informed judgments.

Decision making. In addition to being informed, your board must follow a thorough, reasoned process for making decisions. This means that:

- Materials concerning decisions should be sent out for review in advance, and all board members should read, understand, and be prepared to comment on those materials.
- All board members should be actively involved in deliberation at board meetings.
- The board must maintain written, though not necessarily paper, records of its preparations and deliberations.
- Independent evaluations and appraisals should be prepared by experts and presented to the board.
- When major transactions arise, the board should review the basic documents and the experts' analyses.

2. Duty of loyalty. By assuming office, you commit to acting in good faith. You declare allegiance to your association's purpose and well-being and acknowledge that its best interests must prevail over your interests as well as the interests of your employer, family, and associates.

You transgress the duty of loyalty when you use your office to promote, advance, or effectuate a transaction between the organization and yourself, your relatives, or your associates that is not substantively fair to the organization. If a case arises in which you may be influenced by a private interest, you are required to make full disclosure and refrain from related discussions and votes.

3. Duty of obedience. You have a duty to follow your association's global governing documents (such as articles of incorporation and bylaws) to carry out its mission and to ensure that funds are used for lawful purposes. You must also comply with state and federal laws relating to the organization.

Financial controls and you

One of your board's responsibilities is to oversee your association's financial affairs, which includes making sure that it has adequate internal accounting systems and controls.

The board must be responsible for approving the annual budget. And staff members should produce timely and adequate income and expense statements, balance sheets, and budget status reports to enable you to do so. In addition, you should employ independent accounting professionals and review their annual report. Your board or audit committee will also want to set aside time to meet with the accountants, without the staff present, to review the audit work and get the accountants' impressions of internal controls.

The association's assets

Because your board oversees the effective use of the organization's resources, you must adopt internal policies and review large transactions to ensure that assets are not misapplied or wasted.

Board members often worry about personal liability for bad investment decisions. However, you are not expected or legally required to be an expert on investing or to ensure the adequate performance of the organization's funds. And, of course, the board cannot guarantee that investment decisions will be profitable. The decisions must, however, be reasonable and defensible. Retention of advisers with good reputations is considered the exercise of prudence.

Your board must also safeguard intangible assets, such as good will. The board should evaluate activities and proposed activities with the over-riding goal of protecting the association's brand.

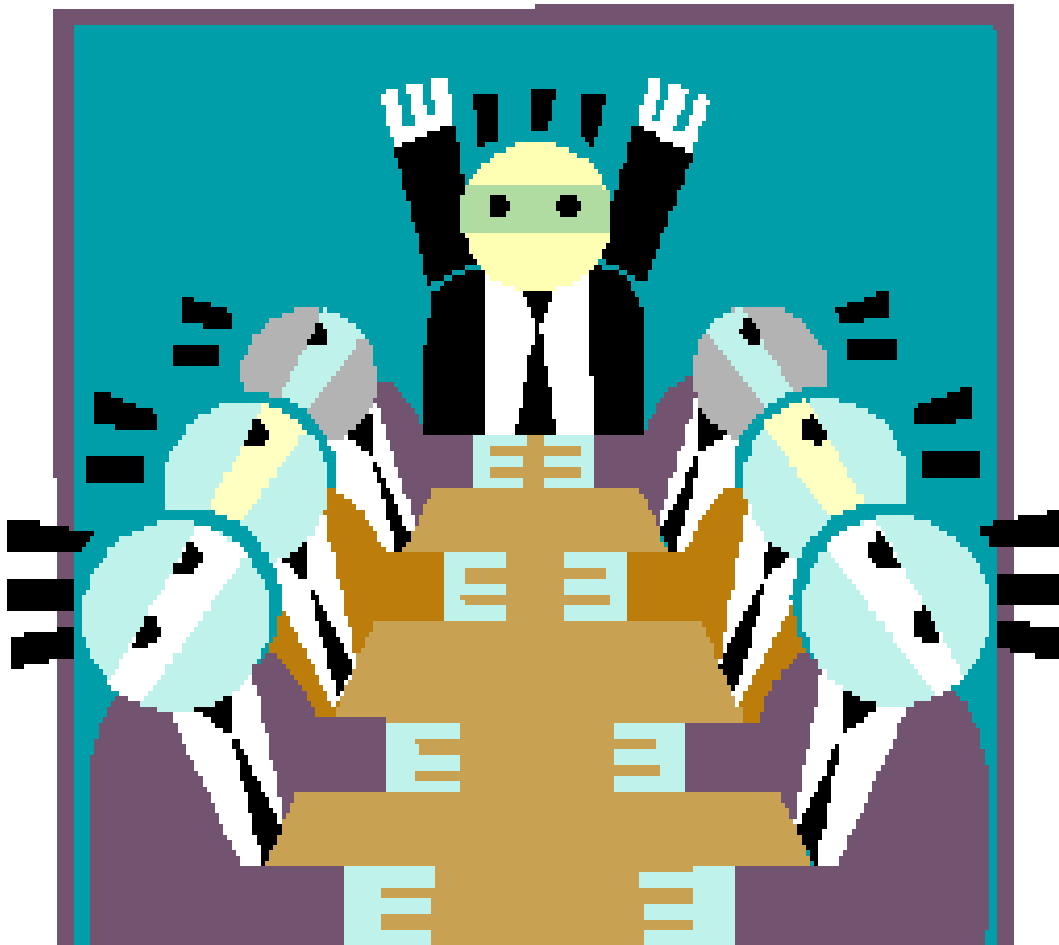
Fiduciary duties can be summarized in one sentence: The association's assets do not belong to you. If you as a board member focus on the fact that you hold your association's assets in trust for the accomplishment of its mission, you are likely to make the right decisions about how to fulfill your fiduciary obligations.

Paula Cozzi Goedert is a partner with Barnes & Thornburg LLP in Chicago, IL, USA and serves as IADD's legal counsel. Paula can be reached at 1-312-357-1313 or email: paula.goedert@btlaw.com.

The board should evaluate activities and proposed activities with the over-riding goal of protecting the association's brand.

Conversation That Counts

Engaging in the right dialogue at the board table



A culture of inquiry within a board can and should include healthy debate.

One of your core responsibilities as a member of the board

of an association or other nonprofit organization is engaging in and promoting healthy board dialogue. Without the right kind of discussion, debate, and dialogue, neither the board nor the organization is likely to fully deliver against mission. But let's face it. We've all been in situations where it can be uncomfortable to push back on someone else's point—because you don't want to offend your fellow board member—or where you truly don't understand an issue but fear looking foolish in front of your peers were you to seek clarification. And yet, as Charles Steinmetz, the inventor of alternating current, once said, “No man really becomes a fool until he stops asking questions.”

Thus, your challenge: how to build within your board what BoardSource founding president Nancy Axelrod terms “a culture of inquiry” in which leadership conversations feed true fulfillment of the organization's mission. Four practices, continually and collectively embraced by board members, are critical parts of such a culture: asking powerful questions, listening for understanding, gauging what and when to probe, and appreciating conversation versus conflict.

Asking powerful questions

Asking powerful questions is not about who can shout the loudest; nor is it about who holds power on the organization chart. Rather, it is about a shared board goal for a relentless pursuit of the information, perspectives, and possibilities needed to make informed leadership decisions. To get there, you will need to build questions that are simple and clear and that:

- Provoke thought;
- Generate energy;
- Focus inquiry;
- Surface unconscious assumptions;
- Open new possibilities.

Here are some examples:

- How does this proposal align with our mission?
- What do our members—both the involved and the uninvolved—think of this proposal?
- I heard you repeatedly state that “people are saying ...” Who, specifically, are these “people”?
- I'm hearing pushback on this. My gut tells me that the pushback is not really about the issue on the table but something else. So, let's explore that. What is your core concern here?
- Many statements have been made about why this won't work. I respect that view, and at the same time I find

myself curious. Of the many reasons given for why this won't work, which ones are based on opinions and which ones are based on facts that could be objectively proven true or false?

- Some people have been pretty quiet about this. Does that mean you agree or that you have questions?

Listening for understanding

Asking questions is a good start, but listening to what is truly being said, or not being said, is equally important. Members of association boards serve because they care about the organization's mission. While that commitment is an organizational strength, it also can cause board members to talk and talk and talk. Yet effective board service means spending far more time listening than speaking. That's often easier said than done (pun intended!). We develop habits for how we listen—or do not listen—early in life, and recognizing your patterns requires careful concentration and practice. It is worth the effort because you cannot have effective conversation without listening.

Here are several keys to effectively listening for understanding:

- Don't develop your answer while the other person is still speaking. Spend that time listening, and then consider your response.
- Recognize that you listen less carefully when you assume that the conversation is less important. Check that assumption.
- Nonverbal communication counts as much as what is being said. “Listen” to both.
- Suspend your own opinions, beliefs, and ideas while others are speaking. There is time to check for alignment with your thoughts after you absorb what others are saying.

Gauging what and when to probe

Knowing when and how deep to probe is a third piece of promoting and engaging in healthy board dialogue. The reality is, not every leadership decision requires the same level of conversation and debate. So how do you know when to push for a robust conversation, and when do you keep it concise? There is no simple answer, though these guidelines should help you decide:

- Are we discussing a mission-critical matter?
- Have the critical questions been put on the table, and have full answers been given?
- Is this the most important conversation we'll have during this meeting? Are we leaving sufficient time for the things that are most critical?

- Do I need to ask my question now, or will it be more appropriate once the agreed-upon follow-up actions take place?
- Am I speaking for my benefit (to be right or to show what I know) or for the organization's benefit?

Conversation versus conflict

Gaining comfort with tension and vigorous debate is the next critical practice to understand. A culture of inquiry within a board can and should include healthy debate. That means diverse views, experiences, and perspectives are sought out to fully inform the conversation.

This must happen in an atmosphere of respect and appreciation that recognizes that the process is going to go more slowly than it would otherwise; that progress typically arrives at the intersection of diverse viewpoints; and that nobody is as smart as everybody and therefore collective wisdom is more powerful than any lone voice.

Another reason that vigorous conversation is necessary is to avoid what Irving Janis called “groupthink.” This is a tendency for established groups, like boards, to place a higher priority on unanimous agreement rather than on pursuing alternative courses of action. This is a natural response because as humans, we like to get along. The risk of groupthink, however, is that you may miss key issues that are in your organization's best interest.

Janis' work is the basis for these board-specific tips to avoid groupthink:

The board chair should create an environment in which each member has the role of “critical evaluator.” This allows each member to freely air objections and doubts.

- The board chair should create an environment in which each member has the role of “critical evaluator.” This allows each member to freely air objections and doubts.
- Board leaders should not express an opinion when assigning a task to a group.
- The organization should set up several independent groups, working on the same problem.

- All effective alternatives should be examined.
- Each member should discuss the board's ideas with trusted people outside of the board.
- The board should invite outside experts into meetings. Board members should be allowed to discuss with and question the outside experts.
- At least one board member should be assigned the role of devil's advocate. This should be a different person for each meeting.

As a board member, engaging in constructive conversation may sound simple. And intellectually, it is. The challenge comes in actually doing it: asking powerful questions, listening for understanding, knowing when and what to probe, and embracing difference. The best way forward: practice, practice, practice. Your board and your organization will be better for it.

Jon Hockman is the principal of The d3 Group, an Arlington, VA, USA-based firm providing facilitation and executive coaching to associations and their leadership. Previously, he served as executive director of Delta Sigma Phi, Indianapolis, IN, USA.

POINTS TO PONDER

“It is better to know some of the questions than all of the answers”—James Thurber

(What are the core questions that I need to be asking?)

“One of the best ways to persuade others is with your ears.”
—Dean Rusk

(Am I listening so that I truly understand others?)

“We must dare to think unthinkable thoughts. We must learn to explore all the options and possibilities that confront us in a complex and rapidly changing world. We must learn to welcome and not to fear the voices of dissent. We must dare to think about unthinkable things because when things become unthinkable, thinking stops and action becomes mindless.”
—James W. Fulbright

(What unthinkable things must I dare think about?)

“It wasn't until quite late in life that I discovered how easy it is to say, ‘I don't know.’”—W. Somerset Maugham

(When is it OK for me for me to not know?)

GET ON BOARD

**Perspectives on becoming
a great board member**



Congratulations! As a new board member, you have an unparalleled opportunity to:

- Explore the future of your profession or industry;
- Hone expertise in environmental scanning, critical thinking, and resource allocation;
- Apply leading-edge approaches to strategic thinking and planning;
- Model leadership traits such as candor, trust, and diplomacy;
- Build a community aligned around your organization's vision;
- Foster leadership development in yourself and others;
- Take special pride in your association, your volunteers and staff, your colleagues, and yourself.

Where else can you learn so much and have that kind of impact? Let me first thank you for being willing to serve as a steward for your association. Now let me share perspectives on how to become a great board member on a great board.

1. Develop a passion for your association and share it with current and prospective members. People don't join associations and contribute because of elegantly articulated mission statements. They do so because someone asks them to, someone who can describe what the organization does in a clear, convincing way. To be a great board member, master the art of the one-minute sound bite. Learn to tell folks — concisely and compellingly—what your association is about and why they should be part of it. You are an ambassador for your association each and every day.

QUESTIONS TO ASK YOURSELF ABOUT BOARD SERVICE

1. Can I communicate my association's mission in compelling, conversational language that ignites people's interest?
2. Do I understand, at a practical level, what strategic thinking is and how I can help my board focus appropriately so we don't "major in the minors?"
3. Do I know the scope of what is expected of me and how to evaluate my performance?
4. Do I understand the dynamics of change and my role in fostering innovation?

2. Champion the 80-20 rule as it applies to strategy dialogue versus monitoring. Great boards concentrate on issues of real consequence, not on reports about what committees have already done. Great board members recognize the difference between oversight and "snooper-vision," and they spend their time and talents on issues that really matter. So focus your energy on the 30,000-foot view.

3. Value and honor the expertise of the CEO and staff and support them in their roles. Great boards work in partnership with the CEO to achieve the mission of the association. Great board members live and breathe collaboration. But do be clear about the difference between your role and the roles of the CEO, staff, and other volunteer entities. Commit as a board to a formal process of governance, training, and assessment.

4. Promote a culture that values diverse opinions and explores alternatives before making mission-critical decisions. Great boards challenge assumptions, question conclusions, and foster an atmosphere in which disagreement is not construed as disloyalty. Cultivate a culture of inquiry and scenario planning. Great board members ask pertinent questions and routinely consider varied viewpoints. That being said, you must understand the difference between disagreement and being disagreeable. Your board should not tolerate disrespectful behavior.

5. Welcome change with open arms. Great boards know that change for change's sake doesn't make sense. But they also know that even if you're on the right track, you'll get run over if you aren't making progress. To grow and develop, any association has to stop some programs so that it can start new ones. Great board members have the courage to sacrifice sacred cows to make way for future initiatives.

6. Take your work seriously but not yourself. Great boards build community and purpose around their work. Great board members relish being with, learning from, and having fun with one another. So be a champion for lightheartedness. I once told a nominating committee that I would serve on its board only if I could do great work with great people and have great fun doing it. Committee members promised me a culture that supported that desire, and they were true to their word. I wish the same for you—that you will do great work on behalf of your members and field; learn from, admire, and support great volunteers and staff; and cherish your board service as purposeful, enriching, and fun.

You can make this wish come true. Good luck.

Barbara Byrd Keenan, CAE, is executive vice president of the Institute of Food Technologists in Chicago, IL, USA.