



## Case Statement - Seat at the Table

August 27, 2015

Our organization has been in existence for more than 75 years. It is a not for profit human services agency under IRC Section 501(c)(3) dedicated to the welcome and settlement of immigrants from a specific foreign country. Over the past 10 years contributions have been dwindling and fund raising activities have slowed to annual revenues of about \$4 million while expenses have been in the \$5 million range. The number of immigrants sponsored and nurtured by the organization is less than 50% of the level at the peak of organization activity. Overhead in terms of accounting and audit fees, legal filings and payroll has grown as revenues have decreased.

Board designated funds are being used to fill the gap. The investment fund has dropped to less than \$5 million. The organization owns several apartment buildings that house two and three generations of its beneficiaries.

Your younger brother, the President & CEO, is 70 and has decided not to retire.

The Board has 25 members of which you are one – 15 of the board members have held their seats for more than 20 years. You are also a member of the 11 person Executive Committee, the Finance Committee and the Governance Committee. Board meetings are very social.

Some Board members and members of the community are questioning what action, if any, should be taken with regard to the organization.

You are at a special Executive Committee meeting called for the purpose of determining the organization's future and how to get there.

What questions do you have?

What are your obligations as a Board member?

To whom or what do they apply?

What questions need to be answered?

What needs to be considered?

What actions could/should be taken and how do they coincide with or conflict with your fiduciary obligation?