

POA Education Center

Education Series #003

Understanding the Board of Directors

Why This Matters

One of the most common misconceptions about a Property Owners Association is the role of the Board of Directors. Many people assume that every director must hold an officer title such as President, Vice President, Secretary, or Treasurer. In reality, that is not how most nonprofit corporations operate.

Understanding the difference between a **Director** and an **Officer** helps explain how the Association is governed and why every member of the Board has an important role, regardless of title.

What Is the Board of Directors?

The Board of Directors is the governing body elected by the membership to conduct the business and affairs of the Association.

The Board acts collectively—not individually. No single director has authority to act on behalf of the Association unless that authority has been granted by the governing documents or by action of the Board.

Each director has one vote, and decisions are made by the Board as a whole.

Directors vs. Officers

Every **Officer** is a member of the Board of Directors.

However, **not every Director is required to be an Officer.**

After the membership elects the Board of Directors, the Board typically elects officers from among its directors to perform specific administrative responsibilities.

The remaining directors continue to serve as full voting members of the Board even though they do not hold an officer title.

These directors are often referred to as **Directors-at-Large** or **Members-at-Large**.

Common Officer Positions

President

The President serves as the Association's chief elected officer and typically:

- Presides over Board and membership meetings.
- Helps establish meeting agendas.
- Signs documents authorized by the Board.
- Carries out duties assigned by the governing documents or Board action.
- Represents the Association in an official capacity.

The President does not have greater voting power than any other director.

Vice President

The Vice President generally:

- Performs the President's duties when the President is absent or unable to serve.
 - Assists with Board leadership.
 - Performs additional responsibilities assigned by the Board.
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Secretary

The Secretary is generally responsible for the Association's official records, including:

- Meeting minutes.
- Corporate records.
- Notices required by the governing documents or law.
- Official correspondence, when assigned.
- Maintaining important Association documents.

Some responsibilities may be delegated to management or staff while remaining under the Secretary's oversight.

Treasurer

The Treasurer generally oversees the financial affairs of the Association, including:

- Financial reporting.
- Budget oversight.
- Monitoring Association funds.
- Reviewing financial statements.
- Helping ensure sound financial practices.

Day-to-day bookkeeping may be performed by management, staff, or contracted professionals.

What Is a Director-at-Large (Member-at-Large)?

A **Director-at-Large** is a fully elected member of the Board who does **not** hold an officer title.

This is a common and accepted governance structure for nonprofit corporations and property owners associations.

A Director-at-Large:

- Has the same voting rights as every other director.
- Participates in Board discussions and decisions.
- May serve on committees.
- May oversee special projects assigned by the Board.
- Shares the same fiduciary duties and legal responsibilities as every other director.

The absence of an officer title does **not** reduce a director's authority or responsibilities as a member of the Board.

How This Applies to SunEagle Bay

SunEagle Bay's Bylaws establish the composition of the Board of Directors and identify the required officer positions.

If the Board has more directors than officer positions, it is entirely appropriate for one or more directors to serve without an officer title. Those directors remain full voting members of the Board and are often referred to as Directors-at-Large or Members-at-Large.

The important point is that every director has equal responsibility to act in the best interests of the Association and to fulfill the fiduciary duties of the office.

Key Takeaway

The Board of Directors governs the Association as a collective body.

While certain directors serve as officers and perform specific administrative duties, every elected director has an equal vote, shares the same fiduciary responsibilities, and contributes to the governance of the Association.

A director does **not** need to hold an officer title to be a full and effective member of the Board.

Next in the Series

Education Series #004

Understanding Fiduciary Duties: What Every Board Member Owes the Association

Sources

This article is based upon:

- SunEagle Bay Bylaws
- Texas Business Organizations Code
- SunEagle Bay Governing Documents
- Generally accepted nonprofit governance principles

Educational Disclaimer: This article is provided for general educational purposes and is not legal advice. If a conflict exists between this article, the Association's governing documents, or applicable law, the governing documents and applicable law control.