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FOR IMMEDIATE RELEASE

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Thomas N. Ryan, Esq. Shares Legal Insights for Non-Profit Organizations

Sparta, NJ – All too frequently, non-profit organizations have a difficult time filling their Boards with qualified members. This situation sometimes leads to a rush to fill a slot with a warm body rather than with an individual who is free from conflicts of interest and who can contribute to the on-going development of the organization and build the public's confidence in the group. Recently, Thomas N. Ryan, Esq., Managing Partner of the Sparta, NJ law firm of Laddey Clark & Ryan was a speaker at the joint meeting of the Boards which service SCARC.

In fact, the State of New Jersey actually has statutes adopting general standards for the execution and implementation of a non-profit's Board Members' duties; and similarly, Board Members have a legal responsibility to assure the prudent management of an organization's resources.

Ryan shares some legal insights for a non-profit organization on the responsibilities of Boards as well as Board Members. At Laddey Clark & Ryan, he is the Chair of the Employment and Labor and Corporate Law practice groups. Ryan has a long history of working with community and non-profit Boards and serves as outside general counsel to a number of private, public and non-profit corporations.

Ryan counsels that non-profit Boards should consider incorporating the organization, having regular, independent audits, and comprehensive insurance, including Directors and Officers Insurance. This insurance should be used in conjunction with responsible governance, an indemnification policy and general liability insurance. Every non-profit organization should have a policy that fits its specific requirements.

While Boards, working as a whole, have certain responsibilities, one of which is recruiting members who affirm the organization's goals and needs, members also have an obligation to service the Board with honesty and enthusiasm.

In addition to their fiduciary responsibilities, Board Members should have a genuine concern for the non-profits' development and fully understand the duties of a board member. They should be able to make a personal

financial contribution to the organization and have the skills to solicit funds for the organization.

Potential members or members should be able to listen, analyze and work well with people individually and in a group. They should learn more about the program areas of the organization and review the organizations' annual financial statements.

Members, advises Ryan, must keep informed of the group's activities, attend meetings regularly and avoid conflicts of interest.

Conflicts of interest are common, i.e., a board member performs professional services for an organization or proposes that a relative or friend be considered for a paid position within the organization. Such conflicts leave the organization vulnerable to legal challenges and public misunderstanding. Often in these situations, ethics and public perception are more relevant than statutes or precedents. Unfortunately conflicts of interest often result in the loss of public confidence and a damaged reputation for the group. Establishing a conflict-of-interest policy and a procedure for competitive bidding will help to avoid the appearance of impropriety.

Taking responsible legal care in selecting Board Members and in carrying out Board duties will continue the organization's charitable efforts through the generosity of the public's loyalty.

Ryan is a Member and past President of the Sussex County Bar Association; a former Member and past President of the Mountain Lakes Board of Education; former Trustee of the Mountain Lakes Educational Foundation and a founding Trustee and legal counsel to the Medical Needs Foundation. He is also a Trustee and former President of the Lakers Sports Club, Inc.

To learn more about Ryan or Laddey Clark & Ryan, log on to its web site: www.lcrlaw.com.

Laddey, Clark & Ryan is headquartered at 60 Blue Heron Road, Sparta, NJ (near the Sparta/Lake Mohawk Business District exit off Route 15).

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