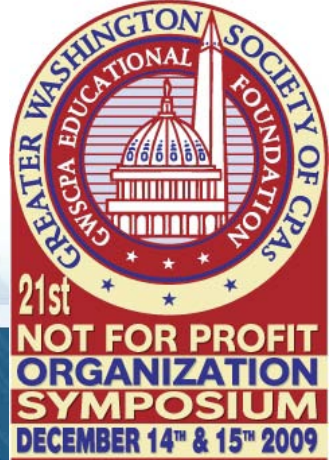




Non-Profit Governance



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Introduction

*Good Policies don't create good governance,
Good people do.*

A highly effective and engaged Board of Directors can

- **Engage the Community**
- **Maintain the Public's Trust**
- **Enhance the Charitable Mission**
- **Provide Continued Basis for Tax Exemption**
- **Grow the Business**

Non-Profit Governance

Building an Effective Board

- **Compatibility**
- **Clear Expectations**
- **Commitment**
- **Communication**
- **Competence**

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The Mission

- **Set, Approve, Review the Vision and Strategic Direction**
- **Select and evaluate the performance of Executive Director**
- **Partner with management to pursue the goals and commitments**
- **Review and approve the annual budget, major transactions**
- **Take responsibility for compensation**
- **Adopt and enforce appropriate policies and procedures**

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Meetings

- **Review finances and activities**
- **Quorum, notification, committees**
- **Electing and removing Board members**
- **Term limits**
- **Celebrate your accomplishments!**

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Training

- **Orientation for new members**
- **Awareness of personal responsibility and liability**
- **Legal protections, insurance**
- **Self-assessment**
 - Review duties and guidelines for each member
 - Attendance, preparation, participation
 - Expertise

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Fundraising

- **State registration**
- **Accurate solicitations**
- **Contemporaneous receipts**
- **Donor intent**

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Diversity

- **In Appearance**
Respect for the culture and community being served
- **In Thought**
Background, viewpoint, perspective
- **In Talent**
Finance, accounting, investments, legal, fundraising, marketing, advocacy

Non-Profit Governance

Independence

- **Compensation**
 - Employee
 - Officer
 - Related Organization
- **Independent Contractor**
 - \$10,000 or less
 - Reimbursed expenses
 - Reasonable Compensation for Board service
- **Transactions with Interested Persons**
 - Excess benefit
 - Loans To or From
 - Grants of Assistance
 - Business Transactions

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Independence

- **Express Reasonable Efforts Process**
 - Grants to Interested Persons
 - Business Transactions with Interested Persons
 - Board Member Independence
 - Family and Business Relationships
 - Related Organization Compensation

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Compensation

- **Rebuttable Presumption of Reasonableness**
 - Set by independent members of the Board
 - Use of comparability data
 - Adequate documentation

Non-Profit Governance

Policies

- **Conflict of Interest**
- **Whistleblower**
- **Document Retention/Destruction**
- **Disclosure of Governing Docs, Financial Statements, etc.**
- **Reimbursement**
- **Travel, spousal travel**
- **Gift acceptance**
- **Investments**
- **Code of Ethics**
- **Employee Handbook**

Conclusion

Open, Engaged and Trusting Management

Strong and Independent Board Chair

Active Audit Committee Chair

Deep relationship with the audit firm

Open to addressing issues and seeking consensus

Regular training for Board members on fiduciary duties, finances, programs, etc.

Annual Board Self-assessment



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