

Good Governance Concepts

Check your understanding of board service.

Did George Washington say, “*Winning is easy, governing is hard?*” Check your knowledge of volunteer service. (Circle the best answers).

1. **Protection of the board** and directors is afforded through:
 - a. Indemnification
 - b. Volunteer Immunity¹
 - c. D & O Insurance
 - d. Corporate Veil
2. The best model to describe the **board and staff relationship** is:
 - a. Staff is Directed by the Board
 - b. Directors Attend to the Details of Administration
 - c. The Board Governs and the Staff Manage
3. The organization gets its **authority** from:
 - a. IRS, Dept. of Treasury
 - b. State Div. of Corporations
 - c. FTC, Dept. Justice
 - d. Members’ Affirmation
4. The **governing documents** include:
 - a. Bylaws
 - b. Prescription by the Membership
 - c. Policies or Policy Manual
 - d. Articles of Incorporation
 - e. Mission Statement
5. In most states, the organization’s **public records** include:
 - a. IRS Form 990
 - b. Sale Tax Return
 - c. Roster of Members Paying Dues
 - d. Minutes for Current Year (only)
6. **Fiduciary duties** include:
 - a. Duty of Curiosity
 - b. Duty of Care
 - c. Duty of Loyalty
 - d. Duty of Obedience
7. The board’s roles in **financial oversight** include:
 - a. Approval of a Budget
 - b. Acceptance of Financial Reports
 - c. Review of IRS Form 990
 - d. Periodic Audit Processes
 - e. Counting Pennies
8. **Brand strength** and organizational distinction is a combination of:
 - a. Photos of the Office
 - b. Mission Statement
 - c. Vision Statement
 - d. Values/Guiding Principles
9. **Board orientation** should be:
 - a. A Self-Study Course and Exam
 - b. Required Annually for the Entire Board
 - c. Only IF New Directors are Installed
 - d. Why Bother?

¹ The federal **Volunteer Protection Act of 1997**, and states, limit a **volunteer's** risk of tort **liability** when acting for nonprofit organizations or government entities.

