

Governance Issues & Clinic Integrity

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Does Governance Matter at a Free Clinic?

What is Governance?

How Does Governance Impact Integrity?

What Is Your Board Supposed to be Doing?



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Q: What is Governance?



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Q: What is Governance?

A: Exercise of Authority or Control

Simply Put:

Having someone who is in an oversight position to ensure proper, ethical standards are followed.



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Q: Why does Governance Matter?

A: It impacts EVERYTHING:

- your “Brand”
- your public image
- your legal standing
- your ability to fundraise
- your survival
- your desire to stay out of jail (!)



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Q: Where does Governance Fall?

A: Your Board of Directors



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Q: What are Board of Directors at your Free Clinic responsible for?



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Q: What are Board of Directors at your Free Clinic responsible for?

Mission

Policy

Oversight

Evaluation



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Nonprofit boards of directors:

1. Are responsible for defining the organization's mission and for providing overall leadership and strategic direction to the organization.
2. Actively set policy and ensure that the organization has adequate resources to carry out its mission.
3. Provides direct oversight and direction for the executive director/CEO and is responsible for evaluating his or her performance.
4. Have a responsibility to evaluate their own effectiveness as governing bodies in upholding the public interests served by the organization.



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Key Documents:

Overall –

- By-Laws
- Policies on
 - ✓ Conflict of Interest
 - ✓ Fundraising
 - ✓ Investments
 - ✓ Records Retention/Destruction
 - ✓ (Board minutes)
 - ✓ Ethics/”whistleblower”
 - ✓ Executive Compensation



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Key Documents:

Financial –

- Financial Statements
P&L, Balance Sheet

True or False:

“Nonprofits can’t make a profit”

“Nonprofits can’t charge for their services”

“A nonprofit budget has to be balanced”



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Key Documents:

Financial –

- IRS Form 990
(Guidestar)
- GA Charitable Solicitation License
\$25,000 in gross revenues



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“Wow!! How do I manage all this?”

From the “Nominating Committee” ...

...to the “Board Governance Committee”

A need to move from passive to active...



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The “Board Governance Committee”

- Creating a “Statement of Understanding” that outlines the role and responsibilities of being on the Board
- Creating a “Board Member Position Description” that details the reporting lines, purpose, term length and limits, expected meeting attendance, general obligations, and specific duties of the Board
- Maintaining a Board Member Candidate List
- Continuous evaluation and appraisal of Board organization and operation
- Confronting Board members who are falling short in the performance of their responsibilities (as described in the Position Description)



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Resources:

- Board Board Café www.boardcafe.org
 - BoardSource www.boardsource.org
 - CompassPoint Nonprofit Services www.compasspoint.org
 - Internal Revenue Service (IRS) www.irs.gov/charities/index.html
 - GA Center for Nonprofits www.gcn.org
 - GA Secretary of State
(Charitable Solicitation License) sos.georgia.gov
 - Guidestar www.guidestar.com
- And, of Course... www.gfcn.org

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Q & A



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