

Piper Trust Good Governance Profile

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Below are commonly accepted best practices for board governance. Piper Trust recognizes that Good Governance is not a static checklist and evolves throughout the life of an organization. Each organization is unique in its growth and maturity and can aspire to achieve these essential elements of Good Governance.

Mission

- a. The board periodically reviews the organization's mission statement.

Strategy

- a. The board takes an active role in the strategic planning process.
- b. The board regularly tracks the organization's progress toward strategic goals.

CEO Supervision and Compensation

- a. The board formally assesses the CEO's performance annually.
- b. The board evaluates CEO compensation by independently gathering compensation information from comparable organizations at least every other year.
- c. The full board approves CEO's compensation package.
- d. The board ensures there are adequate CEO succession plans for both emergency and planned departures.

Program Oversight

- a. The board is knowledgeable about the organization's programs and services and understands how programs and services compare with similar organizations and fit within the broader service area.
- b. The board measures program quality by reviewing outcomes regularly.

Fundraising

- a. The board sets and upholds expectations for member personal giving.
- b. The board sets expectations for and actively participates in fundraising activities.

Board Composition and Structure

- a. The board engages in ongoing board recruitment.
- b. The board clearly defines expectations for all board members.
- c. New board members undergo an orientation process.
- d. The board sets and adheres to term limits.
- e. The board periodically reviews and updates board bylaws, policies, and procedures.
- f. The board periodically reviews and adjusts committee structure as needed.
- g. The board engages in a self-assessment process at least every three years.

Legal/Ethical Accountability

- a. The board adopts and enforces a code of conduct or ethical standards for board members and officers.
- b. The board has a written conflict of interest policy and performs an annual disclosure and review of any possible conflicts for board members and officers.
- c. The board participates in the organization's whistleblower policy.
- d. The board ensures the organization implements and adheres to a document retention policy.

Financial Oversight

- a. The full board approves an annual budget and tracks revenues and expenses against the approved budget at least quarterly.
- b. The full board routinely receives reliable monthly financial statements prepared with Generally Accepted Accounting Principles (GAAP – The common set of accounting principles, standards and procedures that companies use to compile their financial statements).
- c. The full board reviews results of the independent audit and management letter.
- d. The full board reviews and approves IRS Form 990 before filing.
- e. The board periodically reviews liability insurance coverage.

Culture

- a. Board members regularly attend meetings as described in the bylaws, and members hold each other accountable for attendance.
- b. Board meetings encourage an environment of inquiry and constructive debate that support sound decision making.
- c. Board meetings allow for forward-thinking conversations about the organization's mission, programs, and strategic direction.
- d. Board members have a deep understanding and commitment to the organization's mission and services.
- e. Board members have strong and trusting working relationships with each other and with appropriate staff.
- f. The board engages in and supports the organization's strategic vision and leaves tactical execution to staff.
- g. Board members are actively engaged in building relationships in the community to support the organization's mission.
- h. The board supports an inclusive environment within the board and organization, respecting diverse views and experiences.
- i. The board embraces continuous learning, evaluating their own performance and incorporating learning opportunities into routine governance.