



## Principles for Good Governance and Ethical Practice updated

21 nonprofit sector leaders and other volunteers with the support of 7 funders completed a project to update the "Principles for Good Governance and Ethical Practice". This publication, originally issued back in 2007 provides 33 principles of sound practice for charitable organizations and foundations in the key areas of:

- ✓ legal compliance and public disclosure,
- ✓ effective governance,
- ✓ strong financial oversight, and
- ✓ responsible fundraising.

Independent Sector, who championed the original principles and the update, says that the new edition reflects changes in the law since the principles were issued and new circumstances in which the nonprofit sector functions. The updated version addresses the impact of technology, social change models such as donor advised funds, social impact investing, and the ongoing overhead debate.

For example, the category *effective governance*, includes the principle that says "the board of a charitable organization should meet regularly enough to conduct its business and fulfill its duties", and another principal says that "the board of a charitable organization should include members with a diverse background (including, but not limited to ethnicity, race, and gender perspectives), and experience in organizational and financial skills necessary to advance the organization's mission.

There are a few different ways to get more information about the principles. You can visit [www.principlesforgood.com](http://www.principlesforgood.com) and download a two-page summary, register (no fee) and download the entire document as a PDF, or purchase printed versions. Many organizations may find this a great tool for a board self-assessment.