



# ASQ Section Volunteer Orientation

Tuesday, July 29, 2003  
12:00 – 1:00 p.m. EDT

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- ✓Governance Issues
- ✓Section Minimum Requirements
- ✓MOU's
- ✓Volunteer Resources



# Governance Issues

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- ASQ as a corporate body
  - ASQ Board of Directors
    - Councils and Committees--national
  - Sections
  - Divisions



# Corporate Structure

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- Incorporated as a non-profit
  - Purpose consistent with incorporation and IRS tax-exemption
  - IRS tax-exemption as a 501 © (3) organization
    - 501 © (3) most lucrative tax-exempt status
    - Tax-exemption from corporate income taxes



# Fiduciary Responsibility

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- “Acting in Trust for Another”
- Duty of Care
  - Business judgment rule
  - Avoid general legal liability
  - Further the organization’s interest



# Fiduciary Responsibility

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- Duty of Loyalty
  - Faithfulness to the organization
  - Avoid conflicts of interest
- Duty of Obedience
  - Exercise reasonable judgment
  - Act in a manner consistent with organization's goals



# Financial Responsibilities

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- Responsible to ASQ members to provide prudent fiscal management
  - Section annual financial reports
  - Contract with Independent Contractors
    - No ability to hire 'employees'



# Section Minimum Requirements

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Only Six Parts!



# Part 1- Officers List Submission

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- Officers submitted online or via email by May 1st annually
- Officers are the elected positions only:
  - Chair
  - Chair-Elect and/or Vice Chair
  - Secretary
  - Treasurer



# Part 2- Committee List Submission

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- Committee Chairs submitted online or via email by June 30th annually
- Committee chairs are appointed positions
  - Auditing Chair required
  - Other committee positions still needed
  - Please note: The Officers List Submission will not be considered complete until an Auditing Chair is submitted.



# Part 3- Submit Annual Financial Report

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- Complete annual financial report due August 15<sup>th</sup> annually.
- A complete report includes:
  - Annual Report
  - Bank Statement as of June 30<sup>th</sup>
  - Audit Certificate
  - Cut-off Statement
  - ACH Information
  - Bank Reconciliation



# Part 4- Maintain a Minimum of 30 Paid Members

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- No submission is required for this part.
- Your total membership number is available each month on the downloadable Section membership lists.
- Numbers monitored by the Section Relations department and your Regional Director.



# Part 5- Conduct Regularly Scheduled Activities

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- No submission is required for this part.
- Complaints to the Regional Director and Section Relations will be investigated to determine if the Section is holding activities and meeting this minimum requirement.



# Part 6- Uphold Bylaws and Policies and Procedures

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- Section needs to be in compliance with Society and Section Bylaws, and Society Policies and Procedures
- No submission is required to meet this minimum requirement.
- Complaints to the Regional Director and Section Relations will be investigated to determine if the Section is meeting this minimum requirement.



# Important Note

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- Section minimum requirements are criteria which define a section's good standing in the Society
- Linked to SMP: fulfilling the six minimum requirements necessary to achieve Level 1 Section Basics of the Section Management Process.



# Creating Memorandums of Understanding (MOU's)

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# What is a MOU?

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- A legal document between parties involved in joint activities and co-sponsorships
- Ensures all parties have a clear understanding of terms and conditions of the event or activity.



# MOU Key Components

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- Introduction

- Identify all organizations by name
- Give the type of each organization
  - Example, for profit, 501c3, or other tax exempt
  - If for profit is it corporation or partnership, etc.
  - If tax exempt, ask for documentation
- Complete description of the project
  - Should be in accordance with the Society's purposes



# MOU Key Components

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- Location and dates
  - Include as much information as possible
  - Refer to policy A-20 and not schedule an event 14 day prior to or after the AQC
- Duties and responsibilities
  - State explicit use of ASQ's logo
  - Give a timeline of responsibilities
  - Include a clause for how responsibilities can be modified



# MOU Key Components

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- Financial Elements
  - Allocation of all financial issues, including revenue and expenses
    - Who pays what expenses, how are revenues shared
    - Who is responsible for deficits
  - Formulate a way in which allocations can be modified



# MOU Key Components

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- Financial Elements (Continued)
  - Identify who will maintain financial information and give information about the bank account that may be opened for the project.
  - Statement indicating what individuals from each party will have access to funds in the bank account.



# MOU Key Components

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- Identification of authorized representatives of all organizations covered by the agreement
- A clause defining how the project can be terminated
- Clear determination of ownership rights of any tangible products that may be derived from the project or event.



# MOU Key Components

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- If other party is another non-profit, a statement of non-agency must be drafted
  - Limits the responsibilities of all parties to those defined in the MOU.
- If other party is a for-profit, a statement of no joint venture must be drafted
  - Limits the responsibilities of all parties to those defined in the MOU.
  - Also clearly indicates that the relationship is not that of partners.



# MOU Key Components

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- Statement of non-endorsement of either party
- Statement of non-liability
  - Limits the financial liability of ASQ
- Signatures by representatives of all involved parties



# Special Notes

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- Consult with your Section Relations when you need help drafting a MOU
- ASQ Policies G-41 and G-42 require that all MOU's with for-profit AND non-profit organizations must be reviewed and approved by Section Relations prior to agreement signing.
  - Must be submitted to Section Relations at least 90 days prior to the activity
  - All MOUs are reviewed and discussed with the Section within 10 business days of receipt



# ASQ Section Volunteer Resources

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- Section Volunteer Community
  - <http://asqgroups.asq.org/sectionvolunteercommunity>
- [www.asq.org](http://www.asq.org)
- *Connection Plus*
- Leadership Training
  - Regional Training Events
  - National Training Events



# ASQ Section Volunteer Contacts

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- ASQ Staff
  - Community Care Department (Section Relations Staff)
- ASQ Volunteers
  - Regional Directors
  - Deputy Regional Directors
- Contact matrix available