

The Trustee: The Ultimate Volunteer

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The nonprofit tax-exempt corporation is unique to the United States of America and has evolved over many years to meet the needs of our nation's charitable endeavors. This evolution has not been easy for arts organizations, since they typically reflect an immeasurable amount of human energy attempting to promote artistic vision while still working within the standards established by state and federal laws for corporate practice.

At the heart of arts organizations, artists find themselves "in business." Being there, they are subject to all the developments of law and business practice in the nonprofit corporate sector. This gives rise to a number of realities artists must deal with in order to institutionalize their work and gain broad community support for it. Artists must learn to navigate in the environment of nonprofit corporations, which continually rely upon volunteers, to assure their work reaches the public.

The sometimes complex nonprofit corporate milieu demands an intrepid person who is the creation of lawmakers, the helpmate of artists, and the helmsman of the arts organization. Enter the trustee—a volun-

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teer who has identified with the activities of an arts organization and decided to give time, thought, work, and frequently personal fortune to support the artistic endeavor. This article will address some of the concerns that face trustees in fulfilling their voluntarily assumed responsibilities to lead, manage, and regenerate arts institutions.

I call this person the "ultimate volunteer" for three reasons. First, the trustee of a nonprofit tax-exempt arts organization is the final referent for business decisions made by the corporation. Second, the trustee commits himself to keeping the mission of the endeavor alive and relevant to current societal needs. Third, the trustee sets the tone and ambience for the whole organization.

In all these areas, the trustee fulfills two roles—decisionmaker and leader. These are management roles the trustee assumes upon joining the arts endeavor. Recruitment and orientation should clearly stress these functions to new trustees; ongoing trustee evaluation should reaffirm them for those continuing.

It is well established that trustees are responsible for the management of a nonprofit corporation.¹ The trustee is the usual incorporator of the fledgling business, even though the artist gives that undertaking its meaning and principal work. Boards of trustees direct the finances of the organization, hire chief executives, plan and evaluate budgets, and account to the public for what the corporation is doing. An invitation to join a nonprofit arts institution's board carries with it the knowledge that the work involved will demand time, energy, and expertise, for the hurdles of trusteeship are easily the match of the accomplishments.

Trustees are an important operational arm of nonprofit organizations.² They differ from the ordinary corporate director because of their heightened involvement with administration. Nonprofit trustees are strategically located between the business affairs of an endeavor and the community needs of the public. It is hyperbole to say that they are the voice of the community, but in a real sense they are the community's link to the artistic business of the endeavor. Their guidance of the undertaking reflects to some degree the corporation's community base. More important, however, the quality of that guidance can make or break artistic goals.

Even though trustees frequently function as an organization's operational arm, they exist primarily as evaluators and controllers of the arts organization's progress. The "purpose of having trustees with specific expertise is not to encourage encroachment on day-to-day activities that are the staff's responsibility but to provide a monitoring capability for the board."³ Evaluating the arts endeavor may be the least noted of trustee duties, but it is the most important and difficult, for too frequently in any business, management focuses on reaching short-term objectives.

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Jonathan Cook of the Support Center in Washington, D.C., uses a helpful schema⁴ to delineate between board and staff functions—between evaluation and control on the one hand and operating on the other. Its substance is included in Table 1 as an aid to analyzing a board's fulfillment of its trustee responsibilities.

The activities on the left delineate the duties of trustees. As an organization matures, trustees do less of the administrative work in the second column and more of the governance activity on the left. If this is not the case, the organization may experience turbulence arising from a confusion of functions and displacement of efforts. Volunteers and staff face the challenge of dividing, assigning, and monitoring responsibility as the business grows.

In sharing the management of an arts business, trustees and staff should note that in this century, as opposed to last, there is much greater sensitivity to the weight of responsibility one assumes—both in the trustee's perception and the public's view. Living in a litigious era has increased the perceived burden of trusteeship. Developments in management expertise and technological support also contribute to the necessity for today's volunteer to approach trusteeship with a heightened sense of professionalism. The past twenty years' developments in arts governance have built an illusory contradiction into the system: the volunteer trustee must become more professional at his "spare-time" cultural activity. While many volunteers are professional at trusteeship, the apparent contradiction raises concerns for the selection, orientation, training, and output of the volunteer trustee.

TABLE 1.—Board and Staff Functions.

Board Functions	Staff Functions
Governing	Managing
Advising	Strategizing
Advocating	Marketing
Authorizing	Publicizing
Developing trustees	Training
Hiring/firing CEO and artistic director	Hiring/firing supervising staff
Planning	Preparing plans, budgets, etc.
Funding	Fundraising
Evaluation and control	Informing the board
Accounting to public	Preparing reports

Too often, voluntary governance work is viewed as a nonbusiness activity, a spare-time pursuit that does not come to the level of gravity or immediacy attributed to one's livelihood activity. Overtones of pleasure, prestige, and public service imputed to trusteeship should not overshadow the very real fact that an artist who has institutionalized his or her work in the nonprofit tax-exempt system has called upon trustees to work intently in a business whose product is art. It is no less serious an undertaking than any other business activity, even though it may be more interesting and enjoyable.

The trustee, along with artistic leadership, also has the ultimate responsibility for keeping the mission of the organization alive and well. The embodiment of that mission is certainly in the artistic work of the organization, but its characterization, planning, and care fall within the range of trustee responsibilities. Trustees' work includes hiring the artistic director, finding the right chief executive officer to work with the artists, and planning to meet changing times. A volunteer joining an arts organization's board will have to plot strategy as well as give advice, espouse mission as well as formulate it, and reflect organizational energy as well as absorb it.

It is ultimately the trustee to whom artists, staff, and volunteers look for the tone and quality of the organization. Admittedly the artist sets the creative pace and describes the vision for artistic product, but his or her business partners include managers, trustees, and service volunteers. Since people constitute organizations, it is common to look to final decisionmakers for the integrity and determination needed to give the organization its ongoing sense of purpose. What is needed are very determined individuals who believe in the shared vision of the organization and will *voluntarily* give time and resources to achieve it.

Alexis de Tocqueville marveled at Americans' energy for getting neighbors involved in worthwhile projects. This energy has continued throughout the present century, and there is no reason to think it will abate appreciably in the future.

Trustee's Relationship to Mission

When one ponders what will fire peoples' imaginations and move them to do great things, one is searching for an essential ideal characterized by planners as the "mission" of an endeavor. The mission is that overall purpose for which the organization was founded. The mission statement articulates the authentic heart of the organization and attracts volunteers and staff to the undertaking on a basis of shared ideals and social beliefs.

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I like to think of trustees as “guardians of the constitution” (or mission), a concept I first noted in the late E. F. Schumacher’s *Small is Beautiful*.⁵ There is a dynamism here, despite the romantic overtones, that places the trustee directly at the nexus of the organization’s vision and its realization for society. This characterization also implies the value one associates with mission—i.e., its power to bind the endeavor together philosophically. The actual mission of the organization is its treasure, its constitutional hermeneutic, something worth volunteering for.

A trustee should be passionate for the organization’s purposes. A kind of trusteeship, or invitation to it, that says one has to do very little to fulfill his or her responsibility is unacceptable. A guardian is as vigilant and nurturing as a parent and brings to this volunteer effort discretion and discipline in reviewing intended plans, programs, budgets, and campaigns.

Even so, there is a tremendous range in the number of hours trustees spend working for their organizations. That range depends to a great extent on the identification with the organization’s mission and the use of trustees’ skills. “Studies have shown that the range of trustee activity goes from two hours per month to one hundred hours per month. . . . In the study of the Episcopalian Social Services, it was found that the average active board member spent about ten to fifteen hours per month on the organization; others spent merely two to four hours monthly, at the board meeting.”⁶ Clearly there is no eleemosynary endeavor that does not have its share of doers and fellow travelers. Thus, it is most important that any arts organization search for individuals who understand, appreciate, and support its mission, for that is the forging bond from which the quality of all trustee action flows.

Selection of Trustees

Finding the ultimate volunteer—a person who has time coupled with belief—is not an easy task. Identifying the right trustee involves many hours of searching, accompanied in many cases by hours spent in explanation and persuasion. The stereotypical “search” based on an assumption that a potential volunteer “would make a fine contribution” simply will not suffice in this age of heightened sensitivity.

Thus, every board of trustees must establish a nominating committee charged with a year-round recruitment effort.⁷ Many authors make this recommendation, since a nominating committee is concerned with more than naming individuals to the board. Its primary responsibility is regeneration of the board to fulfill present plans by recruiting and training skilled human resources.

From the viewpoints of motivation, experience, and understanding, the busiest trustees should be those assigned to recruitment, for they are the most apt to reflect accurately and espouse effectively the organization's mission. They are likely to find people like themselves who identify with the corporation's purpose. Their heightened involvement also indicates that they care enough about the organization to want to see it prosper even after their own tenures. Finally, their high level of activity puts them in a position to evaluate the strengths and weaknesses among the trustees and discern where new trustees would best fit. In this light, the nominating committee serves as the board development committee.⁸ It is the keystone committee, for it deals with the generation of the organization's most important resource: ultimate volunteers.

A year-round, ongoing board development effort involves a number of tasks. First, the committee must approach trustee positions as any firm approaches its personnel function. It should regularly plot and correlate the strengths of its board members. In doing this, the committee must take a functional approach to assessing the organization's needs. An organization needs planning, financial direction, budget control, fundraising, and the like, in order to function in the business world. Therefore, the nominating committee must address how these functions will be fulfilled through people. Frequently too much energy is displaced into efforts to find the right person at the wrong time or at the last moment.

It is standard management practice to address the question of personnel by using a system of job descriptions that describes the type of skilled people needed to fulfill the functions necessary to operate a business. Unfortunately this is not a standard practice among boards of trustees.

As a process, board regeneration should work backward from mission, to long- and short-term objectives, to skills needed to fulfill those objectives, to trustee job descriptions, to people in the community who are likely to identify strongly with the organization's mission and are able to fulfill those descriptions. With this as part of the nominating committee's workflow, a very different approach to board development from that typically used by many arts organizations would develop. Volunteers would become likely candidates for trusteeship on the basis of what they know or can do, not necessarily on the basis of who they know or the scope of their personal financial resources. The latter become favorable factors instead of overriding considerations. As factors only, they open the recruitment discussion to people who are likely to achieve organizational objectives because their strengths are tapped.

Taking a job description approach to recruitment is preferable to a semi-contractual approach, which some boards have adopted in recent

years. A job description approach directs the nominating committee's attention to the skills needed to fulfill short- and long-term objectives. Having a potential trustee sign an agreement has more to do with binding persons to an organization than with getting work done. A thorough board development process should overcome the need to make a trustee sign a contract.

Authors Conrad and Glenn take trustee development a needed step further when they suggest a recruitment process that delineates strongly between recruitment and orientation.⁹ Recruitment is the process after skills identification, job description, and people identification when a delegate from the arts organization goes into the community to convince prospective trustees that the organization has a worthwhile mission and goals, is viable and exciting to work with, and will enhance the volunteers' range of activities. At this point, the delegate from the organization must be a persuasive salesman. He or she is making no commitment to nominate but is testing for match and interest. Should any prospective trustees be interested in making a commitment, they then go on to the orientation process. The recruitment phase acquaints the volunteers with the organization, while the orientation phase tells them how the organization does what it does.¹⁰ After prospective trustees have been through both phases, they are ready for a commitment to the organization. Equally important, the arts organization is ready to commit to them.

Admittedly, such a process demands discipline on the part of the nominating committee and the board. It means that much preliminary time is spent in the board's personnel function, in searching for the right people, and in teaching them through meetings with officers and chief staff how the organization works. The yield in deployable new trustee activity, however, is potentially enormous.

Training

Following the orientation process, assuming a commitment is made and the new volunteer is elected to trusteeship, the nominating committee, chair, trustees, and chief staff know enough about the new trustee to make a correct committee assignment. Because of initial training, the new trustee is ready to function as an informed member of the board. The selection and training efforts have yielded the reward of placing a qualified ultimate volunteer *ready* to work.

In the present era of increased corporate sensitivity, this effort becomes a crucial element in fulfilling trustee responsibility. Trustees shudder at the thought of court action to review trustee activity, but such scrutiny is not unknown. In *Stern v. Lucy Webb Hayes Training School for Deaconesses and Missionaries* (the "Sibley Hospital" case), the

United States District Court in Washington, D.C., after making a thorough review of standards for trustee action in light of some haphazard handling of the hospital's investments by trustees for many years, required "present and future" trustees for five years following the opinion to read the court's opinion and certify, by written memorandum or notation in the board's minutes, that they had done so.¹¹ In fact, the court exhibited a deep "task orientation," for it specified that the opinion should be read "within two weeks" of its rendering or of the time a new trustee came on board.¹² The Sibley Hospital case admittedly deals with grave accusations of trustee negligence and conflict of interest in handling hospital funds. It bears reading, however, because it represents a situation where a court has actually instructed a board of trustees on orientation with respect to handling its organization's funds. Through reading the case, a new Sibley trustee should get an eye-opening view of the hospital's financial management history.

Stern serves as a good illustration of society's awareness that trustees should be trained to the job. Trustees' responsibility to train themselves constitutes only part of the ultimate volunteer's duties. An answerability to all volunteers of an organization stems from trusteeship. Trustees should recognize this responsibility more readily because they, too, are volunteers.

A board of trustees should carefully review every aspect of volunteer activity to see where communication can be improved, support of volunteers can be increased, insurance coverage for volunteers' actions on behalf of the corporation may be necessary, and recognition is warranted and due. Ultimate volunteers must realize from their own contributions that the efforts of the organization will stumble without adequate liaison between themselves and other volunteers. In addition, trustees should seek advice of counsel on the legal relationship the organization has with its volunteers so that questions of liability and indemnity coverage will be addressed in favor of the volunteer. It is particularly important that trustees regularly monitor the quality and progress of volunteer operations, since service volunteers are so frequently closely aligned with delivery of the arts organization's services.

Legal Status of the Trustee

Today's trustee is rightly concerned about potential consequences of assuming volunteer management responsibility in the arts. In most states, the trustee is like any director of a corporation,¹³ except that in the nonprofit tax-exempt setting, this director has no equity interest and frequently governs an organization that has considerably fewer resources than it needs.¹⁴ As to standard of care, however, in fulfilling respon-

sibilities to the organization and public, the corporate director is held to exercising ordinary and reasonable care in the performance of duties.¹⁵ If directors are held to the "ordinary care" standard, whether in banking,¹⁶ in hospitals,¹⁷ or in arts organizations,¹⁸ one must question why there is currently such frenzied concern among directors and trustees over assuming governance positions.

Need for Indemnification of Trustees

Because of the weight of responsibility of trusteeship and the potential expense trustees may incur in defending their decisions and actions, it is important to find some way to indemnify trustees for their actions taken in good faith and with reasonable care. In view of a history and climate that favor citizens' assuming public responsibility, it is ironic that it has become increasingly difficult to insure companies and directors against their own actions. "Director and Officer" (D&O) insurance has increased in cost as much as tenfold in some cases between 1985 and 1986.¹⁹ Available indemnification insurance may not nearly cover a director's potential loss, so potential directors are avoiding board membership. In the words of one for-profit director, "I talked to my counsel, and he said that the odds against my being sued were probably 70-30, but I had to decide whether it was worth that risk of losing my fortune. I'm 68 years old, and it wouldn't be easy for me to make a new fortune."²⁰ Nonprofit trustees are not involved in the same type of corporate decisions that give rise to so much of the litigation in this area—e.g., corporate takeovers—but in many cases trustees have the same achievement profiles as the corporate director. Cultural organizations and for-profit corporations are drawing on the same pool of qualified personnel, and that pool fears the expense connected with litigation, even though no liability may ever be assessed.

Indemnification of trustees should be a practice of any board if it is to hold their allegiance. One must always inquire, however, as to the scope of indemnifiable acts, the circumstances giving rise to indemnification, and the limit a board may place on it. A state incorporation statute may allow or require indemnification but still require a determination by one's board that the asserted indemnifiable action meets the appropriate standard of care.²¹ Prosecuting one's rights beyond an unfavorable board determination would be an added expense for an unindemnified trustee.²² Actually, the most worrisome factor in the area of potential liability is the expense of defense more than the assessment of liability and damages against trustees, for there are few instances where liability has been assessed against corporate directors.²³

Basic Considerations for Volunteer Trustees

In facing these concerns, arts trustees should consider three environmental factors: (1) the incorporation laws of their organization's state (many have laws specifically dealing with nonprofit incorporation),²⁴ which may have controlling sections on standard of care for a nonprofit trustee and indemnification of trustees; (2) the wording of their organization's corporate charter, by-laws, and recorded resolutions; and (3) the availability of indemnification insurance for nonprofit trustees in their state. By thoroughly checking these three areas, the voluntary trustee can make a better assessment of action necessary to minimize his or her exposure to claims.

For example, in the state of New Jersey, which passed a Nonprofit Incorporation Act in 1983,²⁵ trustees are told to "discharge their duties in good faith and with that degree of diligence, care, and skill which ordinarily prudent persons would exercise under similar circumstances in like positions."²⁶ Thus, one can see that a trustee in this state (as in many others) is held to a standard of ordinary care. New Jersey's section 15A N.J.S.A.:6-14 goes on to specify,

In discharging their duties, trustees and members of any committee designated by the board shall not be liable if, acting in good faith, they rely on opinion of counsel for the corporation or upon written reports setting forth financial data concerning the corporation and prepared by an independent public accountant or certified public accountant or firm of accountants or upon financial statements, books of account, or reports of the corporation represented to them to be correct by the president, the officer of the corporation having charge of its books of account, or the person presiding at a meeting of the board.

Since the element of good faith is almost always present in voluntary trustee action, following this standard would help trustees to jump the first hurdle—standard of care. The Nonprofit Law Revision Committee note on this section indicates that the New Jersey Legislature followed common law and New Jersey's own for-profit incorporation statute section found at 14A:6-14.²⁷ In a state that has not adopted a nonprofit incorporation statute, standard of care for trustees may be covered in the for-profit incorporation act.

Once trustees are aware of the standard of care required in a state, they should ascertain what actions may give rise to liabilities. This information is also available in statute and case law. Corporate statutes frequently have extensive sections on this subject, almost a catalog of sins and transgressions. This examination should be made in light of what the state incorporation law says regarding indemnification of trustees,

specifically whether the state law mandates indemnification of the trustee or simply allows it.²⁸

The next step is examination of the arts organization's working documents—the corporate charter, by-laws, and minutes—to assay whether any of these states that the board may or will provide indemnification of a trustee. It is better for any trustee that the organization's stated policy be one of indemnification. Here too, however, statute may intervene to allow indemnification only when it has been determined that a trustee or other corporate agent has acted in good faith. If there has been any negligence or misconduct—determined by a court, for example—a trustee may be denied indemnification unless on application a court determines that he or she is entitled to indemnity.²⁹

A board of trustees should make these deliberations with advice of counsel since they require reading statutes, perhaps some case law, and available insurance coverages. The assessment will affect the well being of the organization's volunteer efforts for years to come. In the present climate, a thorough investigation may yield the benefit of much more satisfactory recruitment efforts, for it should give the nominating committee a statement of the board practice in the area of indemnification in light of state law and available insurance.

Obtaining Insurance

Finally, locating D&O coverage may be the most difficult part of the process. Here, corporate management is put to the test of finding a policy that covers as many areas of trustee action as possible for the smallest possible insurance premium. The price of such coverage affects smaller arts organizations most. Fortunately, arts trustees have not succumbed to a state of paralysis, but they have learned that added to their management burden is the necessity for painstaking review of the insurance market's available indemnification policies.

Without coverage, a defendant trustee might receive no more than defense costs and attorney's fees.³⁰ Marc Lane states that it is difficult to assess what the price of D&O insurance coverage should be since there is little experience in the field, very little actuarial data on nonprofit trustees' liability, and uncertain trends due to changes at the state legislative level.³¹ Since there is very little exposure for nonprofits compared to for-profits, one might think that their coverage would be much less expensive.³²

Indemnification is most difficult for the board of trustees, for it is fraught with uncertainty and change. The best trustees can do at this point is to examine carefully statutes, case law, indemnification coverage, and finances available to cover indemnity insurance. Structurally, a board would do well to have a subcommittee deal with the questions of

board liability and indemnification, making certain that the insurance coverage purchased is as comprehensive as possible and that board indemnification practice conforms to applicable statutory and case law.

Even though they confront these issues, voluntary trustees must not reduce trusteeship to the elements of standard of care, liability, and indemnification, for trusteeship brings with it satisfactions in making meaningful contributions to society. It must be this that de Tocqueville noticed when he saw Americans who, fastening upon something that needed doing, went from neighbor to neighbor arousing interest and catalyzing action.

CONCLUSION

The challenge of becoming an ultimate volunteer lies in nurturing an artistic ideal with authority, discipline, and the kind of caring that makes love tangible in public works. Though the human condition frequently demands recognition for what one does, there is still the counsel of scripture that reinforces the wellspring of voluntary trusteeship: "How poor those who work for a reward."³³

Trusteeship calls upon the highest instincts one has for the sake of contributing what he or she can do for an arts organization without customary rewards. The ultimate volunteer gives time without receiving money in return; gives advice that does not always force action; gives money that does not underwrite totally; gives him or herself for little or no applause.

He or she does this because of the rewards of giving of oneself to make this a better world. Helping to realize artistic missions that improve mankind's understanding places the risks of trusteeship in a different light. While there are risks, there also are methods for trustees to employ to assure themselves of outstanding future human resources for their boards.

Ultimate volunteers must make time to identify, recruit, orient, and train themselves and their replacements in such a way as to improve the overall quality of voluntary participation in the arts endeavor. Trustees' heightened responses to their commitment can then serve as the model for all the volunteers of the arts organization. In this context, the mission gains effective guardians at every level.

NOTES

1. See Weber, J. 1975. *Managing the board of directors*. New York: The Greater New York Fund, for a succinct discussion of trustee responsibility.

2. Unterman, I., and R. M. Davis. 1984. *Strategic management of not-for-profit organizations*. New York: Praeger, 12.

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3. Wolf, T. 1984. *The nonprofit organization, an operating manual*. Englewood Cliffs: Prentice-Hall, 33.
4. Cook, J. 1985. Support Center Seminar Materials. Washington, DC: The Support Center.
5. Schumacher, E. F. 1973. *Small is beautiful*. New York: Harper & Row, 281.
6. Unterman and Davis, *Strategic management*, 12.
7. See, e.g., Crawford, R. W., editor. 1981. *In art we trust*. New York: FEDAPT, 9.
8. See Conrad, W. R., Jr., and W. E. Glenn. 1983. *The effective voluntary board of directors*. Athens, OH: Swallow Press, Ohio University Press.
9. *Ibid.*, 128 ff.
10. *Ibid.*, 148.
11. STERN V. LUCY WEBB HAYES NATIONAL TRAINING SCHOOL FOR DEACONESSES AND MISSIONARIES, 381 F. Supp. 1003, 1021 (1974).
12. *Id.*
13. *Id.*, 1013.
14. Cf. Unterman and Davis, *Strategic management*, 12 ff., contrasting for-profit and nonprofit directors.
15. BEARD V. ACHENBACH MEM. HOSPITAL ASS'N., 170 F.2d. 859, 862 (10th Cir. 1948).
16. See BRIGGS V. SPAULDING, 142 U.S. 662 (U.S. 1891), for one of the earliest statements of this standard where the Court allowed considerable indulgence to two new bank directors who were not at all well acquainted with their bank's investments. The Court noted the earlier directors' taking no interest in the bank's investments for fourteen years prior to the bank's failure but said that the new directors, Spaulding and Johnson, did not have to ask for a sweeping review of the bank's books in the first ninety days of their tenure in order to fulfill the standard of care.
17. STERN, *supra* note 11.
18. Cf. Marsh, G. H. 1981. Governance of nonprofit organizations: An appropriate standard of conduct for trustees of museums and other cultural institutions. 85 DICKINSON L. REV. 607; 1983. *The Journal of Arts Management and Law*, 13:32, for an extensive discussion of standard of care.
19. Lewin, T. March 7, 1986. Director insurance drying up. *The New York Times*, D-1.
20. *Ibid.*, D-4.
21. Lane, M. J. 1980. *Legal handbook for nonprofit organizations*. New York: AMARCOM, 94.
22. *Ibid.*
23. See Professor Noyes E. Leech's comments at the Paris Colloquium on Corporate Governance, March 10 and 11, 1983, reported in 6 JOURNAL OF COMP. BUS. AND CAP. MARKET LAW (1984), 199, 263: "Nevertheless, I think it can be fairly said that the duty of care cases that have gone to judgment against directors [of for-profit corporations in the U.S.A.] and officers and have been affirmed at the appellate court level are relatively small in number."
24. Cf. The public spirited defendant and others: Liability of directors and officers of not-for-profit corporations. 17 J. MAR. L. REV., 665 ff.
25. N.J.S.A. 15A:1-1, et. seq.
26. N.J.S.A. 15A:6-14.
27. N.J.S.A. 15A:6-14, at 156.
28. E.g., New Jersey allows indemnification in an elaborate prescriptive framework set out at N.J.S.A. 15A:3-4. This section also grants the corporate power to purchase and maintain insurance on behalf of any corporate agent at N.J.S.A. 15A:3-4(i). See, too, FLETCHER CYC. CORP. #1085 and 6045 ff. for a survey of state statutes on the subject.
29. Cf. N.J.S.A. 15A:3-4(c).
30. Lane, *Legal handbook*, 95.
31. *Ibid.*, 109.
32. *Ibid.*
33. *Bhagavad-Gita*, Chapter 2, vs. 49.