Nonprofit Self-Assessment Checklist

Evaluate your organization against the
Standards for Excellence®: An Ethics and Accountability Code for the Nonprofit Sector

The Standards for Excellence® code identifies 6 major areas of nonprofit governance and management which contain 27 different topic areas. Each topic area includes specific benchmarks and measures that provide a structured approach to building capacity, accountability, and sustainability in your organization.

Nonprofits that adhere to these benchmarks can become formally accredited by the Standards for Excellence Institute® and earn the right to display the Seal of Excellence throughout their organization. Organizations also have the option to be recognized for significant accomplishments through the Institute's *Standards Basics* and *Standards Basics Enhanced* recognition programs.

Members of the Standards for Excellence Institute and their Replication Partners can download our exclusive Educational Resource Packets for guidance when completing this checklist. The packets include information on implementing specific standards, justification for the standards, best practices associated with the issue, model procedures and sample policies. Collectively they cover each of the standards in the Standards for Excellence code.

Learn more about the Standards for Excellence Institute, membership, and its signature programs at standardsforexcellence.org, or take the assessment online at sfei.fluidreview.com.

Instructions for using this checklist:
Standards Basics **Recognition requirements are in blue text.**
Standards Basics Enhanced **Recognition requirements are in purple text.**
Accreditation requirements are in green text.

To better gauge your organization's standing:
Mark √ if your organization has met the standard
Mark X if your organization has not met the standard
Mark O if your organization may be meeting the standard or is partially in compliance

MAJOR AREAS
MISSION, STRATEGY, and EVALUATION
LEADERSHIP: BOARD, STAFF, and VOLUNTEERS
LEGAL COMPLIANCE and ETHICS
FINANCE AND OPERATIONS
RESOURCE DEVELOPMENT
PUBLIC AWARENESS, ENGAGEMENT AND ADVOCACY

MISSION, STRATEGY, and EVALUATION

A. Mission and Impact
__ The statement of mission is clear
__ The mission is defined and approved by the board
__ The organization's activities are consistent with its mission
__ The organization has a vision statement and it is clearly connected to the mission (see also B1 below)

B. Planning Strategically
__ The organization engages in long-term planning activities (strategic planning, financial forecasting, sustainability planning, etc.)
__ The organization engages in short-term planning activities (annual planning, work plans, implementation planning, etc.)
__ The organization defines specific goals and objectives and these goals clearly support the organization's mission
__ The organization evaluates the success of the organization's programs (success is measured by mission fulfillment)
__ The organization's board and staff have reviewed the mission statement within the last 3 to 5 years
__ The organization has identified critical strategic issues and trends in their community
__ The organization has evaluated the need for its programs

C. Organizational Evaluation
__ The organization defines how it measures organizational effort (in terms of financial or human capital measures)
__ The organization has clearly stated a percentage of the organization's effort devoted to each program

D. Program Evaluation
__ The organization has provided a description of the framework for how each program will be evaluated. The framework should include all the elements below:
  __ The evaluation methods are cost-effective for the organization
  __ Quantitative and qualitative data is being collected (at Basics tier, data collection must have begun)
  __ The evaluation methods include input from program participants as part of the evaluation
  __ The evaluation methods measure the satisfaction of program participants
  __ The evaluation methods measure outcomes related to efficiency and organizational effort
  __ The evaluation methods measure outcomes related to effectiveness and outcomes for program participants. (These outcomes should be related to the organization's mission and strategic goals)
__ 40% of programs (as defined by organizational effort) are being evaluated in the manner described
__ 100% of programs are being evaluated in the manner described
__ The evaluation methods encourage candid input from board, staff, and program participants
__ Information gained through program evaluations is used by the board and staff in organizational decision-making

E. Strategic Partnerships
__ The organization partners with other organizations to help meet its mission
__ The organization has a procedure for determining who to partner with on what programs or issues
__ The organization completes due diligence on potential partners
__ Where the partnership would require it, the organization has in place a contract, MOU, or similar documentation

LEADERSHIP: BOARD, STAFF, and VOLUNTEERS

A. Leadership and Governance
(1) Governance and Fiduciary Responsibility
__ The responsibility for recording board minutes is designated to a specific person
__ Board minutes demonstrate that the board understands its duties of care, loyalty, and obedience
__ Accurate and clear minutes reflecting board and committee actions are kept
__ Board and committee minutes are distributed to all board members
__ Committees who have been given decision-making authority report any committee actions to the full board
__ When presented to the board, these committee actions are reflected in the board minutes
__ The full board meets at least four times a year
__ Board agendas are strategically structured around decision-making
__ Board meetings are efficient, effective, and engaging
__ Board and committee minutes are stored in a secure location and are backed up as needed
__ The board has established bylaws and other organizational governing documents
__ The board periodically reviews the bylaws and policies (demonstrated by the minutes, board agendas, board calendar, etc.)

(2) Executive Supervision, Performance, and Compensation
__ The board has reviewed and approved the executive's compensation
__ The board has reviewed the executive's performance
__ The board helps the executive plan for improvement on areas of growth identified in the evaluation
__ The board has granted the executive authority to enforce management policies
__ The executive has a written job description
__ The board works in partnership with the executive to accomplish the organization's goals

(3) Board Effectiveness
__ The board takes responsibility for the operations of the board (demonstrated across the other benchmarks)
__ The board has evaluated its performance at least once in the past two years
__ The board plans for improvement on areas of growth identified in the evaluation
__ Board members have a written job description or expectations
__ Board members regularly attend meetings
__ Board members participate in board and organization activities as outlined in written board expectations
__ Board members participate in board committees if required
__ All committees have a stated purpose
__ The board has a strategy for recruiting and selecting new board members
__ The board recruitment strategies address how the board will ensure that board members have an appropriate mix of talent, connections to the community, and diversity inclusive of the community served
__ The organization's bylaws outline a limit on the number of consecutive terms a board member may serve
__ The board appropriately orients new board members
__ The orientation includes an introduction to the Standards for Excellence code and any other code of ethics, values, etc.
__ The board provides educational opportunities and leadership development for board members
__ When necessary, the board takes action to remove board members who do not comply with board policies

(4) Succession Planning and Leadership Development
__ The board plays a role in planning for the succession and transition of the executive
__ The board has plan for board leadership succession and board member transitions
__ The board has planned for the succession and transition of the executive
__ If a new executive has been appointed or hired in the last five years, the board followed its succession plan
__ All employees and volunteers have a position description which outlines their work and responsibilities
__ The executive has planned for the transition of key staff and volunteer leaders

(5) Board Member Independence

- __ Board members do not receive compensation, accept allowable reimbursement of expenses
- __ There are at least five independent and unrelated directors
- __ Employees do not have a vote on the board of directors
- __ If employees have a vote on the board, they are not in a position to exercise undue influence

(6) Board Meetings
- __ Note: Board meetings are covered above in Governance and Fiduciary Responsibility
- __ Note: Board agendas are covered above in Governance and Fiduciary Responsibility
- __ Note: Minutes are covered above in Governance and Fiduciary Responsibility
- __ Note: Committee minutes are covered above in Governance and Fiduciary Responsibility

B. Leadership and Operational Management
(1) Executive Functions
- __ The executive has established management policies as needed to provide for the proper functioning of the organization
- __ The executive assesses her own performance as part of the board's evaluation of his/her performance

(2) Supporting the Board
- __ The executive provides accurate and timely program and financial information and resources to the board
- __ The organization has a procedure for setting and reviewing compensation for its employees
- __ This procedure includes some comparative element (vertically within the organization, horizontally within the industry, or generally in relation to the economy)
- __ The board has reviewed the compensation structure for the organization
- __ The organization has articulated what contributions volunteers make to the organization
- __ The organization utilizes this volunteer information in evaluations of organizational effort and program efficiency or in grant writing or reporting

(3) Organizational and Financial Sustainability
- __ The organization has a sustainability plan or has considered organization sustainability in the organization's other planning activities

(4) Managing Employees and Volunteers
(Note: these are required for staff at Basics tier and for volunteers at Basics Enhanced).
- __ All staff and volunteers receive an orientation to their position and to the organization
- __ This orientation includes an introduction to the Standards for excellence and any other code of ethics or values statements
- __ The executive ensures that all employees and volunteers are regularly evaluated.
- __ All employees receive a written evaluation at least annually.
- __ The employee and volunteer policies outline the following requirements:
    - __ Recruitment and hiring
    - __ Screening of potential employees and volunteers (if applicable, background checks should be employed for employees and volunteers working with children and youth)
    - __ Orientation and position-specific training
    - __ Supervision and regular evaluation
    - __ Recognition
    - __ Working conditions
    - __ Telecommuting (if applicable)
    - __ Employee benefits including vacation and sick leave, insurance, etc. (applicable only to paid employees)
    - __ Grievance procedures
    - __ Whistleblower policy
    - __ Confidentiality of employee, client and organization records and information
    - __ Employee and volunteer professional development

C. Cultural Competency

- _ The organization has a clear picture of the community they are serving
- _ The organization's board, staff, and volunteers are inclusive of the community served
- _ The leadership has assessed its capacity to effectively serve and interact with people equitably across different cultures and backgrounds
- _ The organization has a cultural competency plan or strategy in place (or has considered cultural competency and diversity in the planning activities discussed above)

LEGAL COMPLIANCE and ETHICS

A. Maintaining Legal Compliance
- _ The organization's 990 is filed on a timely basis and contains accurate information about the organization's operations (including UBIT, valuing in-kind gifts, lobbying, governance and management, related entities and related transactions)
- _ The organization is registered as required with all applicable federal, state, and local authorities
- _ As appropriate, the organization holds all licenses it needs to perform its programs and services
- _ The organization has a policy outlining document destruction and retention (includes a policy and a schedule)
- _ If required, the organization's facilities are ADA compliant
- _ The organization's employee policies cover all legally required elements
- _ The organization maintains a regular schedule of internal compliance reviews
- _ The board of directors is aware of the results of the regular internal compliance review

B. Required Public Disclosures
- _ The organization complies with all federal and state disclosure laws
- _ The organization has designated a representative who is responsible for ensuring that the organization is complying with federal and state disclosure laws
- _ The organization includes all state required disclosures on fundraising, solicitations, and receipt materials
- _ The organization makes its form 1023, form 990, and IRS determination letter available upon request

C. Reporting Misconduct and Whistleblower Protection
- _ The organization has a whistleblower policy in place
- _ The organization's board, staff, and volunteers are all made aware of the whistleblower policy

D. Conflicts of Interest
- _ The policy identifies the types of conduct or transactions that raise conflict of interest concerns
- _ The policy sets forth procedures for disclosure of actual or potential conflicts
- _ The policy provides for review of individual transactions by the uninvolved members of the board of directors
- _ The disclosure statement provides a space for the board member, employee or volunteer to disclose any known interests that the individual, or a member of the individual's immediate family, has in any business entity which transacts business with the organization
- _ The disclosure statement is signed upon appointment or hire and annually thereafter by all board, staff, and volunteers with significant independent decision-making authority

E. Ethics
- _ The organization's leadership has adopted a clear set of ethical principles, such as a code of ethics, code of conduct, or values statement

- The organization's code of ethics, code of conduct, or values statement is readily available to all stakeholders (board, staff, volunteers, program participants, donors, the public)
- Those representing the organization conduct themselves in a professional manner
- The organization consistently solicits and receives feedback from the people it serves
- The organization has a grievance procedure in place that addresses problem solving and actions for addressing and resolving complaints effectively.
- The organization effectively handles complaints by program participants, employees, board members, volunteers, or other stakeholders
- The organization has a procedure for reporting of legal or ethical misconduct by the organization's employees and volunteers (by the public and external stakeholders - internal audiences are covered by the whistleblower policy)
- There are policies and procedures in place that protect the confidentiality and privacy of program participant's personal information

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FINANCE AND OPERATIONS

A. Financial Budgeting, Reporting and Monitoring
- The board approves the organization's budget each year. If applicable, the capital budget is also approved
- The board monitors the organization's financial performance against the budget
- Regular internal financial statements are prepared by staff
- The board reviews (at least quarterly) internal financial statements which identify and explain any material variation between actual and budgeted revenues and expenses
- The board reviews the organization's statement of functional expenses on at least an annual basis
- If required (organizations with an operating budget over $500,000), an audit is conducted by a CPA hired by the board
- The full board reviews and accepts the audited financial statements
- The board receives a copy of the management letter along with management's response
- The board monitors implementation of the recommendations in the management letter

B. Internal Controls and Financial Policies
- The organization has board-approved polices that address:
  - Internal controls
  - Investment of the organization's assets
  - Purchasing practices
  - Unrestricted current net assets (reserves)

C. Personnel Policies
- Note: These measures were included in the leadership section above

D. Administrative Policies
- The organization has board-approved polices that address:
  - Crisis and disaster planning
  - Information technology
  - Communications
  - Social media

E. Risk Management and Insurance
- _ The organization periodically assesses risks that organization and its operation may face
- _ The organization carries liability insurance
- _ The organization carries directors' and officers' insurance

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RESOURCE DEVELOPMENT

A. Resource Plan
- _ The organization has a board-approved resource development plan in place that outlines a framework for ensuring the organization's financial resources
- _ The plan is regularly reviewed for alignment with the organization's budget
- _ The plan includes diversified sources of income
- _ A process is in place for evaluating the cost-effectiveness of all resource development activities
- _ The organization's fundraising ratio is less than 3:1 (it costs $1 or less to raise $3 or more)

B. Sources of Income
- _ The organization evaluates its sources of income for impact on the community and the organization, overall mission alignment, feasibility, and associated risk. (These may include individual contributions, foundation and corporate grants, government grants and contracts, fee for service, social enterprise, cause marketing, investments, etc.)

C. Fundraising Activities
- _ Solicitation and promotional materials are accurate and truthful and correctly identify the organization, its mission, and the intended use of the solicited funds
- _ All solicitations and gift receipts contain the required IRS and state disclosures
- _ All statements made by the nonprofit in its fundraising appeals about the use of a contribution are honored
- _ Solicitations are free from undue influence or excessive pressure
- _ Solicitations are respectful of the needs and interests of the donor or potential donor

D. Donor Relationships and Privacy
- _ The organization's board approved fundraising polices should address:
  - _ The donor's right to determine how their personal information is used
  - _ The donor's right to remain anonymous
  - _ The donor's right to request that the organization curtail repeated mailings or telephone solicitations from in-house lists
  - _ The donor's right to have their name removed from any mailing lists, particularly those which are sold, rented, or exchanged
- _ The organization honors the known intentions of a donor regarding the use of donated funds

E. Acceptance of Gifts
- _ The organization's board approved fundraising polices should address:
  - _ The acceptance and disposition of charitable or in-kind gifts that are received in the course of its regular fundraising activities
  - _ Procedures to determine any limits on individuals or entities from which the organization will accept a gift
  - _ The type of property which will be accepted

    _   Whether to accept an unusual or unanticipated gift in light of the organization's mission and organizational capacity

F. Fundraising On Behalf of the Organization
_ Internal and external resource development personnel are not compensated based on a percentage of the amount raised or other commission formula
_ All paid professional fundraising consultants are properly registered with the appropriate state authorities
_ Staff, board members, volunteers, consultants, contractors, or other organizations or businesses fundraising on behalf of the organization are provided appropriate direction and oversight

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PUBLIC AWARENESS, ENGAGEMENT AND ADVOCACY

A. Educating and Engaging the Public
_ The organization publishes an annual report or makes readily available at its website the following information:
  - _ Mission
  - _ Program activities
  - _ Board members
  - _ Key management staff
  - _ Summary Statement of Financial Position
  - _ Summary Statement of Financial Activities
_ The organization's contact information and key staff members are easily accessible through means which are readily available to the public
_ The organization has a procedure in place for verifying the accuracy and sufficiency of information that is distributed to the public

B. Advancing the Mission Through Public Policy and Advocacy
_ The organization has a board-approved advocacy policy which outlines the process by which the organization determines positions on specific issues relevant to their constituents
_ The organization can articulate it's advocacy goals and activities
_ The organization is aware of critical policy issues that have the potential to impact their community
_ The organization has developed partnerships around critical policy issues

C. Engaging in Lobbying and Political Activity
_ All of the organization's activities are non-partisan
_ The organization transparently reports its lobbying activities
_ If required, all internal or external lobbyists are registered with the appropriate federal, state, or local authorities

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