



The Standards for excellence

An Ethics & Accountability Program for the Nonprofit Sector

Standards for Excellence® Educational Resource Packets

The Pennsylvania Association of Nonprofit Organizations offers 23 educational resource packets for organizations interested in implementing various portions of the *Standards for Excellence: An Ethics and Accountability Code for the Nonprofit Sector®*. The educational resource packets generally include information on the importance of implementing specific standards, justification for the standards, best practices associated with the issue, model procedures and sample policies. Structurally, they include a narrative memo and attachments. The attachments include both original materials created by the Standards for Excellence Institute, as well as documents that have been obtained with permission from other sources.

The *Standards for Excellence®* educational resource packets were prepared by conducting an exhaustive review of the literature on the particular topic, pulling the most useful information, creating original materials (including model policies) where the available information is not sufficient, and packaging the materials in an easy to use format. The cover memo for each packet provides a conceptual framework which is intended to help organizations make good use of the accompanying materials.

Collectively, the 23 packets cover each of the 55 standards in the *Standards for Excellence: An Ethics and Accountability Code for the Nonprofit Sector®*. The following Standards for Excellence® educational resource packets are available:

1. Developing and Revising the Mission

- Mission, vision and values
- Developing a mission statement
- Reviewing and revising a mission statement
- Legal issues of a mission statement
- Use of a mission statement
- Examples of mission statements

2. Program Evaluation

- Defining an organization's programs
- Difference between evaluation and monitoring
- The program cycle
- Approaches to outcome evaluation
- Logic models
- Data collection techniques
- Effectiveness v. efficiency
- Cost benefit analysis
- *Attachment: Sample Outcomes Logic Model (WK Kellogg Foundation)*

**Download Instructions
Located on Back Page**

3. Program Service – Grievance Procedures, Confidentiality, and Satisfaction of Program Participants

- Confidentiality policies
- Grievance procedures
- Satisfaction of program participants
- *Attachments: Sample Confidentiality Policy, Sample Consumer Grievance Policy and Procedures, Sample Member Satisfaction Survey*

4. Ongoing Planning by Board

- Benefits of planning
- Common pitfalls for planning
- Time-frame of plans
- Developing a 3-5 year plan
- *Attachment: Strategic Plan Sample Worksheet for Executive Summary*

5. Compensation and Employee Evaluation

- Board and staff roles
- Hiring the executive director
- Setting the executive director's salary
- Evaluating the executive director's performance
- Maintaining staff other than the executive director
- Overall salary structure
- Salary structure and the broader market
- *Attachments: Annual Review of Executive Director Form, Executive Director Evaluation Form (Institute for Conservation Leadership), Annual Employee Evaluation Form, Compensation Philosophy Statements, Model Review of Organization's Salary Structure*

6. Board Composition

- Commitment to the mission of the organization
- Board size
- Board diversity
- Employees on the board
- Relatives and business associates in leadership position on the nonprofit board
- Term limits
- Compensation of board members
- *Attachments: Sample Bylaws, Board Composition Analysis, Statements on Board Diversity, Family and Business Relationships Questionnaire*

7. Conduct of Board

- Expectations of board members
- Board member training, orientation, and development
- Board member recruitment and selection
- Board evaluation of its own performance
- Board meetings and attendance
- Meeting minutes
- *Attachments: Sample Job Description, Sample Board Commitment Form, Board Orientation Checklist, Overview of Board Member Handbook, Board Development Committee Description, Sample Board Evaluation, Sample Board Evaluation, Ten Tips for Effective Meetings, Sample Clauses for Board Member Removal for Failing to Attend Board Meetings, and Board Minutes*

8. Conflict of Interest

- Benefits of a conflict of interest policy
- Why a conflict of interest policy is important
- Identifying conduct that raises conflict concern
- Disclosure
- Independent review and approval
- Perceived conflicts and the appearance of impropriety – policy in action
- Steps to take in preparing a conflict of interest policy
- *Attachments: Model Conflict of Interest Policy, Model Conflicts of Interest Annual Affirmation of Compliance and Disclosure Statement*

9. Personnel Policies and Employee Orientation

- Benefits of personnel policies
- Contents of an employee handbook
- Development of personnel policies
- Drafting an employee handbook
- *Attachments: Model Employee Handbook (includes employee orientation checklist)*

10. Volunteer Policies

- Benefits of volunteer policies
- Developing volunteer policies
- Preparing for incorporation of volunteers into an organization's efforts
- Initial assessment or screening of volunteers for appropriate work responsibilities
- Ongoing supervision and evaluation
- Recognition and opportunities for advancement
- *Attachments: Model Volunteer Program Policies and Procedures, Position Description for Volunteer Coordinator, Sample Volunteer Policies*

11. Financial Planning and Monitoring

- Budget
- Finance committee
- Financial statements
- Resources Spent on program administration and fundraising
- Audits
- New auditing standards released in 2006
- *Attachments: Glossary of Terms, Sample Request for Proposal for an Audit, Effective Fiscal Management, Sample Section of Board Minutes Reflecting Review of Percentages Spent on Program, Administration and Fundraising*

12. Reporting Financial Improprieties

- Benefits of reporting improprieties
- Confidential means to report improprieties
- How a nonprofit can implement a policy to promote confidential reporting of financial improprieties
- *Attachments: Sample policy on Confidential Reporting of Financial Impropriety or Misuse of Organization's Resources, Sample policy on Reporting Improprieties, Fraudulent or Dishonest Conduct, Sample Financial Impropriety or Misuse Policy, Sample Job Description for Individual (Volunteer or Paid Staff) Managing the Ethics Hotline (or similar mechanism to provide employees a confidential means to report suspected financial improprieties or misuse of organization resources).*

13. Financial Policies

- Investment policies
- Internal controls policies
- Purchasing policies
- Unrestricted current net assets
- Document Retention
- *Attachments: Sample Investment Policy, Model Purchasing Policy, Sample Internal Control Policy, Practical and Almost Painless Approaches to Improving Internal Controls, Sample Policy on Restricted Net Assets, Sample Investment Policy, Policy, Sample Document Retention Policy*

14. Legal Compliance Checklist

- Requirements applicable to tax exemption/tax exempt status
- Requirements for corporate start up
- Requirements related to organizations with employees
- Requirements related to solicitations, fundraising, and related activities
- Requirements applicable to lobbying activities
- Miscellaneous requirements
- *Attachments: Checklist of Compliance with Selected Legal, Regulatory, and Financial Reporting Requirements for Charitable Nonprofits*

15. Legal Compliance - Liability Issues

- Immunity for nonprofits and federal law
- State immunity laws
- Directors and officers insurance
- Other types of insurance
- *Attachments: Questions and Answers about D & O Coverage*

16. Openness

- Benefits of openness
- Annual report elements
- Designing an annual report
- Public access
- Public disclosure
- *Attachments: Disclose It: A Charitable Nonprofit's Guide to Disclosure Requirements*

17. Fundraising Costs

- Controlling cost of raising money
- Determining ratio of charitable contributions for fundraising results to costs
- Fundraising ratio do not reveal efficiency or effectiveness of nonprofits
- Reasonable over time
- *Attachments: Typical Fundraising Event Expenses, Nonprofit's Fundraising Expenses*

18. Fundraising Practices

- Accurate and truthful solicitations
- Donor privacy
- *Attachments: Model Solicitations and Acceptance of Gifts Policy, Sample Fundraising Policy, Disclose It: A Charitable Nonprofit's Guide to Disclosure Requirements, Donor Bill of Rights*

19. Solicitation and Acceptance of Gifts

- Benefits of solicitations and acceptance of gifts
- Limits on persons or entities from whom organization will accept gifts
- Limits on type of gift that will be accepted
- Limits based on the practical or financial implications of accepting a gift
- Limits on the purpose for which gift will be used
- Anticipating the unexpected
- *Attachments: Model Solicitation and Acceptance of Gifts Policy, Sample Fundraising Policy*

20. Employment of Fundraising Personnel and Engagement of Fundraising Consultants

- Avoiding commission or formula based compensation for fundraisers
- Proper registration of fundraising consultant
- Exercising control over individuals or groups soliciting on the nonprofit's behalf
- *Attachment: Sample Fundraising Agreement for Outside Organizations Raising Money Without Charge on Behalf of a Nonprofit*

21. Public Policy Advocacy Promoting Public Participation

- Advocacy and lobbying in charities is legal
- Defining the terms advocacy and lobbying
- Allowable lobbying activities (Default option: substantiality principle and Election option: 501(h) election)
- Registration and disclosure of lobbying activity
- Developing public policy/advocacy policy for your organization
- Activities must be strictly nonpartisan
- *Attachments: Sample Policy on Public Policy, Sample Advocacy Policy, Limited Advocacy Policy, Worry-Free Lobbying for Nonprofits, (Alliance for Justice, 2003)*

22. Nonprofits' Efforts to Educate the Public

- Ensuring accuracy and presentation of materials released to public
- Style guides
- *Attachments: Final Checklist Before Releasing Materials to Public, Logo Use Policy, Copyright Policy*

23. Form 990 Policy Compendium Packet 2009

- Compendium of policies nonprofits should consider adopting to answer Form 990 questions on governance, management, fundraising and disclosure in the affirmative.
- *Attachments: Questionnaire on Family and Business Relationships and Interested Person Independence, Policy on Board's Review of the Form 990, Conflicts of Interest Policy and Annual Disclosure Statement, Compensation Policy, Auditor Independence Policy, Whistleblower Policy-Confidential Means to Report Impropriety, Joint Ventures Policy, Expense Reimbursement Policy, Solicitation and Acceptance of Gifts Policy, Document Retention and Destruction*

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