

## EIGHT KEY AREAS OF NONPROFIT EXCELLENCE

The 40,000 nonprofits in the New York City area represent one of the largest and most diverse communities of nonprofits in the country. They provide most of our art and music and crucial services that improve the welfare and well-being of individuals, neighborhoods, and communities. Managing nonprofit organizations has become increasingly complicated. Today's successful nonprofit must regularly demonstrate progress toward its mission, balance its books, comply with a staggering number of regulatory requirements, recruit, motivate and manage a strong staff and board of directors, raise money, communicate the organization's "story," be diverse and inclusive, manage changes in information technology, and demonstrate transparency, effectiveness, and accountability to donors and the public. Strong management requires focusing on all of this and key performance criteria that have been shown to produce great results.

Eleven years ago, NPCC developed the ***Eight Key Areas of Nonprofit Excellence*** to provide nonprofits with a roadmap of core management excellence areas and performance strategies. The eight key areas, and the concrete examples of management strategies that follow from them, outline standard practices and aspirational best practices. They are not all-inclusive or one-size-fits-all, and they certainly should not be viewed as a checklist of all that is excellent in running nonprofit organizations. Underlying each of these areas is an assumption that the organization has established an explicit code of ethics that encompasses ethical and legal standards that cut across all management areas and programs. The nonprofit sector varies in size and mission and the art and science of management is ever evolving – the eight key areas are a good starting point for evaluating an organization's areas of excellence and potential for growth and improvement. Each of the eight areas includes: (1) an explanation of the topic; (2) baseline standards that NPCC believes must be met in order to demonstrate strong nonprofit practice; and, (3) aspirational goals that demonstrate progress and deepening strength of the nonprofit sector. In line with our understanding that excellence evolves, we expect the list to change over time as we all further define nonprofit excellence.

NPCC's **New York Community Trust Nonprofit Excellence Awards** program provides nonprofits with an opportunity to learn about the eight areas, assess their own organizational management, access resources and education that support improvement and apply for an Award that recognizes their excellence and allows them to share their proven practices with the entire sector. The Nonprofit Excellence Awards encourage a growing number of today's nonprofits – as well as those who observe, support, and study them – to pursue excellent management practices and to contribute to our field's growing legacy of excellence. We hope these ***Eight Key Areas of Nonprofit Excellence*** inspire your organization to grow and evolve.

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## **AREA ONE: OVERALL MANAGEMENT FOCUS ON RESULTS AND IMPACT**

### **Clear, Effective Mission and Values**

- The organization has a well-defined mission statement and articulated values that guide organizational decision-making and practice, and supports organizational capacity to meet challenges and achieve results.
  - Standard:
    - Mission clearly expresses the purpose of the organization and the vision to reach that purpose.
    - Mission sets short- and long-term benchmarks for the organization's scope of work.
    - Organizational activities support the mission.
  - Aspiration:
    - The organization has a value statement that supports the mission, vision and strategic planning.
    - Mission and vision tell a clear and compelling story of the organization's purpose and work.
    - Mission, vision, and values support and identify opportunities for ongoing innovation and creative development within the organization.
    - Mission and vision are kept relevant and at the forefront of the organization's development through assessments of the community, key stakeholders, and end users of the organization's work.

### **Regular Measurement, Review, and Use of Program and Organizational Results**

- Program and organizational results are clearly articulated and regularly tracked, reviewed, and reported in light of targeted outcomes.
- Results are achieved and sustained over time and, where appropriate, scaled up.
- The organization regularly uses reflective learning to identify needs and learn from results, both positive and negative.
  - Standard:
    - Program staff track and compile program results, including outputs and outcomes.
    - Program results are monitored and used to understand and strengthen organizational performance and to facilitate organizational learning.
    - The organization conducts and reports on periodic assessments of progress towards achieving short- and long-term organizational mission goals.
  - Aspiration:
    - The organization engages in multiple forms of data collection, measurement, and evaluation to capture and communicate performance and outcomes in diverse ways.
    - Organizational impact can be demonstrated through program results.
    - The organization has the necessary and appropriate staffing, technology, and software to robustly capture and compile data beyond demographics and outputs, and uses that data as a tool to further mission impact.
    - The organization systematically measures and reports qualitative outcomes and progress.
    - The organization engages in reflection and improvement planning that is inclusive of stakeholders most directly impacted by the mission.

- Evaluation and assessment of programs are done both internally and by external evaluators on a periodic basis.
- More intensive risk assessments are periodically conducted to ensure effective use of financial and human capital.

### **Strategic Planning and Forward Thinking**

- The organization regularly engages in short- and long-term strategic planning exercises in order to (1) ensure the ongoing vitality and purpose of the organization’s mission and vision; (2) anticipate and set goals in order to achieve the mission; and, (3) ensure the ongoing efficacy of the organization’s programs in achieving those goals.
  - Standard:
    - The organization has a clear theory of change that enables it to ensure alignment and gauge areas of growth and strength.
    - The organization’s strategic plan has clear goals that take into context key issues and trends in the coming years for its communities and includes clear plans to fund these goals.
    - Strategic planning encompasses more than just programmatic growth, and includes infrastructure and technology growth and needs, plus a detailed and achievable financial plan for funding its full costs.
    - Strategic plan goals are regularly monitored.
  - Aspiration:
    - Staff at all levels are regularly involved in strategic planning and are provided with professional development to actively engage in and understand results of strategy.
    - Organizational management clearly communicates that reflective learning and evolution of program development informs strategic planning as much as successes do.
    - The organization’s theory of change and strategic visioning work are aligned across all stakeholders – from clients/program participants to board members.
    - The organization engages in creative thinking and other design lab work to encourage innovation and forward thinking at all staff levels.

## **AREA TWO: GOVERNANCE STRUCTURE MOVES THE ORGANIZATION FORWARD**

### **Board Leadership Supports Mission**

- Board members are effectively involved in critical roles – policy oversight, leveraging resources, assuring accountability, publicly representing the organization – that support the mission.
  - Standard:
    - Board members are committed to the mission of the organization and act as strong fiduciaries of the organization.
    - The board has distinct committees that meet regularly.
    - Board members are recruited based on clearly assessed needs and job descriptions.
    - The board has a board give and/or get policy and 100% board giving.
  - Aspiration:
    - Board recruitment is diverse and inclusive, and new board members are intentionally on-boarded.

- Board committees have work plans and regularly report progress.
- The board engages in strategic planning for its own performance targets in support of the mission and organizational strategic plan.

### **Informed Board Provides Oversight**

- Board leadership assures organization-wide accountability, transparency, effectiveness, and ethical behavior, including compliance with appropriate legal and professional guidelines and regulations.
  - Standard:
    - Board members understand the financial situation of the organization and can tell its financial story.
    - Board documents (minutes, management, financial, event and fundraising reports, audits, 990s, and other key documents) are created, circulated, and retained in accordance with document retention requirements.
    - Board members oversee the organization's progress toward strategic and financial goals using organizational program, financial, and legal reports.
    - The board has explicit whistleblower and conflict of interest policies.
    - The board engages in educational and professional development opportunities to ensure that they stay abreast of nonprofit corporate law and policy developments.
    - The board has an executive compensation policy.
    - The board conducts a regular and thorough evaluation of the chief executive's performance.
  - Aspiration:
    - The board evaluates and monitors the organization's top financial and programmatic risks, ensuring staff are managing these risks appropriately.
    - The board provides financial expertise and guidance on long-term financial planning.
    - The board has a succession plan in order to ensure intentional recruitment and healthy leadership transitions at the organizational and board levels.
    - The board has a mechanism of supporting the chief executive and other key management roles of the organization to avoid burnout and ensure longevity and retention.
    - The board ensures that the organization is aware of, and takes advantage of, developments in its field.

### **Board Regularly Evaluates Its Own Performance**

- The board has established performance expectations on an individual and group basis, and holds itself accountable for meeting attendance, fundraising targets, program support, and committee activities.
  - Standard:
    - Board member performance, including leveraging their networks and resources to support the organization, is individually assessed and reported back to the individual.
    - Overall board performance is periodically assessed and the results of that assessment are used as a basis for board recruitment and growth.
    - Board meeting and activity attendance is high.

- Aspiration:
  - The board as a whole sets performance targets and assesses and evaluates its impact and achievement of targets.
  - The board committees have independent tasks and targets on which they meet regularly and report to the full board.
  - The board engages in regular retreats, both independently and with staff, in order to ensure alignment of board vision and goals with staff/organizational vision and goals.
  - The board has a clear policy to counsel and, if necessary remove, members who are not meeting their goals.

## **AREA THREE: FINANCIAL MANAGEMENT IS STRONG, TRANSPARENT AND ACCOUNTABLE**

### **Transparent Financial Management**

- Budgets are clear, informed by the mission and strategic plan, communicated to stakeholders, and compliant with all legal and financial requirements.
  - Standard:
    - All organizational information, such as form 990s and financial statements are easily available on the organization's website.
    - The organization has a process for ensuring appropriate categorization and handling of all funds (particularly restricted funds) in the budget, accounting systems and cash flow management systems, ensuring that designated funds are utilized as prescribed.
    - All staff are aware of and trained in appropriate internal controls that are in place to assure integrity, accuracy, and transparency in all financial dealings by the organization and to prevent fraud and waste.
    - The organization's chart of accounts is aligned with organization and program budgets.
    - All local, state, and federal forms and requirements are completed in a timely fashion.
    - The organization has regular audits and addresses any management items therein.
  - Aspiration:
    - Budgets are created with scenarios that pre-plan for shortfalls or unexpected revenue.
    - The organization builds budgets with input from program staff and communicates actual budget performance to staff throughout the year.
    - The organization uses dashboards to clearly measure key indicators and to communicate financial progress with stakeholders as appropriate.

### **Regularly Evaluate Financial Performance and Goals**

- The organization's management keeps abreast of financial targets that support strategic goals, strives for an annual surplus and/or adequate cash reserves, and regularly tracks budget performance and cash flow.
  - Standard:
    - Budgets are created with and managed to a modest surplus.
    - Budget performance and cash flow updates are regularly provided to the board.

- The board treasurer receives regular detailed financial reports and is in ongoing communication with the personnel in charge of financial management.
- Organizational program budgets are monitored and adhered to by the program staff.
- The organization has an investment policy.
- Aspiration:
  - Budgets include a surplus sufficient to cover the full cost of the organization's needs, including future or non-operating needs like facility maintenance and cash reserves, and progress is measured against this goal.
  - The organization engages in long-term strategic planning with a financial roadmap that considers market, financial realities, programs, opportunities, and risks.
  - The organization stays abreast of all revenue opportunities and evaluates their reliability and net benefit to programs and financial stability.
  - Management performs regular financial risk assessments and develops a plan for managing the top risks to the organization.
  - Management is able to adjust quickly to unexpected financial developments as a result of timely financial reporting, clear decision-making roles, and regular practice of financial scenario planning.

### **Day-to-Day Operating Stability**

- The board and management team of the organization have taken steps to ensure adequate cash flow and liquidity to cover day-to-day expenses as well as reserves for increased stability.
  - Standard:
    - Management takes appropriate advantage of cash management tools such as lines of credit or strategies such as reimbursement management.
    - The organization seeks to achieve an appropriate mix of funding streams, given its size, business model, and aspirations.
  - Aspiration:
    - The board and senior management ensures that there are adequate liquid cash reserves to protect the organization against contingencies and risk.
    - The board has established a financial reserve policy that articulates the purpose of the funds, how they are to be used and replenished.

## **AREA FOUR: ORGANIZATION IS DIVERSE, EQUITABLE, AND INCLUSIVE**

### **Organizational Practices Reflect Commitment to Diversity, Equity and Inclusivity**

- The staff, board, and volunteers are diverse at all levels of the organization and reflect the community(ies) or population(s) in the New York area they serve.
- Internal and external communications reflect the organization's commitment to diversity, cultural competency, and inclusion.
  - Standard:
    - Staff receive regular trainings in diversity, equity, inclusivity, and cultural competency related to the organization's mission.
    - The organization ensures that the staff and board are reflective of the diversity of the community(ies) it serves.

- The organization has a process of regularly and safely engaging staff and board members to address the differences that may arise through cultivating, engaging, and maintaining a diverse and inclusive staff and board.
- The organization acknowledges areas where it is not diverse, equitable, inclusive, or culturally competent and seeks assistance to bridge that gap.
- Aspiration:
  - The organization regularly assesses areas of growth in terms of diversity, equity and inclusion, and ensures that all forward planning addresses those areas.
  - Inclusion and equity are not presumed to be innate or assumed, but rather intentionally cultivated and grown.
  - The organization has practices and resources to address inequity among board, staff and community members, and invests resources in achieving equity, including accountability practices to address inequity.
  - The organization's website, marketing materials, and all outputs reflect diverse and inclusive practices.
  - The organization maintains a physically barrier-free work environment.

### **Policies Reflect Organizational Commitment to Diversity**

- Inclusive service, outreach, recruitment, and hiring policies and practices are integrated into the organization's structure, leadership and personnel, and fiscal and governance policies and practices.
  - Standard:
    - There is an explicit written diversity policy and policy for reporting discrimination that includes an accountability process.
    - The organization ensures that its materials are accessible to all those who receive it in terms of language access, cultural appropriateness, and inclusivity.
    - The organization's mission, vision and/or value statements reflect its commitment to diversity and inclusion and to ensuring equity, fairness, and respect throughout the organization and in its efforts to fulfill its mission
  - Aspiration:
    - Organizational recruitment, onboarding, and orientation explicitly address that diversity, inclusivity, and cultural competence are organizational values and are connected to effectively meeting the organization's mission.
    - Diversity and inclusion policies explicitly include race, color, ethnicity, national origin, gender, gender identity, sexual orientation, age, ability, religion, marital status, familial status, parental status, HIV status, military status, immigration status, and genetic information.
    - Organization has a written policy that allows staff and board to regularly engage in anti-oppression assessments and have mechanisms to address oppression where it exists.

## Results Management Includes Diversity, Equity, Inclusivity and Cultural Competency

- The organization regularly assesses the value of diverse and inclusive staff, board members, other stakeholders, and thinking as critical to achieving the organization's mission, and sets goals for diversity, equity, and inclusion that have measurable results.
  - Standard:
    - The organization regularly assesses its staff and board diversity (including, but not limited, to race and ethnicity) and sets goals to increase diversity and incorporates these goals in hiring and retention policies.
    - The organization assesses and includes the needs of the communities/populations it serves through informal or formal methods (surveys, focus groups, etc.).
    - The organization's strategic planning, outcomes evaluation, and other alignment-based activities incorporates diversity, equity, and inclusion.
    - The organization tracks outcomes that measure how effectively its work reaches an ever diverse breadth of stakeholders.
    - Organization reviews program impact to determine if it is equitable and have mechanisms to address inequity.
  - Aspiration:
    - Needs assessments and external evaluations incorporate diversity, equity and inclusion measures and/or goals.
    - The organization tracks and regularly reports the effectiveness of the implementation of its diversity, equity, and inclusivity practices and policies and has accountability mechanisms to address inequitable practices.
    - The organization's assessment of the results of employee surveys and other internal analysis tools include diversity, equity, and inclusion metrics and addresses perceived and real disparities or inequities in the success and satisfaction of its employees.
    - The organization's leaders and managers maintain an inclusive work environment where all employees have access to opportunities to reach their potential and maximize their contributions to the mission.

## **AREA FIVE: HUMAN RESOURCES ARE VALUED AND DEVELOPED**

### **Intentional Talent Recruitment, Development and Retention**

- Recruitment, on-boarding, engagement, training, evaluation, and retention of staff reflect the organization's mission, organizational needs, and staff expertise.
  - Standard:
    - All positions have appropriate salaries and professional development opportunities, and staff have or can get the necessary education, experience and certifications to perform their duties well.
    - The organization has job descriptions for each position and conducts annual performance reviews for all employees.
    - All staff are given an opportunity to give regular feedback about their workplace experience without retaliation and to recommend and/or assist with changing policies or practices in response to that feedback.
    - Volunteers, when utilized, are considered key to meeting the mission and play a clearly defined role in the organization.

- Aspiration:
  - Employee performance reviews are tailored to each position and linked to mission-related goals and outcomes.
  - Staff are encouraged and given leadership opportunities, such as to speak on panels and attend conferences representing the organization.
  - The organization builds into its budget and proposals resources supporting ongoing professional development of staff.
  - The organization's management and board periodically review the state of the field to assess potential candidates for all staff positions and monitor their growth.
  - The organization ensures that its organizational structure makes it possible for staff to be promoted from entry level, through middle management, to senior positions.
  - The organization has a rate of staff retention averaging at least 80% over the last three years.
  - When relying on volunteers, the organization employs effective volunteer management practices, including the use of clear volunteer position descriptions, an official on-boarding process, appropriate supervision and tracking of volunteers, and a recognition and retention strategy.

### **Management Creates Healthy Work Environment**

- The organization continually works to provide a safe and healthy work environment, protecting clients, employees, and volunteers from harm and unnecessary risk, including regular efforts to ensure standards of prudent care.
  - Standard:
    - The organization has written personnel policies that comply with current regulations and that are communicated to staff and reviewed at the board level.
    - The organization invests in staff by regularly and formally reviewing performance and providing benefits, a learning environment, and professional development opportunities.
    - The organization's management ensures transparency and accountability with regards to the staff, management, and board interactions.
    - The organization's staff are trained to understand the whistleblower and conflict of interest policies and know how to report suspected fraud.
    - The organization encourages and ensures implementation of policies that support work-life balance and the personal needs of all staff, as well as parents or caregivers, in a way that promotes flexible work arrangements without any compromise of high performance expectations.
  - Aspiration:
    - Staff performance is regularly evaluated and rewarded based on organizational goals, professional goals, measurable progress/impact towards the organization's mission, and defined performance-based growth-pipeline/salary/promotion.
    - Staff are regularly asked to provide feedback about their work environment.
    - Board and senior staff regularly plan activities that allow the board to engage with the entire staff of the organization.
    - The organization offers sabbaticals to long-tenured staff.
    - The organization's culture regularly celebrates staff and organizational achievements.

## Robust Leadership Succession Planning

- The organization has effective mechanisms in place to manage leadership transitions and invest in staff leadership development and internal growth
  - Standard:
    - The organization has clearly defined succession plans to manage transitions in key leadership positions.
    - The organization creates “stretch assignments” and employs a “growth pipeline” to retain talented staff by providing them with increasing supervisory responsibilities.
    - The board has an understanding of change management theories.
  - Aspiration:
    - The organization anticipates future needs of the organization and staff appropriately in order to accommodate change, expansion, and growth.
    - The organization has a mechanism for involving stakeholders during any key hire in order to ensure that different voices are heard and that there is organizational buy-in for any new major position hire.
    - The organization has a mechanism for ensuring institutional memory is preserved and archived in the organization itself and does not depart when staff leave the institution.
    - The organization plans for and tries to mitigate funding reductions that typically follow changes in leadership.
    - The board ensures that all senior management who depart receive exit interviews and their feedback is appropriately evaluated and incorporated into the organization’s learning.
    - Staff are given opportunities to work with the board and committees so they get to know each other and develop strong working relationships.

## **AREA SIX: USE OF INFORMATION TECHNOLOGY (IT) SYSTEMS IMPROVES EFFICIENCY AND ADVANCES MISSION**

### Responsible Use of IT

- The organization complies with all regulations and industry standards relating to the types of data it collects, transmits, and stores (e.g., confidentiality, safety, accuracy, integrity, reliability, cost effectiveness, and legal compliance) including the necessary safeguards against systems breach and data loss.
  - Standard:
    - The organization has off-site electronic backup of all data.
    - The organization has surge protectors, virus scans, firewalls, anti-spyware and passwords for all computers.
    - The organization has security and privacy policies posted on its website.
  - Aspiration:
    - The organization has safety policies for protecting against online harassment.
    - The organization has mechanisms for ensuring accountability and appropriate responses substantiating all data gathered, stored, and used through its use of technology.

## IT Use Increases Efficiency

- The organization regularly uses reliable information technology systems that provide timely, accurate, and relevant information to facilitate workflow, track its data, and increase efficiency and effectiveness in accomplishing its mission-driven goals.
  - Standard:
    - The organization invests in technology resources that are deemed appropriate to enhance and streamline its ability to achieve its mission and strategic goals (e.g. computer networking, remote access strategies, etc.).
    - The organization ensures that its staff and management use the IT systems effectively.
  - Aspiration:
    - The organization establishes and monitors goals for future performance and technological growth.
    - The organization engages in strategic thought about how to leverage technological advancements to further mission goals.
    - The organization has enabled remote access strategies and computer networking to permit off-site work, as applicable.

## Properly Employing IT Expertise

- The organization has appropriately allocated financial and human capital to support the organization's technology goals and operations.
  - Standard:
    - The organization has designated staff, consultants, or volunteers who have the expertise to effectively support the organization's technology goals and operations.
    - The organization ensures that technology hardware and software are regularly assessed, updated and standardized.
    - The organization trains all staff in IT relevant to their work, including appropriate backup and safeguard protocols to ensure the data are not compromised.
  - Aspiration:
    - The organization factors in the role of existing and potential IT systems and strategies in all organizational decision-making and program development.
    - The organization has in place an effective disaster preparedness and disaster recovery plan and training process that assures business continuity and defines the process by which the technology infrastructure would be rebuilt in the event of a catastrophic occurrence.
    - The organization regularly assesses the state of the technology field and adopts new technologies that appropriately and effectively move the mission goals forward.

## **AREA SEVEN: COMMUNICATIONS ARE STRATEGIC, EFFECTIVE, AND BUILD BRAND**

### Intentional and Effective Communications Planning

- Communications are intentional, strategically integrated and central to all organizational planning, and advance the organization's mission, vision, values, and goals.
  - Standard:
    - The organization has a communications strategy.

- Communications use consistent branding, story-telling, and style guide (font, colors, and logos) across all programs, and staff are consistent with the communications plan.
- An organizational annual report can effectively communicate prior achievements and a vision for strategic growth in a clear manner.
- Aspiration:
  - The organization has a communications and marketing plan with clear, measurable goals that reflects its different audiences and stakeholders.
  - The organization has policies and procedures, such as a style guide, to ensure brand integrity.
  - The organization has established strategies for gathering and using feedback on services from target audiences (including preferred method of communications) that are regularly evaluated.
  - The organization's communications, marketing, and branding keep current with evolving communications needs.

### **Appropriate Use of Communications Technology**

- Communications policies ensure consumer privacy and confidentiality, and the organization's confidentiality policy is publicly available and includes release forms and opt-out practices ensuring that clients, consumers, and donors do not receive unwanted public exposure.
  - Standard:
    - The organization maintains a website or web presence that provides information about its mission, programs, finances (including most recent 990, audit, and annual report), management, and governing board.
    - The organization regularly updates website content with information about current developments.
    - The organization has confidentiality and openness policies and procedures.
  - Aspiration:
    - The organization has a crisis communications plan.
    - Organizational practices ensure safety of users of social media from online harassment.
    - The organization assesses its website layout and contents every 5 years.

### **Strong Internal Communications Practices**

- Internal communications motivate, inform, and counsel employees.
  - Standard:
    - The board, staff, and all stakeholders understand and can represent the organization using the organization's communications plan.
    - All staff and board are aware of the organization's vision, mission, values, and key organizational developments.
    - The organization has developed a culture and practice of candid, open communications without fear of retribution or not being heard.
    - The organization's external voice and position is reflected internally within staff practice and programs.
    - The organization has a process for resolving grievances and miscommunications.

- Aspiration:
  - The organization has a policy for when and how staff and board can represent an organizational position and when and how staff and board can indicate their personal opinion.
  - Organizational management and the board develop an internal communications strategy and toolkit to ensure clear communication lines and standards.
  - Internal communications are developed and cultivated through strategies such as internal newsletter or intranet.

## **AREA EIGHT: FUNDRAISING AND RESOURCE DEVELOPMENT ARE STRATEGIC, DONOR-CENTERED, AND EFFECTIVE**

### **Inclusive, Holistic Fundraising**

- The organization implements fundraising and resource development practices that involve all stakeholders and promote a culture of philanthropy throughout the entire organization.
  - Standard:
    - The chief executive and development staff, together with the board, set the fundraising strategy and related goals.
    - The board assures that sufficient funds are raised to meet the organization's budgeted objectives, and sets board-specific targets including 100% of board members contribute a personally significant amount each year.
    - The board fundraising/development committee guides, monitors, and celebrates the organization's – and particularly the board's – fundraising.
  - Aspiration:
    - The organization fosters a culture of philanthropy throughout the entire organization whereby the whole staff supports efforts to steward donors and achieve fundraising goals.
    - The board fundraising/development committee sets "stretch goals" for, monitors, and motivates board members' fundraising activities and performance.
    - Donors show their embrace of the mission by becoming solicitors on behalf of the organization.

### **Responsible and Sustainable Fundraising**

- The organization implements fundraising and resource development practices that are effective, diverse, and accountable to donors. These practices are regularly reviewed by the board, aim for long-term sustainability, and align with mission.
  - Standard:
    - The organization has a written fundraising/development plan.
    - Fundraising revenue streams are diverse so as to strengthen the organization's sustainability and lessen the impact of a potential loss of funding from any one source.
    - The organization spends contributions responsibly, ensures gifts are used according to donor wishes, and regularly communicates with donors regarding its activities.
    - The organization complies with all local, state, and federal laws and regulations and the Association of Fundraising Professionals' Code of Ethical principles and Standards of Practice.

- Fundraising communications (both internal and external) are clear, accurate, timely, and complete.
- Transparent and accessible reports describe programs, policies for gifts accepted, and the alignment of the use of gifts with mission.
- Donors are confident that their donations are used to the highest impact and in accordance with their wishes.
- Aspiration:
  - The organization has a development plan and calendar that are supported by the communications and programs department and effectively communicate the work, impact of the work, and the narrative that drives resource development.
  - The organization strategizes internally about how to link new developments, outcomes, and practices with obtaining more resources and funding.
  - The organization reflects a commitment to its mission with fundraising goals and internal levels of performance which support core programs and outcomes irrespective of shifts in funding.
  - The organization engages with its donors and funders in understanding how its work has impact, educating funders about relevant cultural or environmental factors.

### **Intentional Fundraising/Resource Development**

- The organization builds and maintains active, effective, and respectful donor relationships.
  - Standard:
    - The organization proactively engages and nurtures year-round donor relationships and reinforces the value of donors to achieving its mission.
    - The organization maintains fundraising records and data systems appropriate to its size and capacity that enable accurate and transparent use of donor funds, donor preferences, interests, and giving history, while maintaining and respecting appropriate levels of donor confidentiality.
    - The organization ensures that donor and funder relationships are maintained, cultivated, and grown.
    - The organization systematically researches and avails itself of grant and other fundraising opportunities as appropriate.
    - The organization sends out timely thank you letters and acknowledgements, and leverages the organization's website and social media channels to acknowledge donors.
  - Aspiration:
    - The entire staff understands and participates in fundraising activities as appropriate.
    - The board has a major donor recruitment and cultivation strategy that is implemented year-round and is regularly assessed for effectiveness.
    - The board can communicate recent achievements, the financial situation, upcoming events, and outcomes in order to recruit new donors and supporters.
    - The organization can effectively communicate what impact and outcomes can be expected from donations of different sizes.

- The organization provides talking points and assigns stewards from the board and other stakeholder groups to make major donors and supporters feel they are valued members of the community.
- The organization has a strategy for re-engaging lapsed donors.
- The organization embraces fundraising goals that allow performance beyond the minimum standard of compliance set by government contracts.