

Best Practices of Nonprofit Organizations

Source: TAUW Standards of Excellence

- ✓ The Board regularly reviews the Mission to determine if current services should be revised or discontinued and/or if new services are required to fulfill unique role in community.
- ✓ The Board selects the Chief Executive and annually reviews his/her performance in alignment with Strategic Plan.
- ✓ The Board has a written succession plan for its own leadership.
- ✓ The Board has a written succession plan for the Executive Director.
- ✓ The Board has a written Strategic Plan in place.
- ✓ The Board reviews the written Strategic Plan and evaluates progress at regular intervals.
- ✓ All Board members are responsible for fundraising.
- ✓ All Board members have oversight of the finances of the agency.
- ✓ Agency has policies that reflect Generally Accepted Accounting Practices (GAAP) including, but not limited to: Investment of assets, internal control procedures, purchasing practices, use of restricted funds, etc.
- ✓ Agency maintains a reserve to cover at least three (3) months of operating expenses to meet emergencies.
- ✓ The Board approves the annual budget.
- ✓ Agencies with a budget of \$300,000 or greater must provide an annual audit.
- ✓ Agency leverages resources to increase the impact of its services.
- ✓ The agency has a written policy of inclusion and a goal to reflect the diversity of the community.
- ✓ Agency has written policies regarding the following: Document retention/destruction; risk management; business continuity; confidentiality; personnel practices; non-discrimination; whistleblower protection.
- ✓ Agency is aware of and complies with all Federal, State and Local laws, including: IRS determination letter; Certificate of Incorporation; Annual filing of IRS Form 990; Annual registration with the Oklahoma Office of Secretary of State.
- ✓ The agency follows Human Resources best practices, including but not limited to: nonprofit salary compensation reports and other local industry research to determine equitable salary and benefit increases; attention to turnover rate; performance evaluations, exit interviews.
- ✓ Collaboration among agencies enhances services to clients, guards against duplication of services, and decreases overhead costs.
- ✓ Agency communicates frequently with donors, volunteers, clients and the community at large.