

CORE OPERATING STANDARDS FOR NONPROFITS CHECKLIST

Developed by the Alabama Association of Nonprofits, the Foundation endorses the following standards for all nonprofit organizations. Please review the standards with your board and indicate your organization's compliance.

- | YES | NO | |
|------------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ◇ | ◇ | DOCUMENTATION OF NONPROFIT STATUS. Does your organization have its 501(c)3 letter of determination from the Internal Revenue Service? |
| | | ORGANIZATIONAL ETHICS: |
| ◇ | ◇ | Have all staff, board members, and volunteers of the organization agreed to act with honesty, integrity, and openness in their dealings with representatives of the organization? |
| ◇ | ◇ | Does the organization promote a work environment that values respect, fairness, and integrity? |
| | | BOARD OF DIRECTORS |
| ◇ | ◇ | Does the organization function autonomously under a local, voluntary governing board of directors of at least three voting members who are responsible for its administration and policies? |
| ◇ | ◇ | Does the board ensure the organization complies with appropriate accounting practices, as well as local, state, and federal laws? |
| ◇ | ◇ | Is the board composition diverse? |
| ◇ | ◇ | Does the board include employees of the organization or relatives of employees? |
| ◇ | ◇ | Has the board determined the mission and vision of the agency in pursuit of public good? |
| ◇ | ◇ | Does the board meet a minimum of four times a year and keep recorded minutes of actions that are approved by the board? |
| ◇ | ◇ | Does the board approve an annual operating budget? |
| ◇ | ◇ | Does the board receive, at minimum, quarterly financial statements? |
| ◇ | ◇ | Are board members willing to invest their time, talents, and financial resources in advancement of the agency's mission? |
| | | EXECUTIVE DIRECTOR |
| ◇ | ◇ | Does the Executive Director have a clear understanding of the mission? |
| ◇ | ◇ | Does the Executive Director have both the passion and ability to carry out the organization's goals? |
| ◇ | ◇ | Can the Executive Director articulate to others realistic goals and plans for the organization? |
| ◇ | ◇ | Does the board annually review the Executive Director's performance based on a written job description? |
| ◇ | ◇ | Is the Executive Director's salary set and approved by the board? |
| | | OPERATIONAL MANAGEMENT |
| ◇ | ◇ | Does the organization operate from an annual budget that is realistic, with detailed expenses and revenue sources? |
| ◇ | ◇ | Does the organization use a system for financial reporting and review? |
| ◇ | ◇ | Does the organization apply adequate, appropriate accounting and control functions? |
| ◇ | ◇ | Does the organization implement service delivery plans? |
| ◇ | ◇ | Does the organization have adequate personnel/volunteers to deliver programs, activities, and services? |
| ◇ | ◇ | Does the organization utilize a standardized system to report service numbers? |
| | | FUND DEVELOPMENT |
| ◇ | ◇ | Does the organization's management understand sources of revenue for nonprofit agencies? |
| ◇ | ◇ | Does the organization have a preliminary plan to raise funds for the organization from a variety of sources? |
| ◇ | ◇ | Does the organization have a board that is willing and able to raise funds? |
| ◇ | ◇ | Does the organization have a preliminary plan to sustain the organization and build its future? |

Signature of Agency's Executive Director

Signature of Agency's Board President