



DETERMINING, MONITORING, AND STRENGTHENING PROGRAMS AND SERVICES

Effective Governance

- The Board of Directors bears the primary responsibility for ensuring that a charitable organization fulfills its obligations to the law, its donors, its staff and volunteers, its clients, and the public at large.
- The Board of Directors has the obligation to ensure that the organization uses its resources as effectively as possible to advance its charitable mission.
- The Board of Directors must protect the assets of the organization and provide oversight to ensure that its financial, human, and material resources are used appropriately to further the organization's mission.

Responsibilities

- Goal: leave the organization in a better position than you found it
- The Board of Directors sets the vision and mission for the organization and establishes the broad policies and strategic direction that enable the organization to fulfill its charitable purpose.
- Because organizations and their purposes differ, it is incumbent on each organization to develop its own process for evaluating effectiveness.
- The mission and purposes should serve as a guide to organizational planning and decision making.
- The Board not only has the responsibility to approve the strategic plan but to consider whether the budget provides adequate financial and human resources to accomplish its goals.

Mission

- It is very important to clearly articulate the organization's mission, accomplishments, and goals to garner support from the community.
- The Board of Directors is the guardian of the organization's mission and should review the mission periodically.
- A regular and consistent planning process helps the Board and staff clarify mission and make changes when necessary to keep the mission fresh, lively, and relevant.

Monitoring

- A systematic evaluation process generates information to help formulate goals and provide the framework for measuring those goals against mission.
- Most organizations should have at least an informal review of their progress on goals and objectives at least annually; a more rigorous evaluation can be performed less frequently due to the time and cost involved.
- The review should address current needs and anticipated changes in the community or program areas in which the organization operates that may affect future operations.

Monitoring

- Reviews should consider the financial and human resources that are needed to accomplish the organizational goals.
- Management provide dashboards to the Board as a tool for monitoring - number of clients served in various programs, number of meals provided, results of client satisfaction surveys, number of volunteers.
- Rigorous periodic evaluation of the organization's overall impact and effectiveness in light of goals and objectives that the Board has approved.

Monitoring

- Even for organizations whose work is not properly measured in one-year increments (scientific research or youth development programs), interim benchmarks can be identified to assess whether the work is moving in the right direction.

Meetings

- Regular meetings provide the main venue for Board members to review the organization's financial situation and program activities, establish and monitor compliance with key organization policies and procedures, and address issues that affect the organization's ability to fulfill its charitable mission.
- Authority can be delegated to committees.

Maintaining 501 (c) (3) status

- Prepare and file annual tax returns
- Keep accurate books and records
- Comply with 501 (c) (3) disclosure requirements
- Provide written acknowledgement to donors

Payroll & Related Compliance

- Prepare and file monthly or quarterly 941 payroll tax returns
- Consider outsourcing payroll service provider
- ERISA requirements for retirement plans

Grant Compliance

- State and Federal grants
- Impact of American Recovery and Reinvestment Act (ARRA)
- Impact of non compliance