

# SELF-ASSESSMENT TOOL FOR NONPROFIT ORGANIZATIONS

Name of organization: \_\_\_\_\_

*Directions:* This checklist is designed to be completed by the Executive Director and Chairperson of the Board. Please discuss each topic and rate the degree to which your organization has achieved the stated goal. If you do not know whether the goal has been achieved, please check "Don't Know."

## I. Board Governance

Board Governance Functions	Don't Know	Inadequately Achieved	Partially Achieved	Fully Achieved
1. The nonprofit's mission and bylaws are clearly written and reviewed regularly. <i>Date of last bylaws review/revision:</i> _____				
2. The board determines the direction of the organization and takes primary responsibility for:				
a. Goal setting				
b. Determining policy				
c. Funding strategy				
d. Financial and legal oversight				
e. Evaluation				
3. The board creates, revises, and insures compliance with policies in the areas of personnel, planning, finance, community relations, and organizational operations.				
4. The board reviews the resource needs of the organization and approves a comprehensive funding strategy.				
5. The board monitors and evaluates the results of fundraising efforts.				
6. Each board member participates in fundraising efforts as appropriate.				
7. The board assures that the organization and its programs comply with all federal, state, and local requirements.				
8. The board reviews, approves, and monitors the operating budget and financial plans for development activities.				

<b>Board Governance Functions</b>	<b>Don't Know</b>	<b>Inadequately Achieved</b>	<b>Partially Achieved</b>	<b>Fully Achieved</b>
9. The board requires appropriate accounting and financial reporting.				
10. The board assures that the organization's work is evaluated in relation to its goals.				
11. The Treasurer is appropriately qualified.				
12. The board appropriately reflects the diversity, ethnicity, educational and economic status of the community.				
13. The board follows an appropriate policy on conflicts of interest.				
14. The board has the skills, knowledge, and background needed to fulfill its responsibilities.				
15. Board members understand and are committed to the organization's mission, bylaws, policies, programs, and their roles and responsibilities as board members.				
16. New board members have adequate orientation to the organization and their roles and responsibilities.				
17. The board receives ongoing training and/or information as needed to fulfill its roles and responsibilities.				
18. Board members have written and relevant job descriptions.				
19. The board's effectiveness is evaluated periodically.				
20. A regular board meeting schedule is developed and followed.				
21. Board meetings are an effective and efficient means of handling formal business.				
22. Board meetings are focused on policy and planning issues as appropriate.				
23. There is a provision for handling urgent matters between meetings.				
24. The rules of meeting conduct as stated in the bylaws and/or board actions are followed.				
25. Materials to be considered at a meeting are received by members in advance of the meeting.				
26. Board meeting minutes are recorded, reviewed for accuracy, and approved by the board.				

<b>Board Governance Functions</b>	<b>Don't Know</b>	<b>Inadequately Achieved</b>	<b>Partially Achieved</b>	<b>Fully Achieved</b>
27. Board members are encouraged to present opinions and ideas.				
28. Board turnover is orderly, allowing for both consistency and new perspectives.				
29. Actual turnover follows planned turnover.				
30. The board selects, employs, and evaluates the Executive Director.				
31. The board sets expectations and qualifications of the Executive Director which are clear and written.				
32. The board evaluates the Executive Director in relationship to these expectations.				
33. The roles of the board and the Executive Director are appropriately differentiated and respected.				
34. The board delegates the operation of the organization to the Executive Director				

<b>Board Governance Functions</b>	<b>Yes</b>	<b>No</b>
35. The Board members are volunteers.		
36. The board's size is appropriate for accomplishing its work.		
37. Board terms are limited. Elections are held regularly as specified in the bylaws.		

## II. Planning and Evaluation

Planning and Evaluation Functions	Don't Know	Inadequately Achieved	Partially Achieved	Fully Achieved
38. The organization has a clear and meaningful mission or purpose statement that is reflected in its projects and activities.				
39. The mission statement functions as a guide to decisions of the board, staff, and volunteers.				
40. The board reviews the mission statement regularly and modifies it as appropriate.				
41. The board reviews the organization's ongoing operations and development activities to assure that they support its mission.				
42. The organization's planning process includes consideration of the changing environment and its implications for the organization's operations.				
43. The planning process includes consideration of the organization's strengths and weaknesses.				
44. Volunteers, staff, tenants/customers, and key constituents participate in the planning process.				
45. Goals for the current fiscal year and beyond are developed and approved by the board with the input of staff.				
46. Goals are broken down into measurable objectives.				
47. Objectives include work plans, timelines, and human and financial resources and indicate who is responsible for achieving them.				
48. There is a realistic plan/strategy for matching human and financial resources with objectives.				
49. Objectives are communicated to all appropriate staff and volunteers.				
50. Actual performance relative to objectives and work plans is reviewed and assessed by management and is formally reviewed by the board periodically.				
51. If goals and objectives are not being met, appropriate modifications are approved by the board and implemented by staff.				

### III. Financial Management

Financial Management Functions	Don't Know	Inadequately Achieved	Partially Achieved	Fully Achieved
52. The organization follows accounting practices which conform to accepted standards, i.e. FASB Statements of Financial Accounting Standards #116 & #117 and asks funder-specified accounting rules.				

Financial Management Functions	Audit	Review	Neither
53. An independent audit or review of the organization's financial condition is conducted annually by a Certified Public Accountant.			

Financial Management Functions	Yes	No
54. The audit report is accompanied by a management letter containing recommendations for improvements in the accounting system and controls.		
55. The organization prepares an annual report which includes a statement of its financial position, and is available to interested parties.		

Financial Management Functions	Don't Know	Inadequately Achieved	Partially Achieved	Fully Achieved
56. The board or an appropriate committee reviews the audit report and management letter and institutes necessary improvements.				
57. The organization has established written fiscal policies and procedures and follows them consistently.				
58. Purchase of service agreements (including any modifications to original agreements) between the organization and other organizations or individuals are in writing. The organization has adequate procedures in place to insure compliance.				
59. The organization monitors the cost of operating programs and development projects, and determines whether costs are reasonable in comparison to community norms.				

<b>Financial Management Functions</b>	<b>Don't Know</b>	<b>Inadequately Achieved</b>	<b>Partially Achieved</b>	<b>Fully Achieved</b>
60. The organization practices cost containment in a manner consistent with the maintenance of quality and effectiveness.				
61. The organization has insurance coverage which provides suitable protection for the organization, members of the board, staff members, volunteers, and organization tenants/customers.				
62. The organization has procedures which make certain that the organization property is insured adequately during all stages of development.				
63. The organization prepares a comprehensive annual budget which includes all program and management elements, all development activities, and all sources and uses of funds.				
64. The organization prepares monthly financial statements (Balance Sheet, Statement of Activities, and Statement of Cash Flows).				
65. The organization's monthly financial statements compare actual operating revenues and expenses to the organization's approved budget for revenues and expenses.				
66. The monthly financial reports facilitate monitoring development activities in relation to budget and stage of development.				
67. The financial statements facilitate analysis of economic development activities, housing, and other rental activities.				

#### **IV Personnel Management**

<b>Personnel Management Functions</b>	<b>Don't Know</b>	<b>Inadequately Achieved</b>	<b>Partially Achieved</b>	<b>Fully Achieved</b>
68. The organization has written personnel policies and procedures, reviewed and updated as appropriate to maintain compliance with legal requirements.				
69. A copy of the personnel policies and procedures is available for review by all employees.				

<b>Personnel Management Functions</b>	<b>Yes</b>	<b>No</b>
70. The personnel policies include:		
a. Hiring procedures		
b. Performance reviews		
c. Employee benefits policies and procedures		
d. Grievance procedures		
e. Termination procedures		
f. Non-discrimination and ADA compliance policies		
g. Record keeping procedures		
h. Payroll related policies and procedures		
i. Professional development and training policies and procedures		
71. The organization's personnel policies have been reviewed by an attorney with expertise on employment law within the past two years.		

<b>Personnel Management Functions</b>	<b>Don't Know</b>	<b>Inadequately Achieved</b>	<b>Partially Achieved</b>	<b>Fully Achieved</b>
72. The organization has a written Affirmative Action plan.				
73. The organization has written policies on wage and salary administration (i.e., compensation guidelines).				
74. The organization has written job descriptions for all paid positions and key volunteers.				
75. The organization hires qualified staff.				

## V. Public & Community Relations

Public and Community Relations Functions	Don't Know	Inadequately Achieved	Partially Achieved	Fully Achieved
76. The organization has an effective system for informing the community about programs and resources, including written material.				
77. The organization has a process for reviewing and responding to ideas, suggestions, and perceptions from:				
a. Individuals				
b. Community groups				
c. The general public				
78. The organization is involved in advocacy and/or lobbying for its constituency, within the limits allowable for 501(c)(3) organizations.				
79. The organization participates with the appropriate networks and/or coalitions.				
80. There is a written plan to address advocacy and/or lobbying.				

## VI. Financial Condition

Financial Condition Functions	Yes	No
81. Do the most recent audited financial statements report that the organization has a positive net worth (fund balance or net assets)?		
82. Has the organization experienced any significant cash flow problems in the past two years?		
83. Does the organization own some or all of the facilities it uses for its operations?		
84. Does the organization have cash reserves equal to three months' operating expenses?		
85. Is the organization working actively to increase its reserves?		
86. The organization regularly analyzes its financial position to identify opportunities for more effective management of debt and cash reserves.		



## VII. Fundraising Strategies

Funding Strategy Functions	Don't Know	Inadequately Achieved	Partially Achieved	Fully Achieved
87. The organization has a written plan describing its comprehensive funding strategy including clear goals for both contributed, development, and program/rental income.				
88. The organization has a detailed annual fundraising plan which encompasses all types of fundraising activities.				
89. The organization regularly evaluates the cost effectiveness of its fundraising activities.				
90. To what extent did the organization achieve the funding goals established in its last year's budget?				