

Checklist for a Successful Nonprofit Life

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In dealing with various clients over the years, we have developed a comprehensive list of documents which are critical for success of a nonprofit organization. Having the full the range of these documents insures that the organizational foundation is in place to sustain dynamic nonprofit operation.

We categorize these materials into specific areas: Purpose and Planning, Organizational, Finance, Marketing, and Supporting Materials. At least annually, the organization's CEO and its Board of Trustees (Directors) should be reviewing these documents and plans to insure each one reflects the current operation and aspirations for the future.

Purpose and Planning

- Mission statement is the central governing document for every nonprofit. The annual review should include the determination if the mission should change. The review is important to guard against unintended mission creep or diversion.
- The most recent strategic plan should contain how it was prepared, and objectives established with time lines. The economic or societal environment may cause changes in these plans, but having a guideposts provides for the basis consistency of direction.
- A confidential assessment of how the organization measures up to the philosophy and objectives that have been established by the Board. Along with the mission statement, this document provides the foundation for the CEO and Board to deal with the internal and external issues, not just reports.
- A listing of organizational priorities for the coming year in order of their importance. Also, a list of what should be achieved in next three years should be maintained
- A list of challenges that lie ahead, as seen by the CEO and Board.

Organization

- A copy of your organization's By-Laws. This is document that requires regular scrutiny. This legally is the document that declares how your organization operates. Too often, nonprofit organizations find their operations are not reflected correctly in the Bylaws.
- The organization chart with brief statement of responsibilities of each administrator. This is an information piece that shows the structure and lines

- of reporting and communication. This structure governs how the Board, the CEO and staff interact.
- Names and identification of members of your Governing Board
 - Copies of recent key minutes of the Board or any of its committees that provide useful background information.
 - An annual evaluation of the CEO, and a self-evaluation of the Board are the responsibility of the Board itself. Not conducting these evaluations and not communicating the results weakens the communication process within the Board and with the CEO
 - Board commitment forms: Conflict of Interest Form should be required of each member to insure that each person has disclosed any matters that may influence the proper functioning of the Board. The Annual Board Commitment Form is a good faith statement among peers about each individual's commitment to fellow Board members and to upholding the organization.
 - History of the organization is a record "in brief form" that describes the "Trust" to provide services to others that was established by the founders and that is carried out year-to-year by succeeding members of the Board and the organization.

Finance

- A copy of your most recent audited financial statement. It is important for the Board to have an independent financial assessment. The size of the operation may indicate only a Financial Review; however some granting agencies require a full audit. This is not be seen as a burden; it is a valuable governance tool.
- A copy of your budget for the current fiscal year which should reflect priorities on the nonprofit. As Stewards and Builders of the nonprofit organization, the Board must require the adoption and monitoring of this document to maintain financial integrity and stability.
- A copy of the most recent IRS Form 990
- A summary of gifts and grants in each of the last three years, in the following categories:
 - a. Unrestricted and memorial gifts.
 - b. Restricted gifts (gifts for special purposes, in-kind gifts, etc.)Capital gifts received.
 - c. Bequests and other estate gifts.

Marketing

- A copy of the annual development plan -- a comprehensive overview of the organization's actions to build strong ongoing relations with the various constituencies of the nonprofit. It includes fundraising, communication, and

public relations.

- Copies of written statements concerning policies for public relations, fundraising, and related areas (naming policy, gifts that will be accepted, etc.)
- Written procedures concerning the safeguarding and processing of gifts
- Copies of your newsletters and magazines for the past two years.
- Copies of other key publications (Annual Reports, etc.).
- Endowment Programs and Policies. These documents are important to both the organization and to potential donors. The nonprofit needs to have a clear direction for the outcomes for endowments to supporting the long-term health and growth of the service programs. The donor wants to have assurances that the donation on large sums will be properly managed and will achieve the donor's goals for the organization.
- Investment Policies involve critical decisions that help to preserve and grow the funds that will serve future programs and priorities. These policies need to be forward thinking and designed to project financial stability into the future.

Supporting Materials

- The Organizational Case Statement is a comprehensive document used to be the basis for all organizational communication. It contains the detailed organizational history, a delineation and recognition of the goals and aspirations and views of keys leaders.
- Listings of key dates, meetings, reports, and events of special significance for the current year and next. This consolidated information will aid the efforts of individual staff members as well as the Board and its committees in creating appropriate activities that are mutually supportive of the organization.
- Constituent mailing lists provide accurate information and the ability to segment communication to reach selected groups with tailored messages.
- List of volunteers and support groups for raising funds and for programs including advisory boards. These lists provide information about time and talent available that can be utilized support the programs and efforts of the nonprofit.

Gathering and maintaining the documents and materials as outlined above may be seen as daunting job. It is not a task that should be attempted all at one time. The systematic collection and collating of the data will establish a strong base of information that will support an increasingly strong organization.