



Financial/Legal Principals & Practices

WELCOME!

WV Principles & Practices for Nonprofit Excellence

The West Virginia Nonprofit Association, in partnership with Dr. Susan Aloi of West Virginia Wesleyan College and a team of stakeholders, developed Principles & Practices for Nonprofit Excellence to serve as a model for West Virginia nonprofit organizations to guide their operations and practices, enabling them to meet their missions.



WV Principles & Practices for Nonprofit Excellence

The Principles & Practices are intended to describe best practices in managing and governing nonprofit organizations. These principles provide benchmarks to help an organization determine how efficiently and effectively it is working towards its mission and provide recommendations for improvement.

<http://wvnpa.org/principals>



WV Principles & Practices for Nonprofit Excellence

8 PRINCIPLES

- MISSION & PROGRAMS
- PLANNING
- GOVERNANCE
- **FINANCES**
- **LEGAL/COMPLIANCE**
- HUMAN RESOURCES
- MARKETING & COMMUNICATIONS
- OUTCOMES & EVALUATIONS



Finances

FUND DEVELOPMENT

- HONOR DONOR INTENT, RESPECT PRIVACY, USE OF GIFTS, ETHICAL PRACTICES
- GIFT ACCEPTANCE POLICY
- HONEST AND ACCURATE FUNDRAISING COMMUNICATIONS

Finances

FUND DEVELOPMENT

- PUBLIC RECOGNITION VS. DONOR CONFIDENTIALITY
- DOES NOT SHARE, TRADE, SELL INFORMATION WITHOUT PERMISSION
- THE BOARD DEMONSTRATES RESPONSIBILITY FOR RAISING SUFFICIENT FUNDS

Finances

FINANCIAL MANAGEMENT

- COMPLIES WITH ALL FINANCIAL REGULATIONS
- REGISTER WITH WV STATE TAX DEPT. AND BUSINESS DIVISION
- ANNUAL IRS FORM 990



Finances

FINANCIAL MANAGEMENT

- ANNUAL AUDIT IF GROSS RECEIPTS > \$500,000
- IF LESS THAN \$500,000, REGULARLY ASSESS/RECORD NEED FOR AN AUDIT
- WHISTLEBLOWER POLICY



Finances

FINANCIAL MANAGEMENT

- CONSISTENT, TIMELY, ACCURATE FINANCIAL REPORTS AT LEAST QUARTERLY
- CHECK AND BALANCE SYSTEM
- RISK MANAGEMENT PROCESS
- INTERNAL CONTROL POLICIES



Legal/Compliance

- FIDUCIARY RESPONSIBILITIES OF CARE LOYALTY AND OBEDIENCE
- RECORD RETENTION POLICY
- COMPLIANCE WITH LEGALLY REQUIRED REPORTING PROCEDURES



Legal/Compliance

- FORM 990 AND 1023 PUBLICLY AVAILABLE
- ANNUAL REPORT (MISSION, PROGRAMS, OUTCOMES, FINANCIALS, BOARD)
- PERIODIC REVIEW OF COMPLIANCE PROCEDURES



Legal/Compliance

- COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS
- NON-DISCRIMINATION POLICY
- ADEQUATE INSURANCE COVERAGE WITH PERIODIC REVIEW



Online Assessment

- COMPLIMENTS WV PRINCIPLES & PRACTICES DOCUMENT
- TWO-PART ONLINE TOOL TO:
 - OBTAIN PERSONALIZED SYNOPSIS HIGHLIGHTING AREAS OF ATTENTION
 - AID ORGANIZATIONS IN FINDING VETTED RESOURCES

[WWW.WVNPA.ORG/PRINCIPLES](http://www.wvnpa.org/principles)





Thank You!

*Evaluations - Please share your feedback
with us.*