Why National Standards?

Understanding the value of community foundation compliance
Agenda

- About National Standards
- Why National Standards?
- What’s New with National Standards
- Fee and Payment Options
- Application Process
- Next Steps
About National Standards
A Tangible Set of Benchmarks

National Standards focus on six key areas of operation

Mission, structure and governance
Resource development
Stewardship and accountability
Grantmaking and community leadership
Donor relations
Communications
A Tangible Set of Benchmarks

National Standards focus on **six key areas** of operation

- Mission, structure and governance
- Resource development
- Stewardship and accountability
- Grantmaking and community leadership
- Donor relations
- Communications
Where Did National Standards Come From?

Many within the field recognized that, if community foundations didn’t define themselves… **someone else would**

“Our Foundation is proud to display the National Standards certification logo on all marketing materials. It sets us above other nonprofit organizations, eliminating any questions or concerns on how we manage our organization.”

**Victor Chavez**, President, Board of Trustees, Albuquerque Community Foundation
Supported by Community Foundations
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National Standards Manager | Council on Foundations | Arlington, VA
The National Standards Seal indicates transparency and accountability

Confirmed in Compliance with National Standards for U.S. Community Foundations
80% of community foundations confirmed in compliance with National Standards believe the process was valuable beyond gaining access to the Standards Seal*

93 of the 100 biggest community foundations are confirmed

Community foundations in the U.S administer $40 billion in charitable funds

A donor in Indiana gave $10,000 as a direct response to her community foundation’s compliance with National Standards

*Source: FSG analysis of 2006 survey data and the Council on Foundations National Standards data
Why National Standards
Four Important Reasons to Comply

1. Provide evidence of excellence
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2. **Guide** sound policies, accountable practices
Four Important Reasons to Comply

1. **Provide** evidence of excellence
2. **Guide** sound policies, accountable practices
3. **Build** capacity to carry out missions
Four Important Reasons to Comply

1. **Provide** evidence of excellence
2. **Guide** sound policies, accountable practices
3. **Build** capacity to carry out missions
4. **Distinguish** community foundations
Special Benefits

Field-wide recognition
Special Benefits

Field-wide recognition

Authorized use of National Standards Seal
Special Benefits

Field-wide recognition

Authorized use of National Standards Seal

Access to National Standards Marketing and Communications Toolkit
Special Benefits

Field-wide recognition

Authorized use of National Standards Seal

Access to National Standards Marketing and Communications Toolkit

Unlimited access to National Standards website
What’s New with National Standards
Updated National Standards

Reflect Pension Protection Act

Address geographic component funds (affiliates), human resources, whistleblower policies, and others
Streamlined procedures and integrated Standards and key elements mean **fewer items to submit**

**Reconfirmation submissions need to satisfy:**

- All new National Standards
- Pension Protection Act requirements
- Core material requirements and
- Any key elements effected by **material changes**

**Notifications come one year in advance of submission date**
Technical Assistance

New National Standards Website

- Robust library of sample documents
- Tab-specific FAQs and tips
- Comprehensive glossary
- Vetted sample language
- Highlighted core materials
Technical Assistance

Field-wide webinar series

- Confirm your compliance
- Reconfirm your compliance
- Avoiding common pitfalls

Webinars will be offered in partnership with Regional and Community Foundation Associations
Fee and Payment Options
Payment Options

Confirmation

Plan 1: Total = $2,000
- Declare intent to comply, deposit $300
- Ship completed record binder with balance $1,700

Amortized cost: $400/year

Plan 2: Total = $2,100
- Declare intent to comply, deposit $300
- Ship completed record binder with additional $900
- Be confirmed in compliance (6-12 months later), pay balance $900

Amortized cost: $420/year
Payment Options

**Confirmation**

**Plan 1: Total = $2,000**
- Declare intent to comply, deposit $300
- Ship completed record binder with balance $1,700

*Amortized cost: $400/year*

**Plan 2: Total = $2,100**
- Declare intent to comply, deposit $300
- Ship completed record binder with additional $900
- Be confirmed in compliance (6-12 months later), pay balance $900

*Amortized cost: $420/year*

**Reconfirmation**

**Plan 1: Total = $1,800**
- Declare intent to comply, deposit $300
- Ship completed record binder with balance $1,500

*Amortized cost: $360/year*

**Plan 2: Total = $1,900**
- Declare intent to comply, deposit $300
- Ship completed record binder with additional $800
- Be reconfirmed in compliance (6-12 months later), pay balance $800

*Amortized cost: $380/year*
Confirmation Process
1. Declare our intent to comply
2. Receive an invitation to submit
3. Work with website
4. Assemble core documents
5. Gather, review, approve
6. Build our record binder
7. Submit the application and binder
8. Await review process
9. Receive notice of compliance
10. Promote our compliance
11. Uphold Standards
12. Reconfirm after five years
Reconfirmation Process
Satisfy all **new National Standards**

Show evidence of meeting **Pension Protection Act** requirements

Include all **required core materials** (such as IRS Form 990 and Annual Report)

Submit **materials reflecting changes** since first being confirmed in compliance

Submit a **board resolution** confirming accuracy of all unchanged items from last binder
Nationals Standards Process

1. Receive invitation to submit
2. Send statement of agreement
3. Review website and original compliance evidence
4. Identify reconfirmation requirements
5. Gather, review, approve core documents
6. Build our record binder
Nationals Standards Process

7. Approve a board resolution
8. Submit the application and binder
9. Receive notice of compliance
10. Promote our compliance
11. Uphold Standards
12. Reconfirm after five years
Next Steps
Next Steps

- Review statement of agreement
- Participate in webinars
- Provide status updates and get approvals
Your Questions?
Thank you
A special thank you to...

Florida Philanthropic Network
Minnesota Council on Foundations
Grantmakers Forum of New York
League of California Community Foundations
Southeastern Council of Foundations
South Carolina Community Foundations
Conference of Southwest Foundations
Iowa Council of Foundations

The Association of Baltimore Area Grantmakers
Indiana Grantmakers Alliance
Donors Forum of Wisconsin
Donors Forum
Ohio Grantmakers Forum
Connecticut Council for Philanthropy
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