



**BOYS & GIRLS CLUB  
OF WOBURN**

# **STANDARDS FOR EXCELLENCE:**

## **An Ethics and Accountability Code for the Nonprofit Sector**

**Current Club Status: Updated through September 9, 2008.**

### MISSION AND PROGRAM

Nonprofits are founded for the public good and operate to accomplish a stated purpose through specific program activities. A nonprofit should have a well-defined mission, and its programs should effectively and efficiently work toward achieving that mission. Nonprofits have an obligation to ensure program effectiveness and to devote the resources of the organization to achieving its stated purpose.

#### A. Mission

1. The organization's purpose, as defined and approved by the board of directors, should be formally and specifically stated. The organization's activities should be consistent with its stated purpose.

**The mission of the Boys & Girls Club of Woburn is to inspire and enable all young people, especially those who need us most, to realize their full potential as productive, responsible and caring citizens.**

#### B. Organizational Planning and Evaluation

1. A nonprofit should revisit its mission every three to five years to determine if the need for its programs continues to exist. The organization should evaluate whether the mission needs to be modified to reflect societal changes, its current programs should be revised or discontinued, or new programs need to be developed.

**The mission was revisited by the Strategic Plan Committee and slightly modified by the Board of Directors on June 13, 2007 changing "from disadvantaged circumstances" to "those who need us most".**

2. A nonprofit should engage in organizational planning to review critical strategic issues, priorities for programs and services, and financial resources. The process should include key

stakeholders and result in a plan that guides program development, fundraising, and resource allocation.

**The Board of Directors approved “Impact 2010”, a new strategic plan for the organization for the period 2008-2010 in December, 2007.**

3. As part of its organizational planning, a nonprofit should review its investment in infrastructure and internal systems, including technology, which increase an organization’s capacity to carry out its mission.

**Technology Plan review undertaken in Spring, 2007. New review must be done in Spring, 2009.**

#### C. Program Evaluation

1. A nonprofit should have defined, cost-effective procedures for evaluating, both qualitatively and quantitatively, its programs and projects in relation to its mission. These procedures should address programmatic efficiency and effectiveness and the outcomes for program participants.

**B&GCA’s Commitment to Quality and Standards of Organizational Effectiveness (SOE) are used. Program Outcome measurements processes are implements for selected programs in each of the Club’s five core program areas. More robust program outcome measurement systems are currently in development and will be included in each program employee’s job description.**

2. Evaluations should be candid and accurate, be used to strengthen the effectiveness of the organization and, when necessary, be used to make programmatic changes.

**Commitment to Quality and program surveys are given to members, parents and other key stakeholders. The Teen Program Council has been formed as well to allow for teens to have a system for feedback up to the Board of Directors.**

#### D. Program Service

1. In rendering its programs or services, a nonprofit should act with the utmost professionalism and treat persons served with respect. Where appropriate, a nonprofit should have policies in place to protect the confidentiality of personal information and should provide a grievance procedure to address complaints. Nonprofits should regularly monitor the satisfaction of program participants.

**Grievance procedures being developed for employees. Written policies currently exist for confidentiality of personal information but not for grievance procedures for members/parents. Regular feedback is both formally and informally gathered from program participants and key stakeholders.**

#### GOVERNING BODY

Nonprofits are governed by an elected, volunteer board of directors that should consist of individuals who are committed to the mission of the organization. An effective nonprofit board should determine the mission of the organization, establish policies, assure that adequate human resources (volunteer

or paid staff) and financial resources (earned income, government contracts and grants, and charitable contributions) are available, and regularly monitor the organization's strategic and financial performance.

#### A. Board Responsibilities

1. The board, in partnership with staff, should engage in ongoing planning activities as necessary to determine the mission of the organization, to define specific goals and objectives related to the mission, and to evaluate the success of the organization in achieving the mission.

**Done through Monthly Board meetings and Strategic Planning process. In addition, Board liaisons meet periodically with the Teen Council.**

2. The board, in partnership with staff, should establish policies for the effective management of the organization, including financial and, where applicable, personnel policies.

**Staff Handbook has been re-written and currently being submitted for legal review. Board review and approval will be given before full implementation. New Financial Policies and Procedures were approved in March, 2007.**

3. The board annually should approve the organization's budget and periodically should assess the organization's financial performance in relation to the budget, diversity and stability of revenue sources, and level of unrestricted net assets. As part of the annual budget process, the board should review the percentages of the organization's resources spent on program, administration, and fundraising

**The Club's fiscal year is July 1-June 30. Preliminary budget is presented at April meeting. The budget is reviewed by a Board committee with approval given in May/June. Budget updates are presented at every Board meeting.**

4. The board should hire the chief executive, set the executive's compensation, and evaluate the executive's performance.

**Annual performance and salary reviews for the Executive Director are done by the Board of Directors and/or a designated committee. The most recent compensation and performance reviews took place in December, 2007.**

5. The board should periodically review the appropriateness of the overall salary structure of the organization.

**The Club uses Boys & Girls Clubs of America's Job Classification and Compensation Management Program (JCCMP). The most recent JCCMP was approved by the Board of Directors on September 9, 2008.**

6. As part of the board orientation process, board members should receive a copy of these Standards.

**Distribution of the Standards will be included in the overall Board orientation process.**

#### B. Board Composition

1. The board should be composed of individuals who are personally committed to the mission of the organization and who possess specific skills needed to increase the effectiveness of the board of directors in accomplishing the mission.

**The Nominating Committee uses these and other factors in determining the composition of the Board of Incorporators and Board of Directors.**

2. Where an employee of the organization is a voting member of the board, the circumstances must ensure that the employee will not be in a position to exercise undue influence.

**Although employees attend Board of Directors meetings, no employees are members of the Board of Directors.**

3. The board should have no fewer than five (5) unrelated directors. Seven (7) or more directors are preferable.

**Conflict of Interest Policy and Certification approved by the Board of Directors on December 14, 2005.**

4. The organization's bylaws should define specific terms of service for board members.

**The organization's bylaws set three year terms for Directors with an annual performance review. Officers serve one year terms that are renewable upon approval of the Board of Incorporators at the organization's Annual Meeting.**

5. A board should have a rigorous board development process that outlines clear performance expectations for board members and ensures accountability for performance. To ensure adequate rotation of officers and board membership, an organization should limit the number of consecutive terms a board member can serve or establish other mechanisms for succession planning.

**Board member performance is reviewed annually by the Nominating Committee. There are no limits on the number of terms that a Board member can serve. The president serves no more than one two-year term.**

6. Board membership should reflect the diversity of the community.

**Ongoing efforts are being made to improve the diversity of the Board of Incorporators and Board of Directors.**

7. Board members should serve without compensation. Board members may be reimbursed for expenses directly related to their board service.

**No Board members are compensated for their service. Board members may seek reimbursement for expenses directly related to their board service.**

#### C. Conduct of the Board

1. The board is responsible for its own operations, including the education, training and development of board members, ongoing evaluation of its own performance, and where appropriate, the selection of new board members.

**These responsibilities are shared by the Nominating Committee and Board Development Committee.**

2. The board should establish stated expectations for board members, including expectations for participation in fundraising activities, committee service, and program activities.

**Expectations of Board service are communicated both in writing and verbally.**

3. The board should meet as frequently as is needed to fully and adequately conduct the business of the organization. At a minimum, the board should meet four times a year. Board meetings may be conducted by telephone, video, or online conferencing as allowed by Massachusetts law.

**The Board meets between 8-10 times per year with an Annual Meeting traditionally held in January.**

4. The organization should have written policies that address attendance and participation of board members at board meetings and include a process to address noncompliance.

**There are currently no written policies addressing this subject but is being actively examined by the Board Development Committee.**

5. Written meeting minutes reflecting the actions of the board should be maintained and distributed to board members. Board committees should act on behalf of the board only in unusual or extenuating circumstances and if such actions are consistent with the organization's bylaws. All board members should receive written minutes and reports of committee actions taken on behalf of the board.

**Written Secretary's minutes are prepared for every Board meeting and are reviewed and approved at the successive meeting. Board members not in attendance receive all written materials distributed at the meeting along with a brief summary of meeting highlights. These materials are sent within a week of the date of the meeting. In unusual circumstances, the Executive Committee is empowered to act on a specific issue with the prior approval of the Board of Directors.**

## CONFLICT OF INTEREST

Nonprofit board and staff members should act in the best interest of the organization, rather than in furtherance of personal interests or the interests of third parties. A nonprofit should have policies in place, and should routinely and systematically implement those policies, to prevent actual, potential, or perceived conflicts of interest.

### A. Conflict-of-Interest Policy

1. Nonprofits should have a written conflict-of-interest policy. The policy should be applicable to board members and staff, and volunteers who have significant independent decision-making authority regarding the resources and programs of the organization. The policy should identify the types of conduct or transactions that raise conflict-of-interest concerns, should set forth procedures for disclosure of actual or potential conflicts, and should provide for review of individual transactions by the uninvolved members of the board of directors.

**Conflict of Interest Policy and Certification approved by the Board of Directors on December 14, 2005.**

B. Conflict-of-Interest Statements

1. Nonprofits should provide board members, staff and volunteers with a conflict-of-interest statement that summarizes the key elements of the organization's conflict-of-interest policy. The conflict-of-interest statement should provide space for the board member, employee or volunteer to disclose any known interest that the individual, or a member of the individual's immediate family, has in any entity that transacts business with the organization. The statement should be provided to and signed by board members, staff, and volunteers, both at the time of the individual's initial affiliation with the organization and at least annually thereafter.

**Conflict of Interest Policy and Certification approved by the Board of Directors on December 14, 2005.**

HUMAN RESOURCES

A nonprofit's relationship to its employees and volunteers is fundamental to its ability to achieve its mission. Volunteers occupy a special place in nonprofit organizations, serving in governance, administrative and programmatic capacities. An organization's human resource policies should address both paid employees and volunteers, and should be fair, establish clear expectations, and provide for meaningful and effective performance evaluation.

A. Personnel Policies

1. A nonprofit should have written personnel policies, approved by the board of directors, governing the work and actions of all employees and volunteers of the organization. In addition to covering basic elements of the employment relationship (e.g., working conditions, employee benefits, vacation and sick leave), the policies should address employee evaluation, grievance procedures, confidentiality of employee, client and organization records and information, and employee growth and development.

**An Employee Handbook including all of the features outlined above has been reviewed by full-time staff. It is currently being reviewed by outside legal counsel.**

2. The organization's human resources policies and procedures should also address initial assessment or screening of employees and key volunteers, assignment to and training for appropriate work responsibilities, ongoing supervision and evaluation, and opportunities for advancement.

**All staff and volunteers who have regular, direct contact with youth must receive a full background check including CORI/SORI, Federal Criminal Records Check, Social Security Number Verification and, when necessary, additional state background checks. Job descriptions are shared with staff. Volunteers are given an orientation and will be provided with a Volunteer Handbook that is in development.**

B. Employee Performance Evaluation

1. Organizations should have a system in place for regular written evaluation of employees by their respective supervisors, which should take place at least annually.

**Annual performance and salary reviews are done for all full-time and most part-time staff. Full-time staff reviews are done in concert with Boys & Girls Clubs of America's Job Classification and Compensation Management Program (JCCMP).**

### C. Employee Orientation

1. New employees of the organization should receive an orientation, which includes review of the organization's personnel policies and procedures and an introduction to the Standards for Excellence. Employees should be provided with a copy of the personnel policies and these Standards, and should acknowledge receipt in writing.

**Employees are provided with a copy of the Standards which are included with personnel policies in the Employee Handbook. A set, formal orientation process needs to be developed.**

### FINANCIAL AND LEGAL

Nonprofits must practice sound financial management and comply with a diverse array of legal and regulatory requirements. A nonprofit's financial system should assure that accurate financial records are kept and that the organization's financial resources are used in furtherance of the organization's charitable purposes. Organizations should conduct periodic reviews to address regulatory and liability concerns.

#### A. Financial Accountability

1. A nonprofit should operate in accordance with an annual budget that has been approved by the board of directors.

**The Club's fiscal year is July 1-June 30. Preliminary budget is presented at April meeting. The budget is reviewed by a Board committee with approval given in May/June.**

2. A nonprofit should create and maintain financial reports on a timely basis that accurately reflect the financial activity of the organization.

**Budget updates are presented at every Board meeting. Monthly reports are done by an outside accounting firm with both the full report and summary presented at meetings of the Board of Directors.**

3. For nonprofits with annual revenue in excess of \$300,000, the accuracy of the financial reports should be subject to audit by a Certified Public Accountant.

**The Club receives an annual audit done by a Certified Public Accountant. An Audit & Oversight Committee has been established which will review the annual audit findings and meet with the auditor.**

4. Internal financial statements should be prepared no less frequently than monthly, should be provided to the board of directors at least quarterly, and should identify and explain any material variation between actual and budgeted revenues and expenses.

**Budget updates are presented at every Board meeting. Monthly reports are done by an outside accounting firm with both the full report and summary presented at meetings of**

**the Board of Directors. The Executive Director and/or Treasurer identify and explain any material variation between actual and budgeted revenues and expenses.**

5. Organizations should provide employees a confidential means to report suspected financial impropriety or misuse of organization resources.

**An Employee Protection (Whistleblower) Policy was approved by the Board of Directors on September 19, 2007.**

6. Organizations should have written financial policies governing: (a) investment of the assets of the organization (b) internal control procedures, (c) purchasing practices, and (d) unrestricted current net assets.

**Updated Financial Management & Investment Policies and Procedures were approved by the Board of Directors in March, 2007.**

## B. Legal Compliance and Accountability

1. Nonprofits must be aware of and comply with all applicable federal, state, and local laws. This may include, but is not limited to, the following activities: complying with laws and regulations related to fundraising, licensing, financial accountability, human resources, lobbying and political advocacy, and taxation.

**The Executive Director has primary responsibility for legal compliance. Every effort is made to stay abreast of any relevant changes in laws and regulations.**

2. Organizations should annually assess the need for insurance coverage in light of the nature and extent of the organization's activities and its financial capacity. A decision to forego general liability insurance coverage or Directors and Officers liability insurance coverage shall only be made by the board of directors and shall be reflected in the minutes for the meeting at which the decision was made.

**An annual review of the Club's insurance coverage is done in concert with the Club's insurance agent. The Club maintains recommended coverage limits for both General Liability Coverage and Directors and Officers Liability Insurance.**

3. Nonprofits should periodically review the organization's compliance with known existing legal, regulatory and financial reporting requirements and should provide a summary of the results of the review to members of the board of directors.

**No such formal reviews are currently in place.**

## PUBLIC ACCOUNTABILITY

Nonprofits are private corporations that operate for public purposes with public support. As such, they should provide the public with information about their mission, program activities, and finances. A nonprofit should also be accessible and responsive to members of the public who express interest in the affairs of the organization.

### A. Annual Report

1. Nonprofits should prepare, and make available annually to the public, information about the organization's mission, program activities, and basic financial data. The report should also identify the names of the organization's board of directors and management staff. The annual report need not be professionally designed and printed.

**The organization prepares and a written Annual Report meeting all of the above mentioned criteria. The report is distributed to all Incorporators and Directors and is readily available to the general public in both hard copy and electronically through the Club's website.**

## B. Public Access

1. Nonprofits should provide members of the public who express an interest in the affairs of the organization with a meaningful opportunity to communicate with an appropriate representative of the organization. Nonprofits should have at least one designated staff member or volunteer who is responsible for ensuring that the organization complies with both the letter and the spirit of federal and state laws requiring disclosure of information, such as the IRS Form 990, to members of the public.

**The Executive Director is responsible for ensuring that the organization complies with both the letter and the spirit of federal and state laws requiring disclosure of information, such as the IRS Form 990, to members of the public. In addition, the Club's current 990 form is available for review upon request and is always available online at [Guidestar.com](http://Guidestar.com).**

## FUNDRAISING

Charitable fundraising provides an important source of financial support for the work of most nonprofit organizations. An organization's fundraising program should be maintained on a foundation of truthfulness and responsible stewardship. Its fundraising practices should be consistent with its mission, compatible with its organizational capacity, and respectful of the interests of donors and prospective donors.

### A. Fundraising Activities

1. A nonprofit's fundraising costs should be reasonable over time. On average, over a five year period, a nonprofit should realize charitable contributions from fundraising activities that are at least three times the amount spent on fundraising. Organizations whose fundraising ratio is less than 3:1 should demonstrate that they are making steady progress toward achieving this goal, or should be able to justify why a 3:1 ratio is not appropriate for the individual organization.

**Fund raising expenses are monitored by the Executive Director, Development Director, relevant Board committees and Board of Directors as a whole to ensure cost effectiveness.**

2. Solicitation and promotional materials should be accurate and truthful and should correctly identify the organization, its mission, and the intended use of the solicited funds.

**Club solicitation and promotional materials always identify the organization, typically reference the mission and/or Club activities and programs and specifically state the intended use of funds.**

3. All statements made by the nonprofit in its fundraising appeals about the use of a contribution should be honored.

**This is both the past and current standard of the Club.**

4. Nonprofits should honor the known intentions of a donor regarding the use of donated funds.

**This is both the past and current standard of the Club.**

## B. Donor Relationships and Privacy

1. Nonprofits should respect the privacy of donors and safeguard the confidentiality of information that a donor reasonably would expect to be private.

**Information about Club donors, including the names and donation amounts, is not shared with anyone unless permission is specifically granted by the donor.**

2. Nonprofits should provide donors an opportunity to state that they prefer to remain anonymous and that their name, the amount of their gift, or other information not be publicly released.

**The names of donors are not shared without their permission.**

3. Nonprofits should provide donors an opportunity to have their names removed from any mailing lists that are sold, rented, or exchanged.

**No Club mailing lists are sold, rented or exchanged.**

4. Nonprofits should honor requests by a donor to curtail repeated mailings or telephone solicitations from in-house lists.

**The Club always honors donor requests regarding the nature and frequency of solicitations. This includes an “opt-out” option for e-mail.**

5. Solicitations should be free from undue influence or excessive pressure, and should be respectful of the needs and interests of the donor or potential donor.

**Recognizing that donors are absolutely essential to the Club, donors are treated with great respect for their needs and interests.**

## C. Acceptance of Gifts

1. An organization should have policies in place to govern the acceptance and disposition of charitable gifts that are received in the course of its regular fundraising activities. These policies should include procedures to determine any limits on individuals or entities from which the organization will accept a gift, the purposes for which donations will be accepted, the type of property that will be accepted, and whether to accept an unusual or unanticipated gift in light of the organization’s mission and organizational capacity.

**A policy regarding gift acceptance was included in the updated Financial Management & Investment Policies and Procedures which were approved by the Board of Directors in March, 2007.**

#### D. Employment of Fundraising Personnel

1. Fundraising personnel, including both employees and independent consultants, should not be compensated based on a percentage of the amount raised or other commission formula.

**The Club follows this standard.**

2. When using the services of paid professional solicitors, organizations should use only the services of professional solicitors who are registered with the Massachusetts Attorney General.

**The Club follows this standard.**

3. Organizations should exercise control over any staff, volunteers, consultants, contractors, other organizations, or businesses that are known to be soliciting contributions on behalf of the organization.

**Soliciting on behalf of the Club is done by professional staff or trained Board members and volunteers. The Club does not hire outside firms for soliciting purposes.**

#### PUBLIC AFFAIRS AND PUBLIC POLICY

Nonprofits provide an important vehicle through which individuals organize and work together to improve their communities. When consistent with its mission and purpose, a nonprofit should represent the interests of the people it serves through public education and public policy advocacy, as well as by encouraging board members, staff, volunteers and constituents to participate in the public affairs of the community.

##### A. Public Policy Advocacy

1. Nonprofits that engage in advocacy should have a written policy defining the process by which the organization determines positions on specific issues.

**Public Policy Advocacy Policy adopted by the Board of Directors on November 16, 2005.**

##### B. Public Education

1. Nonprofits should assure that any educational information provided to the media or distributed to the public is factually accurate and provides sufficient contextual information to be understood.

**Public Policy Advocacy Policy adopted by the Board of Directors on November 16, 2005.**

##### C. Promoting Public Participation

1. Nonprofits engaged in promoting public participation in community affairs shall be diligent in assuring that the activities of the organization are strictly nonpartisan.

**Public Policy Advocacy Policy adopted by the Board of Directors on November 16, 2005 includes language regarding the nonpartisan nature of Club public policy advocacy.**