

## NENA DONATION GUIDELINES

The NENA board and the committees tasked with the evaluation of requests for *aid and grants other than school grants* will follow the following best practices guidelines. These guidelines are to be posted on the NENA website:

### I. ORGANIZATIONS:

#### a. Minimum Criteria

The *minimum criteria* for organizations applying for NENA AID or other NENA funding, with the exception of School grants, will include:

- Organization or entity must be a registered nonprofit *501c.3*;
- If the organization is over 7 years old, has assets in excess of \$100,000, and annual expenses above \$75,000 it must meet the additional following requirements:
  - 1) Dedicate a minimum of 70% of the expenses in the current and two previous years to the charitable cause(s) the organization is supporting and
  - 2) Score a minimum of 75 (preferred 90) or received a 3-star rating (preferred 4 star) on [Charity Navigator](#) and provide easy online access to timely 990 forms

OR

- 3) Two consecutive current 990 forms and
- 4) Minimum 70% of donations dedicated to the programs they support

OR

- 5) Meet all the requirements of the Better Business Bureau Standards for Charity Accountability
    - a. (see Appendix A for the Better Business Bureau Standards for Charity Accountability).
- If the organization is *under 7 years old*, has *assets under \$100,000*, and *annual expenses under \$75,000* the following is required :
    - 1) The organization must make an in-person presentation directly to the NENA board and the membership at a monthly meeting for funding consideration. The presentation will be announced at the previous monthly meeting when the

presentation will take place and the funding decision will be based on public input and will be decided in public at the NENA monthly meeting following the presentation meeting.

## **b. Funding Request Preferences**

- It is preferred that the purpose of the funding request is to directly or indirectly benefit North End neighbors. This is not meant to exclude charitable or non-profit work that benefits the wider community, but preference should be given to proposals that make a positive impact on the Boise North End.

*Examples:* The Women's and Children Alliance and Jesse Tree directly help residents throughout Boise and the Treasure Valley, including the North End.

- It is preferable that the project the funding is requested for be executed within the North End Neighborhood Association boundaries (specified in the NENA bylaws)
- That the Applicants live or work within these boundaries.
- That the project involves community members in creating and completing the project.
- That the project should be limited to those that benefit a reasonable number of residents who live or work within the neighborhood boundaries.
- That It should create community improvements.
- That the project should be free and open to all members of the neighborhood.
- That project should be feasible and ready to start within 1-2 months from award date.
- Projects with a "community match" in the form of volunteer hours and materials are desirable.

## **II. INDIVIDUALS:**

This is a pilot project named, "Neighbors Helping Neighbors"

INDIVIDUALS, or Neighbors on behalf of other individual neighbors can make requests of aid based in need.

The NENA board, after a written recommendation from the NENA AID Committee may, on a monthly meeting open to the public, recommend individuals be offered assistance, not to exceed \$500. *The individual(s) must make a written request to the NENA AID Committee for consideration, providing sufficient detail to establish need.*

## **Conditions:**

- *Individual grants will be made on a one-time basis.* NENA AID Committee may request all information it deems necessary to make a recommendation, but information will be kept confidential.
- The intent of these grants is to benefit neighbors on *fixed incomes and are experiencing budget challenges due to rising property taxes or have been impacted by disabilities.* The aid is to be considered a “hand up” to help our neighbors *ease a difficult living situation and/or prevent house decay.*
- Assistance may be required for fixing small damage to property, such as roof tiles, fence repair and painting, and yard work and to connect the individual with other community organizations that may offer broader assistance.
- Available funding: The total amount of dollars allocated for individual assistance will be established by the NENA Board of Directors, as part of the annual budget setting process.

To access the “Neighbours Helping Neighbors” help please contact [board@northendboise.org](mailto:board@northendboise.org)

APPENDIX A:

# BBB Standards for Charity Accountability

Better Business Bureau's (BBB) 20 Standards for Charity Accountability were developed to assist donors in making sound giving decisions and to foster public confidence in charities. The Standards seek to encourage fair and honest solicitation practices, to promote ethical conduct by charities, and to advance support of philanthropy.

The *Standards for Charity Accountability* were developed with professional and technical assistance from representatives of small and large charities, the accounting profession, grant-making foundations, corporate contributions officers, regulator agencies, research organizations, and BBB. [BBB Wise Giving Alliance](#), a 501(c)(3) affiliate of your local BBB, also commissioned significant research on donor expectations to ensure that the views of the general public were reflected in the *Standards*.

The generous support of the Charles Stewart Mott Foundation, the Surdna Foundation, and Sony Corporation of America helped underwrite the development of the *Standards* and related research.

Charities that comply with these accountability *Standards* have provided documentation that they meet basic standards in:

- how they govern their organization,
- the way they spend their money,
- the truthfulness of their representations, and
- their willingness to disclose basic information to the public.

These *Standards* apply to publicly-soliciting charities that are tax-exempt under section 501(c)(3) of the Internal Revenue Code and to other organizations conducting charitable solicitations. The *Standards* are not intended to apply to private foundations, as they do not solicit contributions from the public.

The overarching principle of the *Standards for Charity Accountability* is full disclosure to donors and potential donors at the time of solicitation and thereafter. However, where indicated, the *Standards* recommend ethical practices beyond the act of disclosure in order

to ensure public confidence and encourage giving. As voluntary standards, they also go beyond the requirements of local, state, and federal laws and regulations.

In addition to the specific areas addressed in the *Standards*, BBB encourages charities to adopt the following management practices to further the cause of charitable accountability.

- Initiate a policy promoting pluralism and diversity within the charity's board, staff, and constituencies. While charities vary widely in their ability to demonstrate pluralism and diversity, every charity should establish a policy, consistent with its mission statement, which fosters such inclusiveness.
- Ensure adherence to all applicable local, state, and federal laws and regulations, including those related to the submission of financial information.
- Adhere to the specific standards cited below. BBB also encourages charities to maintain a commitment to accountability that transcends specific standards and places a priority on openness and ethical behavior in the charity's programs and activities.

Standards for Charity Accountability

## **Governance and Oversight**

*The governing board has the ultimate oversight authority for any charity. This section of the Standards seeks to ensure that the volunteer board is active, independent, and free of self-dealing. To meet these Standards, the charity shall have:*

1. **a board of directors that provides adequate oversight of the charity's operations and its staff.** Indication of adequate oversight includes, but is not limited to, regularly scheduled appraisals of the CEO's performance, evidence of disbursement controls, such as board approval of the budget, fundraising practices, and establishment of a conflict of interest policy, and establishment of accounting procedures sufficient to safeguard charity finances.
2. **a board of directors with a minimum of five voting members.**
3. **a minimum of three evenly-spaced meetings per year of the full governing body with a majority in attendance, with face-to-face participation.** A conference call of the full board can substitute for one of the three meetings of the governing body. For all meetings, alternative modes of participation are acceptable for those with physical disabilities.

4. **not more than one or 10% (whichever is greater) directly or indirectly compensated person(s) serving as voting member(s) of the board.** Compensated members shall not serve as the board's chair or treasurer. (*Note: Publicly soliciting churches and other houses of worship should see the [Implementation Guide](#) for further information about the application of this Standard.*)

5. **no transaction(s) in which any board or staff members have material conflicting interests with the charity resulting from any relationship or business affiliation.**

Factors that will be considered when concluding whether or not a related party transaction constitutes a conflict of interest, and if such a conflict is material, include, but are not limited to:

- any arm's length procedures established by the charity,
- the size of the transaction relative to like expenses of the charity,
- whether the interested party participated in the board vote on the transaction,
- if competitive bids were sought, and
- whether the transaction is one-time, recurring, or ongoing.

## **Measuring Effectiveness**

*A charity should regularly assess its effectiveness in achieving its mission. This section seeks to ensure that an organization has defined, measurable goals and objectives in place and a defined process in place to evaluate the success and impact of its program(s) in fulfilling the goals and objectives of the organization and that also identifies ways to address any deficiencies. To meet these Standards, the charity shall:*

6. **have a board policy of assessing, no less than every two years, the charity's performance and effectiveness and of determining future actions required to achieve its mission.**

7. **submit to the charity's governing body, for its approval, a written report that outlines the results of the aforementioned performance and effectiveness assessment and recommendations for future actions.**

## **Finances**

*This section of the Standards seeks to ensure that the charity spends its funds honestly, prudently, and in accordance with statements made in fundraising appeals. To meet these Standards, the charity shall:*

8. **spend at least 65% of its total expenses on program activities**
9. **spend no more than 35% of related contributions on fundraising. Related contributions include donations, legacies, and other gifts received as a result of fundraising efforts.**
10. **avoid accumulating funds that could be used for current program activities. To meet this *Standard*, the charity's unrestricted net assets available for use should not be more than three times the size of the past year's expenses or three times the size of the current year's budget, whichever is higher. (*Note: Meeting certain public disclosure requirements described in the [Implementation Guide](#) may enable a charity to satisfy this *Standard*.*)**
11. **make available to all, on request, complete annual financial statements prepared in accordance with generally accepted accounting principles. When total annual gross income exceeds \$500,000, these statements should be audited in accordance with generally accepted auditing standards. For charities whose gross income is less than \$500,000, a review by a Certified Public Accountant (CPA) is sufficient to meet this *Standard*. For charities whose annual gross income is less than \$250,000, an internally produced, complete financial statement is sufficient to meet this standard.**
12. **include in the financial statements a breakdown of expenses (e.g., salaries, travel, postage) that shows what portion of these expenses was allocated to program, fundraising, and administrative activities. If the charity has more than one major program category, the schedule should provide a breakdown for each category.**
13. **accurately report the charity's expenses, including any joint cost allocations, in its financial statements. For example, audited or unaudited statements which inaccurately claim zero fundraising expenses, otherwise understate the amount a charity spends on fundraising, or overstate the amount it spends on programs will not meet this standard.**
14. **have a board-approved annual budget for its current fiscal year, outlining projected expenses for major program activities, fundraising, and administration.**

## **Fundraising and Informational Materials**

*A fundraising appeal is often the only contact a donor has with a charity and may be the sole impetus for giving. This section of the Standards seeks to ensure that a charity's representations to the public are accurate, complete, and respectful. To meet these Standards, the charity shall:*

15. **have solicitations and informational materials, distributed by any means, that are accurate, truthful, and not misleading, both in whole and in part.** Appeals that omit a clear description of program(s) for which contributions are sought might not meet this *Standard*. A charity should also be able to substantiate that the timing and nature of its expenditures are in accordance with what is stated, expressed, or implied in the charity's solicitations.
16. **have an annual report available to all, on request, that includes:**
  - **the charity's mission statement,**
  - **a summary of the past year's program service accomplishments,**
  - **a roster of the officers and members of the board of directors, and**
  - **financial information that includes**
  - **total income in the past fiscal year,**
  - **expenses by programs, fundraising, and administration, and**
  - **ending net assets**
17. **include on any charity websites that solicit contributions, the same information that is recommended for annual reports, as well as the mailing address of the charity and electronic access to its most recent IRS Form 990.**
18. **address privacy concerns of donors by:**
  - **providing in written appeals, at least annually, a means (e.g., a check-off box) for both new and continuing donors to inform the charity if they do not want their name and address shared outside the organization, and**
  - **provide a clear, prominent, and easily accessible privacy policy on any of its websites that tell visitors**



- what information, if any, is being collected about them by the charity and how this information will be used,
- how to contact the charity to review personal information collected and request corrections,
- how to inform the charity (e.g., a check-off box) that the visitor does not wish for his or her personal information to be shared outside the charity, and
- what security measures the charity has in place to protect personal information.

**19. clearly disclose how the charity benefits from the sale of products or services (i.e., cause-related marketing) that state or imply that a charity will benefit from a consumer sale or transaction. Such promotions should disclose, at the point of solicitation:**

- the actual or anticipated portion of the purchase price that will benefit the charity (e.g., 5 cents will be contributed to abc charity for every xyz company product sold),
- the duration of the campaign (e.g., the month of October), and
- any maximum or guaranteed minimum contribution amount (e.g., up to a maximum of \$200,000).

**20. respond promptly to and act on complaints brought to its attention by the BBB Wise Giving Alliance (WGA) or local BBBs about fundraising practices, privacy policy violations, and other issues.**