POLICIES & PRACTICES FOR NONPROFIT SUCCESS

2019 MCN Annual Conference
PRESENTERS

- Kris Kewitsch
  - Executive Director, Charities Review Council
  - Kris@smartgivers.org

- Kelly Rietow
  - Principal, Roo Solutions
  - Kelly@roosolutions.net
What do you want to get out of today?
What’s the difference?
WHY POLICIES?

DEFINITION

- A set of **policies** are principles, rules, and guidelines formulated or adopted by an organization to reach its long-term goals and typically published in a booklet or other form that is widely accessible.

GUIDANCE

- Underpinning principles and values
- Goals and objectives
- Consistency creates equity
WHAT SHOULD POLICIES COVER?

- HUMAN RESOURCES
- GOVERNANCE
- FINANCIALS
NUTS & BOLTS OF A POLICY

General Structure

- Header – a general description, strategic description of the policy objectives
- Policy – what is the rule or guideline
- Procedure – how the rule is applied

Considerations

- Audience
- Defining the strategies for the policy
- Specific actions to be taken
- Desired outcomes
- How frequently the policy should be reviewed
## Policy Review Schedule

Per our Accountability Standards and per the policies themselves, the Council created a rotating three-year schedule to ensure review of key Council documents and policies. As new policies are created, they are added to the document review schedule. Note: Unless otherwise specified, review schedule sets frequency for review once every three years.

<table>
<thead>
<tr>
<th>Document</th>
<th>Schedule for Review</th>
<th>Committee Responsible</th>
<th>Reviewed by Committee</th>
<th>Approved by the Board</th>
<th>Frequency of Review</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift Acceptance Policy</td>
<td>2019</td>
<td>Executive</td>
<td>Scheduled to be reviewed at August 2019 EC Meeting</td>
<td>4/25/2018</td>
<td>Every 3 years, requires board approval</td>
<td>Executive Committee recommended reviewing this policy again in 2019 given new tax law.</td>
</tr>
<tr>
<td>Internal Controls Policy</td>
<td>2019</td>
<td>Executive</td>
<td>Scheduled to be reviewed at 6/3/2019 EC Meeting</td>
<td>Every 3 years</td>
<td></td>
<td>Kris asked that this policy (previously approved in 2017) be reviewed and approved again to include clarify around contract signing. Audit Committee felt the Executive Committee should review and recommend for approval.</td>
</tr>
<tr>
<td>Operating Reserves Policy</td>
<td>2019</td>
<td>Executive</td>
<td>Scheduled to be reviewed at 7/22/2019 EC Meeting</td>
<td>Every 3 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disaster Recovery Plan</td>
<td>2019</td>
<td>Executive</td>
<td>Scheduled to be reviewed at 9/25/2019 EC Meeting</td>
<td>Every Year</td>
<td>Last reviewed in 2018; approved by board 6/22/2018</td>
<td></td>
</tr>
<tr>
<td>Website Privacy Policy</td>
<td>2019</td>
<td>Staff</td>
<td>N/A</td>
<td>N/A</td>
<td>Every 3 years</td>
<td>Reviewed and revised by legal counsel (Kriplany, Patrick-Ferrer)</td>
</tr>
<tr>
<td>Website Terms of Use</td>
<td>2019</td>
<td>Staff</td>
<td>N/A</td>
<td>N/A</td>
<td>Every 3 years</td>
<td>Reviewed and revised by legal counsel (Kriplany, Patrick-Ferrer)</td>
</tr>
<tr>
<td>Donor Privacy Policy</td>
<td>2019</td>
<td>Staff</td>
<td>Scheduled for review in Q3</td>
<td>N/A</td>
<td>Every 3 years</td>
<td>Reviewed and revised by legal counsel (Kriplany, Patrick-Ferrer)</td>
</tr>
<tr>
<td>Discontinue Contact Policy</td>
<td>2022</td>
<td>Staff</td>
<td>3/28/2019</td>
<td>Every 3 years</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
THE BASIC POLICIES
What donor information is collected

How donor information is collected

How donor information is used

How to edit their information

Allow for donors to opt out of making information public
# DISCONTINUE CONTACT

| **Policy** | Oral or written requests by person or authorized rep

  | Directed to nonprofit, fundraising pro or other agent |
| **Limitation** | Does not prohibit responding to requests by person or authorized representative |
| **Procedure** | Maintain a "Do Not Contact" list

  | Name removed from any external databases |
| **Permanent Record** | Maintain based on legal or liability requirements |
| **Contact Information** | How to reach the organization to request discontinued contact |
WHISTLEBLOWER POLICY

- Procedures for reporting and investigating complaints
- Provides for confidentiality
- Protects from retaliation
- Staff can go directly to the board within the board’s purview
## CONFLICT OF INTEREST

### Audiences to Include
- Directors
- Officers
- CEO/Executive Director
- Employees

### What it Covers
- Defines conflicted relationship or transaction
- Requires full disclosure
- Prohibits voting by interested parties
- Annual written disclosure of real or perceived conflicts
- Consistently enforced
Define confidential information:

Confidential and trade secret information shall include, but not be limited to, matters not readily available to the public which are of a technical, financial or business nature, or which pertain to future developments.

Include provision that employees should not use the intellectual property of others

Employees will not disclose to the Company or induce the Company to use any proprietary information or trade secrets of others.

Sharing information with coworkers on a “need to know” basis

Require return of all company property and information upon termination
EXPENSE REIMBURSEMENT

APPLICABLE TO BOTH BOARD AND STAFF

DESCRIBES ACCEPTABLE EXPENSES

SETS REASONABLE LIMITS

OUTLINES PROCEDURES FOR REIMBURSEMENT
Employees are expected to protect the privacy of our employees, clients, and others and are prohibited from disclosing personal employee and non-employee information and any other proprietary and nonpublic information to which employees have access. Such information includes, but is not limited to, client information, confidential business or financial information and business plans.

The Organization respects the right of employees to use blogs and social networking sites as a medium of self-expression and public conversation and does not discriminate against employees who use these media for personal interests and affiliations or other lawful purposes. Please note that bloggers and commenters can be held personally liable for commentary that is considered defamatory, obscene, proprietary or libelous by any offended party, not just the Company.

Clearly indicate that you are speaking as an individual, and not representing the agency.
• It is the policy of The Organization to comply with all applicable equal employment opportunity laws. Therefore, decisions about recruiting, hiring, training, promotions, compensation, benefits, and all similar employment decisions must be made without regard to race, creed, color, religion, ethnic origin, national origin, age, gender, marital status, familial status, sexual orientation, disability, status with regard to public assistance, veteran status membership or activity in a local commission, or any other protected class status defined by applicable law.

• It is a goal of The Organization to be a diverse and multicultural organization within the community The Organization serves. The Organization recognizes value and appreciates the diversity of the members of its organization and their commitment to designing and maintaining programs that affirm diversity and are responsive to the unique needs of specific communities.

**Your agency can always be more inclusive than the law requires**
NEW HIRE WAGE NOTICE

- Must provide detailed notice of employment conditions, exemption status, deductions and paid time off upon hire. Employee must sign.

- Modify state recommend form to fit your organization

- Must provide written notice of any changes to employment (pay rate, etc.) before the change takes effect. Employee does not need to sign, but you must provide written notification

<table>
<thead>
<tr>
<th>Employee notice</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Employee:</td>
</tr>
<tr>
<td>Phone number:</td>
</tr>
<tr>
<td>Date employment began:</td>
</tr>
<tr>
<td>2. Legal name of employer:</td>
</tr>
<tr>
<td>Phone number:</td>
</tr>
<tr>
<td>Operating name of employer (if different):</td>
</tr>
<tr>
<td>Mailing address (if different):</td>
</tr>
<tr>
<td>3. Employment status (exempt or non-exempt):</td>
</tr>
<tr>
<td>☐ Employee is exempt from:</td>
</tr>
</tbody>
</table>
What was disturbing or uncomfortable about this video?

Have you, or someone you know, experienced something similar?

Did you, or the person you know, report the conduct? Why / why not?
OTHER POLICIES TO CONSIDER

- Code of Conduct
- Fraud
- Intellectual Property
- What else?
THE PRACTICES
SUPERVISORS HANDBOOK

- Boots on the ground guidance for supervisors
- Who does what
- Steps to follow

Company ABC
Supervisors Handbook

Revision Date: 01/01/19

Family / Medical Leave - DRAFT

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What is it?

Policy Statement

Who does it affect? Full-time and part-time regular employees.

Who is eligible?

Terms and Definitions

1.

What are my responsibilities?

1. Employees:
   ⇒ Request
2. Supervisors:
   ⇒ Notify
3. Human Resources:
   ⇒ Approves

How the Process Works

1.

2.

3.

Effect on Employment Status and Benefits

1.

2.

3.

Other information
Orientation is an event. Onboarding is a process

What was most important to you to learn your first few days on a new job?

What did your employer focus on in the first few days?

How do we marry the needs of the organization with making the new staff member feel comfortable and confident?
New board members receive orientation within one year of election to Meet Standards®

- Mission/Vision/Values
- Strategic & Annual Plans
- Prior & Current Year Budget
- Program Overview
- Org Chart
- Board Member Expectations
- Committee Structure
- Prior Year Accomplishments
Put your hands up if you are an ED. Raise your hand. If you get an annual review, keep your hand raise. If you don’t, drop your hand and sit down. It is an accountability standard. What is the impact if ED doesn’t receive a review

- Best Practices
  - No surprises
  - Common review date
  - Balance reflecting on past with planning for the future
  - Calibration meetings
Board will conduct an annual self-assessment to ensure its effectiveness and capacity to govern.

Areas to consider surveying:
- Board & Organization Structure
- Board & Staff
- Policy Making, Planning & Fundraising
- Fiscal Management Practices
- Board Committees, Meetings & Membership
- Overall Satisfaction
TRENDS IN HR/GOVERNANCE
TRENDS & YOUR AGENCY

- #meToo
- Living Wage
- Parental Leave
- Legalizing Marijuana
- Diversity, Equity & Inclusion
What are your PTO and leave policies?

What, if any, impact will legalizing marijuana have on your agency?
TROUBLE SPOTS
EMPLOYER BEWARE

- Employee classification / exemption status
- Document Retention / Record Destruction
- Recordkeeping violations (I-9, separation of files)
- Independent Contractors vs. employees
- Retaliation (firing someone who has lodged a complaint)
THE ICEBERG
EMPLOYMENT

Policies and Practices
Recruitment and Selection
Performance Review
Compensation decisions

Lack of process / procedure
Inconsistency between supervisors
Implicit bias
Lack of organizational calibration
HR specifics (immigration), Review Process, HR Audit
Online capacity-building tool based on the Accountability Standards®

The Accountability Wizard is...

- A learning tool
- Key definitions,
- Sample policies,
- Links for more information
- Self-paced
- Risk-free
THE BENEFITS

- Build stronger relationships between board & staff
- Ensure strong internal policies, practices and procedures are in place
- Earn the Meets Standards® Seal, a visual marker of nonprofit strength
- Gain additional exposure through Council communications & promotions
  - Promoted on Social Media
  - Listed in the Smart Giver Newsletter
  - Listed on the Council’s Website
FOR FURTHER INFORMATION

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  - Executive Director, Charities Review Council
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  - Principal, Roo Solutions
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