

# POLICIES & PRACTICES FOR NONPROFIT SUCCESS

2019 MCN Annual Conference

# PRESENTERS

- Kris Kewitsch
- Executive Director, Charities Review Council
- [Kris@smartgivers.org](mailto:Kris@smartgivers.org)



- Kelly Rietow
- Principal, Roo Solutions
- [Kelly@roosolutions.net](mailto:Kelly@roosolutions.net)



# WELCOME

- What do you want to get out of today?

# POLICY AND PRACTICE

What's the difference?



# WHY POLICIES?

## DEFIINATION

- 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

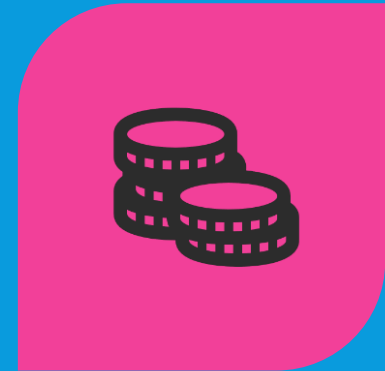
# WHAT SHOULD POLICIES COVER?



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

- \*\* download

## DOCUMENT REVIEW SCHEDULE

*Updated 06-29-2018*

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.

1. Have there been any legal changes since last approved?
2. Sector expectation changes regarding this type of policy since it was last reviewed?
3. Is the document /policy clear in its intent and procedure so it can be applied without bias?
4. Does this policy support the Council's goal for an inclusive environment?

Document	Schedule for Review	Committee Responsible	Reviewed by Committee	Approved by the Board	Frequency of Review	Comments
Gift Acceptance Policy	2019	Executive	Scheduled to be reviewed at August 2019 EC Meeting	4/25/2018	Every 3 years, requires board approval	Executive Committee recommended reviewing this policy again in 2019 given new Tax law.
Internal Controls Policy	2019	Executive	Scheduled to be reviewed at 6/3/2019 EC Meeting		Every 3 years	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.
Operating Reserves Policy	2019	Executive	Scheduled to be reviewed at 7/22/2019 EC Meeting		Every 3 years	
Disaster Recovery Plan	2019	Executive	Scheduled to be reviewed at 9/23/2019 EC Meeting		Every Year	Last reviewed in 2018; approved by board 6/21/2018
Website Privacy Policy	2019	Staff	N/A	N/A	Every 3 years	Reviewed and revised by legal counsel (Kelcey Patrick-Ferrer)
Website Terms of Use	2019	Staff	N/A	N/A	Every 3 years	Reviewed and revised by legal counsel (Kelcey Patrick-Ferrer)
Donor Privacy Policy	2019	Staff	Scheduled for review in Q3	N/A	Every 3 years	Reviewed and revised by legal counsel (Kelcey Patrick-Ferrer)
Discontinue Contact Policy	2022	Staff		3/26/2019	Every 3 years	

# 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

## DONOR PRIVACY

# 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

### ***Whistleblower Policy***



#### PHILOSOPHY

To demonstrate accountability to donors and constituents and to prevent abuse, a nonprofit should provide a means for reporting on perceived or possible illegal practices or violations of organizational policies.

PHILOSOPHY

Conflict of Interests within a nonprofit can cause real or perceived public, financial and legal issues. A board's deliberations should be independent and free of bias from directors or key employees who have or may be perceived to have financially benefited from the outcome and to foster inclusive management practices.

# 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

# CONFIDENTIALITY



## 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

# SOCIAL MEDIA

- 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

# EEO

- 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

## Employee notice

1. Employee:	Address:
Phone number:	Email address:
Date employment began:	
2. Legal name of employer:	Main office/principal place of business address:
Phone number:	Email address:
Operating name of employer (if different):	
Mailing address (if different):	
3. Employment status (exempt or non-exempt):	
<input type="checkbox"/> Employee is exempt from: <input type="checkbox"/> minimum wage <input type="checkbox"/> overtime <input type="checkbox"/> other provisions of Minnesota Statutes 177	

# HARASSMENT/RESPECTFUL WORKPLACE



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?

TABLE TALK

# 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

<i>Company ABC</i> <i>Supervisors Handbook</i>	Revision Date: 01/01/19
<b>Family / Medical Leave - DRAFT</b>	Page 1 of 2

**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**

**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 EMPLOYEE ONBOARDING

# NEW BOARD MEMBER ORIENTATION


*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

# EMPLOYEE REVIEW PROCESS

- 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

# BOARD SELF-ASSESSMENT

# TRENDS IN HR/GOVERNANCE

#metoo

```
graph TD; A[#metoo] --> B[Living Wage]; B --> C[Parental Leave]; C --> D[Legalizing Marijuana]; D --> E[Diversity, Equity & Inclusion];
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Living Wage

Parental Leave

Legalizing  
Marijuana

Diversity, Equity &  
Inclusion

## TRENDS & YOUR AGENCY

What are your PTO  
and leave policies?

What, if any, impact  
will legalizing  
marijuana have on  
your agency

TABLE TALK

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# TROUBLE SPOTS

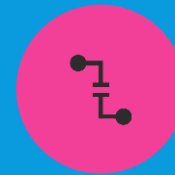
# EMPLOYER BEWARE



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

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Lack of process / procedure

Inconsistency between supervisors

Implicit bias

Lack of organizational calibration



# BOARD

HR specifics (immigration), Review Process, HR Audit

## ACCOUNTABILITY WIZARD®

*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

#### About this Question

To demonstrate accountability to donors and constituents and to prevent abuse, a nonprofit should provide a means for reporting perceived or possible illegal practices or violations of organizational policies.

The Standard states the nonprofit maintains a policy and communicates procedures for the reporting and investigation of complaints about perceived or possible illegalities, questionable practices or policy violations. The policy provides for the confidentiality of the individual who reports the complaint and protects him/her from retaliation by the organization.

[Sample Whistleblower Policy \(PDF\)](#)

**Electronic Voting:** If your board of directors ever votes electronically, be aware that many states require that such a vote must be unanimously consented and verified through either physical signatures or authenticated electronic communications from all board members, unless the organization's **articles of incorporation** (not just the bylaws) override the requirement. For example, see [Minnesota Statute 317A.239](#).

#### Standards related to this Question

- Whistleblower Policy

# 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

- Kris Kewitsch
- Executive Director, Charities Review Council
- [Kris@smartgivers.org](mailto:Kris@smartgivers.org)



- Kelly Rietow
- Principal, Roo Solutions
- [Kelly@roosolutions.net](mailto:Kelly@roosolutions.net)

