



# Master Accountability Guidelines: 2018 Board Governance Survey

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## Instructions

- ) We ask that agencies answer all questions and enter any "EXPLANATION" noted as such directly in the survey. Please provide additional explanatory responses to any questions, if appropriate.
- ) As you complete the survey, there will be questions that ask you to submit documents. Please follow the instructions which will advise you to email your documents to [agencyaccountability@UJAFEDNY.org](mailto:agencyaccountability@UJAFEDNY.org) by using the link included in the survey.
- ) As you know, many of the questions in the Accountability Guidelines will be taken into account when UJA-Federation conducts its assessment to inform the allocation of your agency's core support. We expect that those questions marked "For Planning Purposes" will not be used in that process.
- ) Each agency should use a single email address to access the survey.
- ) At the end of each section, the following people must confirm their responses by entering their full name:
  - o Chief Volunteer Office (President or Chair of the Board)
  - o Chief Professional (e.g., CEO, Executive Director, or Executive Vice President) And, where indicated, Chief Financial Officer
- ) The chair of your agency's audit committee must sign with respect to Section E, items 53-62 (Board Composition and Audit)
- ) If you are not able to complete the survey in one sitting, you may return to the survey later on. Please scroll to the bottom and click "Save and Continue Later," and your responses will be saved. This will provide you with a link to re-enter the survey. You can also re-enter the survey using the original link and the same email address you used when you started the survey.
- ) If you would like to keep a copy of your responses, print the page before you click "Finish". Hold down "ctrl" and "p"; this will bring up the print window.
- ) In Appendix A toward the bottom of the survey, you will find a glossary explaining key terms found throughout the report.
- ) In Appendix B, also toward the bottom of the survey, you will find a checklist of all the Accountability Guidelines documents to be submitted, "EXPLANATIONS," and other annual deliverables that you are to submit to UJA-Federation throughout the year.

Name of Agency:

## A. MISSION AND ORGANIZATIONAL OBJECTIVES

1. Does your Agency have a written mission statement?

Yes

No

If "No," please explain.

1a. If "Yes," when was the mission statement last discussed by your governing body? (Please indicate the year.)

2. Has your Board of Directors adopted annual organizational objectives?

Yes

No

If "No," please explain.

### SECTION A CONFIRMATIONS:

#### MISSION AND ORGANIZATIONAL OBJECTIVES, QUESTIONS 1-2.

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in this section, and that such responses are, to the best of my knowledge, complete and accurate.

Chief Volunteer Officer:

Chief Professional:

## B. GOVERNANCE

### Term Limits

3. Does your Agency have term limits for senior lay leadership, such as the Chief Volunteer Officer (e.g., President or Chair) and Treasurer?

Yes

No

3a. (For planning purposes) If there are no set term limits, has your Board discussed the appropriateness and feasibility of establishing term limits for all Board members, taking into account the specific characteristics of your Board and your Agency's needs?

Yes

No

If "No", please explain.

4. (For planning purposes) How long has your Board President been in office?

### **Conflict of Interest**

5. Does your Agency have a Conflict of Interest Policy in compliance with provisions of the New York Non-Profit Revitalization Act of 2013?

Yes

No

If "No," please explain.

### **Board and Committee Meetings**

6. Does your Board meet periodically each year in executive session (i.e., without management in attendance) in order to provide an opportunity for your Board members to raise issues and concerns without management present?

Yes

No

If "No," please explain.

7. Does your Executive Committee, Audit Committee, and/or Finance Committee (as appropriate) meet periodically without management in attendance?

Yes - each of these committees

Yes - some of these committees

No

Not applicable (we do not have these committees)

Explain below if applicable.

8. Has your Agency presented at a meeting of your Board an annual review of the Guidelines and your Agency's responses?

Yes

No

If "No," please explain.

9. Does your Finance Committee (or a designated person) provide periodic updates and reports to your full Board?

Yes

No

If "No," please explain.

10. If your Agency has an Executive Committee, does the Executive Committee bring issues of concern or actions to be voted on to the full Board?

Yes

No

Not applicable (no Executive Committee)

If "No," please explain.

### **Applicable Laws**

11. Have your Board of Directors and senior management taken steps to keep informed about your Agency's compliance with applicable laws and material changes thereto, including (for example) the New York Non-Profit Revitalization Act, the Wage Theft Prevention Act, and the New York Prudent Management of Institutional Funds Act (NYPMIFA); those relating to employment law including information allowed on employment applications; endowment funds and investments; and IRS requirements for not-for-profit organizations, including excess benefit transactions and prohibitions on political activity; lobbying; and government contract compliance?

Yes

No

If "No," please explain.

12. Do the Board and senior management have mechanism(s) in place to be kept apprised of new developments and material changes in applicable laws and regulations that affect your Agency?

Yes

No

If "No," please explain.

### **Bylaws**

13. Do your Agency's bylaws accurately reflect your governance structure (key officers and committees), voting and quorum requirements, responsibilities and rules for decision-making processes?

Yes

No

If "No," please explain.

13a. (For planning purposes) When did your Board last review your bylaws? (Please indicate the year.)

### **Board Minutes**

14. Do your Board and its Committees contemporaneously document their actions in written minutes?

Yes

No

If "No," please explain.

14a. Are Board and Committee written minutes reviewed and approved for the record at the next meeting? (Please note: minutes may be approved via email or phone).

Yes

No

If "No," please explain.

## Selection of Board Members

15. Is selection of your Board members conducted through a nominating process by a lay committee? (While professional staff may attend such meetings, only lay members may vote on new Board members.)

Yes  
No

If "No," please explain.

16. Are potential new Board members interviewed outside the presence of management?

Yes  
No

If "No," please explain.

17. Do new Board members complete Conflict of Interest forms which are reviewed by the Agency?

Yes  
No

If "No," please explain.

## Organizational Chart

18. (For planning purposes) Does your Agency function, in whole or in part, through multiple corporate or other legal entities?

Yes  
No

18a. Does your Agency maintain, and update as appropriate, an organizational chart that identifies the separate entities (such as subsidiaries) controlled by your Agency?

Yes  
No  
Not applicable (one legal entity structure)

Explain below if applicable.

## 19. DOCUMENT 1

Please provide the current organizational chart by emailing the document to [agencyaccountability@UJAFEDNY.ORG](mailto:agencyaccountability@UJAFEDNY.ORG). (If your Agency has only 1 operating or legal entity, please check "Not Applicable.")

We have emailed my agency's organizational chart as instructed.

Yes

No

Not Applicable (This agency has only one operating or legal entity.)

## Risk Management

20. Does your Agency undertake an annual or other periodic risk assessment (other than the work performed by your auditors), covering legal, financial, and other risks specific to your Agency?

Other risks include but are not limited to the areas of: reputational, regulatory, insurance, revenue shifts, labor agreements, funding diversification, and property condition. (See Appendix A for more specific examples of risk that may apply to your Agency.)

Yes

No

If "No," please explain.

21. (For planning purposes) Has your agency considered designating a specific individual(s) (not necessarily a full time position) or forming a committee that is responsible for ensuring that proper risk management controls are being practiced and in place throughout your organization?

Yes

No

21a. Has your Agency begun to institute risk management policies and plans with the goal of reducing the negative impacts of risk events?

Yes

No

**Security Management**

22. Does your Agency's management encourage Board discussions around the topic of cyber security in an effort to protect against cyber security intrusions?

Yes

No

If "No", please explain.

22a. (For planning purposes) Does your Agency have a mechanism in place concerning cyber security including infrastructure and controls?

22b. (For planning purposes) Does your Agency have a mechanism in place to address potential security threats to your physical facility?

**Child Abuse Protocol Certification**

23. (For planning purposes) Does your Agency operate programs for children?

Yes

No

23a. If so, have you adopted the FOJP child abuse prevention protocols or their equivalent? (Please see the Glossary for details.)

Yes

No

If "No", please explain.

23b. Does your Agency refresh training for staff on child abuse prevention? (For agencies that have programs for children and teens)

Yes

No

**SECTION B CONFIRMATIONS GOVERNANCE, QUESTIONS 3-23b.**

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in this section, and that such responses are, to the best of my knowledge, complete and accurate.

Chief Volunteer Officer:

Chief Professional:

**C. FISCAL MANAGEMENT AND OVERSIGHT****Vendors/Expenses**

24. Does your Agency have a written policy (or contracts with a governmental body that sets out a process) concerning the selection of vendors?

Yes

No

If "No," please explain.

25. Does your Agency have a written policy concerning the award of contracts?

Yes

No

If "No," please explain.

26. Does your Agency have a written policy concerning gift acceptance (a policy that guides an agency in the types of gifts that may be accepted)?

Yes

No

If "No," please explain.

27. Does your Agency have a written policy concerning travel and expense procedures and standards?

Yes

No

If "No," please explain.

**Budget**

28. Does your management prepare a budget each fiscal year in sufficient detail to allow your Board (or its Finance Committee) to understand your Agency's revenues and expenses by appropriate operating area, as well as its capital expenditures?

Yes  
No

If "No," please explain.

29. Does your budget include a narrative or comparison that sets out key underlying assumptions and significant changes from the prior year's budget and actual results?

Yes  
No

If "No," please explain.

30. Is your Agency's proposed budget distributed at least five business days in advance of each meeting at which the budget is approved by the Finance Committee, if applicable, and your Board?

Yes  
No

If "No," please explain.

30a. Is your Agency planning for the upcoming FASB changes to your organization's financial reporting that are expected to occur in FY19?

Yes  
No

If "No," please explain.

## Internal Management Reporting

31. Does your management prepare for each corporate entity within your organization (please provide a response on each line.):

	Yes	No
Quarterly Profit and Loss Statements Quarterly Consolidated Balance Sheets Quarterly Consolidated Cash Flow Statements		
Quarterly Narrative or Comparison of results with key variances from budget and prior year		
Quarterly analysis of Receivables (Aging, Collections, Vendor Concentration, Risks)		
Quarterly analysis of Reserves for Bad Debts Quarterly recommendations on potential Write Offs, if necessary		

If "No" for any of the above, please explain.

32. Does your management prepare the following for each PROGRAM within your organization? (Please note smaller programs of "similar nature" could be grouped together. Please provide a response on each line.)

	Yes	No
Quarterly Profit and Loss Statements		
Quarterly Narrative or Comparison of results with key variances from budget and prior year performance		
Quarterly assessments and/or processes for reviewing program contracts that contain performance benchmarks or criteria		
Quarterly assessment and/or processes for determining potential risks of program performance shortfalls		
Quarterly assessment and/or processes for determining adequacy of program reserves related to advances, termination costs, and/or potential costs related to shortfalls		

If "No" for any of the above, please explain.

33. Does your Agency allocate its shared overhead by program or department?

Yes

No

Not applicable (Single program Agency)

33a. If yes, is this consistently applied from year to year?

Yes

No

Not applicable (Single program Agency)

If "No," please explain.

34. Does your management prepare updated forecasts based on Actual to Date performance?

Yes

No

If "No," please explain.

35. Does your management periodically update projections of cash needs throughout the year?

Yes

No

If "No," please explain.

35a. (For planning purposes) Has your Board discussed strategic planning?

Yes

No

Please explain.

35b. (For planning purposes) Has your Board discussed the feasibility of preparing multi-year budgets?

Yes

No

Please explain.

36. Does your management prepare an annual report on the status of the organization's investment portfolio (if any)?

Yes

No

Not applicable (no investment portfolio)

If "No," please explain.

### **Board and Committee Reporting**

37. Are the management reports, analyses and narratives referred to in items 31 through 36 above provided to and discussed with your Board (or your Finance Committee or other appropriate committee) each quarter?

Yes

No

If "No," please explain.

38. Is a summary of each of the categories of information in items 31 through 36 above provided to and discussed with your full Board at least annually?

Yes

No

If "No," please explain.

39. If your Agency receives government funding and has been subject to a programmatic audit by the relevant governmental body, are the results of all such audits distributed to and discussed with your Finance Committee, your full Board or another appropriate Committee?

Yes

No

Not Applicable (no government funding, or was not subject to programmatic audit by governmental body)

If "No," please explain.

40. Does your Agency have a written investment policy that complies with applicable provisions of law (NYPMIFA)?

Yes  
No  
Not Applicable

If "No," please explain.

40a. If so, does the investment policy address discrepancies in levels of liquidity for your Agency?

Yes  
No  
Not Applicable (no investment policy)

If "No," please explain.

## **SECTION C CONFIRMATIONS**

### **FISCAL MANAGEMENT AND OVERSIGHT, QUESTIONS 24-40a.**

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in this section, and that such responses are, to the best of my knowledge, complete and accurate.

Chief Volunteer Officer:

Chief Professional:

Chief Financial Officer:

## **D. OTHER FINANCIAL REPORTING**

### **Finance Department**

41. (For planning purposes) Has your agency changed its CFO, Controller or senior finance person in the last year?

Yes  
No

If "Yes," please explain.

**Borrowing and Agency Debt**

42. (For planning purposes) Does your agency have debt? (e.g., lines of credit, letters of credit or other borrowings)

Yes

No

43. Does your Board (or your Finance Committee) conduct an annual review of other Agency debt? (Bonds and mortgages as repayments, amortizations all can be material.)

Yes

No

Not applicable (no Agency debt)

If "No," please explain.

44. Does your Agency have an operating line of credit that is approved by your Board?

Yes

No

If applicable, please explain.

45. Does your Board or an appropriate Committee play a role in determining how and when this line of credit should be used?

Yes

No

Not applicable (no line of credit)

***EXPLANATION 1***

If "Yes," please describe the role your Board or an appropriate Committee plays. If "No," please explain why the Board or a Committee does not play a role.

46. (For planning purposes) Has your Agency drawn down on an operating line of credit in the last year?

Yes

No

Not applicable (no line of credit)

*EXPLANATION 2*

If "Yes", what was the maximum amount borrowed and how long did it remain outstanding?

47. Does your Board have a notification requirement for a draw on your operating line of credit?

Yes

No

Not applicable (no line of credit)

If "No," please explain.

47a. What is the minimum amount required by the Board for notification?

48. Does your Board (or your Finance Committee) regularly monitor the amount outstanding on your Agency's operating line of credit?

Yes

No

Not applicable (no line of credit)

If "No," please explain.

### **Capital Budget and Capital Projects**

49. (For planning purposes) Are any major capital projects underway or planned by your agency?

"Major" = total cost exceeds the lesser of (i) \$10 million or (ii) 10% of your Agency's annual operating budget, excluding depreciation and other non-cash items.

Yes

No

50. (For planning purposes) Does your Agency have a Capital Expenditures budget?

Yes

No

(Optional) Comments:

50a. If yes, is it approved and regularly reviewed by your Board or an appropriate Committee?

Yes

No

Not applicable (No budget for capital expenditures)

If "No" please explain.

51. (For planning purposes) Please provide a brief description of all:

(i) Major capital projects currently being undertaken by your Agency, including estimated cost, timeframe for completion, and a reasonable contingency, and

(ii) Repairs to be undertaken by your Agency from its capital (as opposed to operating) budget.

*EXPLANATION 3*

If you have neither of the above, please write "Not Applicable".

51a. Regarding new capital projects, do you have a policy which stipulates that a minimum percentage of funds must be collected before the project gets underway?

Yes

No

Not applicable (no capital projects)

If "Yes," please describe.

51b. If any capital projects are beyond the planning stage, have sources of funding been identified and secured by your Agency for the entire project cost, including a reasonable contingency?

Yes

No

Not applicable (no capital projects)

If "Yes," please describe.

51c. (For planning purposes) For any capital project(s) that are not yet fully funded, please include a brief description of the projected sources of funds and schedule of collection, as well as how the unfunded portion will be financed until it is raised.

(If you have no capital projects, or all such projects are fully funded, write "not applicable.")

*EXPLANATION 4*

52. For capital projects, does your Agency separately identify projected annual operating expenses?

Yes

No

Not applicable (no capital projects)

If "No," please explain.

## **SECTION D CONFIRMATIONS**

### **OTHER FINANCIAL REPORTING, QUESTIONS 41-52.**

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in this section, and that such responses are, to the best of my knowledge, complete and accurate.

Chief Volunteer Officer:

Chief Professional:

Chief Financial Officer:

## **E. BOARD COMPOSITION AND AUDIT**

### **Treasurer**

53. Does your Agency have an elected lay leader who serves as your Treasurer and/or Finance Committee Chair?

Yes

No

If "No," please explain.

## Finance Committee

54. Do members of your Finance Committee have a skill set appropriate to the responsibilities of the Committee? (e.g., a CPA, a lawyer, a banker, or an investment analyst might all be good candidates for committee membership.)

Yes

No

Not applicable (no Finance Committee)

If "No," please explain.

## Audit Committee

55. Does your Agency have an Audit Committee composed of independent directors (as defined by the New York Non-Profit Revitalization Act)? It is recommended that your Audit Committee include members with financial expertise.

Yes

No

If "No," please explain.

56. Does your Audit Committee meet with your Agency's independent auditors both to approve the scope of the audit and to receive the auditor's report?

Yes

No

If "No" please explain.

57. Does your Audit Committee hold an executive session at least annually, at which the independent auditors are present without management?

Yes

No

If "No," please explain.

58. Does your Agency receive a management letter from the independent auditors?

Yes

No

If "No," please explain.

59. Has your Agency's independent audit firm rotated the partner in charge of the audit in the last five years?

Yes

No

If "No," please explain.

60. When did your Agency last change its independent auditors? (List the year.)

61. (For planning purposes) If the Chair of your Audit Committee has changed in the last year, please describe the professional background of the new Chair. If unchanged in the last year, this does not need to be submitted unless it was not submitted in the prior year.

Please write "Not Applicable" if no explanation is necessary.

#### *EXPLANATION 5*

62. (For planning purposes) Has your Board or Finance Committee discussed the appropriateness/feasibility of establishing an internal audit function, either on staff or outsourced, taking into account the resources of your Agency and other types of risks that it faces?

Yes

No

(Optional) Comment:

**IF YOUR AGENCY'S FY17 AUDIT REPORT AND MANAGEMENT LETTER HAVE NOT YET BEEN DELIVERED, (they are due 7 1/2 months from the time of your Agency's fiscal year end), PLEASE SUBMIT THEM to MALLORY STOLLER GOLDSMITH, MANAGER, FINANCIAL ANALYSIS at [stollerma@ujafedny.org](mailto:stollerma@ujafedny.org).**

## SECTION E CONFIRMATIONS

### BOARD COMPOSITION AND AUDIT, QUESTIONS 53-62.

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in this section, and that such responses are, to the best of my knowledge, complete and accurate.

If no Audit Committee, enter N/A on that line.

Chief Volunteer Officer:

Chief Professional:

Chief Financial Officer:

Chair of Audit Committee:

## F. FORM 990 AND INSURANCE

### Form 990

63. Is the Form 990(s) made available to all of your Board members before it is filed?

Yes

No

If "No," please explain.

64. Is your Agency's Form 990(s) presented and discussed with your Board or appropriate Committee(s) before the Form 990(s) is filed?

Yes

No

If "No," please explain.

### Insurance

65. When was the last time your Board reviewed your Agency's insurance coverage, policy terms and limitations, and the quality of the companies issuing their policies, and determined that they are adequate? (Please list the year.)

## Pension

66. Does your Agency review your pension exposure with your Board at least annually?

Yes

No

If "No," please explain

## SECTION F CONFIRMATIONS

### FORM 990 AND INSURANCE, QUESTIONS 63-66.

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in this section, and that such responses are, to the best of my knowledge, complete and accurate.

Chief Volunteer Officer:

Chief Professional:

Chief Financial Officer:

## G. HUMAN RESOURCES

### Employee Policies and Processes

67. Does your Agency have (Select one):

A Human Resources Department

A centralized in-house Human Resources function

An outsourced Human Resources function

None of the above

If "None of the above," please explain.

67a. Has your Agency considered implementing Human Resources processes around such functions as: onboarding new employees, job descriptions, and performance evaluations?

Yes

No

If "No," please explain.

67b. Does your Agency have an employee handbook or other means of informing staff of organizational policies and procedures (e.g., employment at will, sexual harassment, political activity, document retention, etc.), employment practices and benefits, rules of conduct, conflicts of interest, and use of technology policy?

Yes

No

If "No," please explain.

68. (For planning purposes) When were your employee policies/handbook last updated? (List the year. If no policies, write "N/A")

69. Are your employee policies/handbook distributed and/or communicated at least annually?

Yes

No

If "No," please explain.

69a. (For planning purposes) If not, when were they last distributed to your Agency's staff (Including full- and part-time employees)? (List the year.)

70. Does your Agency provide access to training for your employees to prevent sexual harassment?

Yes

No

If "No," please explain.

## Compensation Committee

71. Does your Agency have a Compensation Committee or other lay committee that meets independently of management and determines compensation of the management team?

Yes

No

If "No," please explain.

72. Is independent comparability data obtained to establish the reasonableness of the proposed compensation in determining the compensation of your management team?

Yes

No

If "No," please explain.

72a. Is a contemporaneous written record maintained of the compensation deliberations?

Yes

No

If "No," please explain.

73. (For planning purposes) If your Agency does not have a Compensation Committee, what is the process for determining the compensation of your management team? What is the governing body that engages in this process?

Please write "Not Applicable" if no explanation is necessary.

*EXPLANATION 6*

## Succession Planning

74. (For planning purposes) How long has your senior executive (e.g., Chief Executive Officer) been leading your Agency?

75. Do you have a succession plan for executive leadership?

Yes

No

If "No," please explain.

### **Executive Performance Review**

76. Does your Board or a committee perform an annual evaluation of your Chief Executive?

Yes

No

If "No," please explain.

### **Changes to the Minimum Wage**

77. Has your Board of Directors, your Compensation Committee, or other appropriate committee taken steps to address the New York State Minimum Wage Law that was implemented on December 31, 2016 and will continue each year until 2021?

Yes

No

If "No," please explain.

### **Salary Re-Classification**

78. Has your Board of Directors, your Compensation Committee, or other appropriate committee taken steps to be in compliance with salary reclassification due to the rule to extend overtime pay under the Department of Labor's Fair Labor Standards Act?

Yes

No

If "No," please explain.

## Whistleblower Policy

79. Does your Agency have a written Whistleblower Policy which is in compliance with provisions of the New York Nonprofit Revitalization Act?

Yes

No

If "No," please explain.

79a. Is your Agency's Whistleblower Policy distributed to all members of your Board and all your employees at least annually?

Yes

No

If "No," please explain.

79b. Is your Agency's Whistleblower Policy available to the general public, and easily accessible on your Agency's website?

Yes

No

If "No," please explain.

80. Does your Whistleblower Policy include both a designated senior lay leader and a designated senior executive to whom reports can be made?

Yes

No

If "No," please explain.

81. (For planning purposes) Has your Board or Finance Committee discussed the appropriateness/feasibility of retaining the services of an outside firm that specializes in receiving whistleblower calls so that your employees, members of the Board, and the general public may submit reports anonymously?

Yes

No

(Optional) Comment:

82. If your Whistleblower Policy does not describe how calls are handled, please describe here.

Please write "Not Applicable" if no explanation is necessary.

*EXPLANATION 7*

**SECTION G CONFIRMATIONS**

**PERSONNEL, QUESTIONS 67-82.**

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in this section, and that such responses are, to the best of my knowledge, complete and accurate.

Chief Volunteer Officer:

Chief Professional:

**INSTRUCTIONS:** Before obtaining these final signatures, scroll down to the bottom of the page and click on "Finish." A list of all required but unanswered questions will appear at the top. In addition to the list at the top, a red box will appear within the survey above each question that still requires an answer. Do not obtain these signatures until the only sections that still require an answer are the FINAL CONFIRMATION sections.

**FINAL CONFIRMATION BY CHIEF VOLUNTARY OFFICER**

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in each of the sections above, and that such responses are, to the best of my knowledge, complete and accurate.

Name:

Date:

**FINAL CONFIRMATION BY CHIEF PROFESSIONAL**

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in each of the sections above, and that such responses are, to the best of my knowledge, complete and accurate.

Name:

Date:

**FINAL CONFIRMATION BY CHIEF FINANCIAL OFFICER**

By entering my name below, I certify that I have reviewed the Agency's responses to the questions in sections C, D, E and F above, and that such responses are, to the best of my knowledge, complete and accurate.

Name:

Date:

If you would like to keep a copy of your responses, print the page before you click "Finish". Hold down 'ctrl' and 'p'; this will bring up the print window.

Once all signatures have been obtained, scroll down to the bottom of this page and click "Finish" to submit your responses.

**APPENDIX A****BEST PRACTICES AND GLOSSARY**

Q. 1. Mission: Your Agency's mission is its charitable purpose – the reason for its existence. It should be reviewed by the Board periodically (at least every decade) to determine whether any updating is necessary.

Q. 2. Organizational Objectives: The most important things that management expects the Agency to accomplish during a particular year. These may involve either ongoing or new activities, should be measurable, and may be organization- wide or at a lower level (division, department, etc.).

Q. 3. Term Limits: A restriction on the number of times a person may be elected to serve. We recognize that some agencies have difficulty in recruiting new board members while others have a long tradition of lengthy board service.

Q. 5. For more information on Conflict of Interest policy in the text of the Nonprofit Revitalization Act of 2013, visit <http://open.nysenate.gov/legislation/bill/A8072-2013>.

Q. 11. For more information on applicable laws and material changes in the text of the Nonprofit Revitalization Act of 2013, visit <http://open.nysenate.gov/legislation/bill/A8072-2013>.

Q. 20. Depending upon your Agency's particular situation, consideration should be given to such elements as impact of interest rate changes, short- and long-term revenue shifts, capital requirements and labor agreements, testing procedures and internal controls, checks and balances, systems evaluations, legal liability and exposure, potential audits by funding authorities, contingency planning, funding diversification, gaps in senior management coverage and expertise, level of board involvement, and communication between management and program operations. You may consider ways to prioritize, control, and/or remediate risks, including internally modelling the sensitivity of possible outcomes; you may also consider outside evaluation, including by an independent auditor, and/or reviewing within management and with the Board.

Q. 23a. Agencies that operate programs for children are encouraged to adopt the FOJP child abuse prevention protocols or their equivalent to help prevent child abuse. Protocols reflecting best practices for appropriate conduct by professionals engaged at agencies that run programming for children have been developed by FOJP for this purpose. FOJP has informed all agencies about a Dropbox shared folder called "Child Abuse Prevention Forum" (<https://www.dropbox.com/sh/wy4j9t1zgcic30/JaF6i9NpxG>) which should be very helpful.

Q. 37. Many agencies undertake quarterly financial statement reporting and discuss the results with the Board. This allows key variances and other financial issues to be addressed in a timely manner before an emergency situation has developed. This also facilitates better financial planning.

Q. 40. Written investment policy: An investment policy statement is a client-specific document designed to address the objectives, constraints, unique circumstances, and overall policies that govern investment-related activities of the nonprofit. The document should set forth clear responsibilities for all parties involved in the nonprofit's investment program – the board of trustees, investment committee, investment advisor/consultant, investment managers, and custodian. A well-constructed IPS will present the portfolio's financial objectives within the context of how much risk the trustees are willing to take on. The long-term strategic asset allocation of the portfolio should be detailed to help ensure that the portfolio is invested in accordance with the nonprofit's long-term goals. The IPS should also set operational guidelines for constructing a portfolio to carry out the investment strategy. Lastly, the IPS should set forth rules for monitoring and reviewing all facets of the investment program.

A clear, well-defined investment policy statement is important to the success of a nonprofit's investment program, as it plays a vital role in the overall governance structure of the nonprofit. Well-defined objectives are important to ensuring that the mission of the nonprofit can be achieved. Clearly defined objectives set forth in the IPS can help in the determination of appropriate spending rates, to help ensure that future grant-making is not impaired due to a drop in foundation assets. In addition, by identifying the potential risks the pool of assets may face, the investment committee will hopefully be in a better position to manage risks as they arise.

Q. 41. Stability of management and process in an agency's Finance Department is an important factor in the overall health of an agency. A high rate of employee turnover and vacancies in an agency's Finance Department are key contributors to an agency's gap in continuity of governance and controls. Balancing professional excellence with continuity of professional staff is critical.

Q. 44. Many agencies have an operating line of credit to deal with seasonal cash flow variations. The Board/Finance Committee and senior management of your Agency should carefully monitor the amount outstanding on the line. A line that is not being reduced periodically during the year may be a sign of underlying financial problems.

Q. 51. While every agency must make capital expenditures to maintain its physical and technology infrastructures, it may not be possible to fund these projects from operating funds – particularly in the case of new buildings and major renovations and expansions. It is good practice for management and the Board to develop and periodically update a long-term capital plan and to ensure that no capital project is planned and/or begun until the sources of funding have been identified and secured for the entire project cost, including a reasonable contingency. While it is acceptable to finance valid and collectible pledges (so long as the cost of financing is included in the project cost), generally no indebtedness should be incurred for a capital project based on an expectation of future fundraising or public funding.

Q. 55. For purposes of determining the independence of directors on certain committees referred to in the Accountability Guidelines, the definition of "independent director" contained in Section 102(a)(21) of the New York Non-Profit Revitalization Act may be applicable. For example, a director serving on your Agency's audit committee who has not been a recent employee of the Agency and has not received compensation or other financial benefit from the Agency (nor has his or her relative) would likely be an independent director.

Q. 77 "Effective December 31, 2016, changes to New York's Minimum Wage Orders went into effect, which include increases to the minimum wage and weekly salary thresholds for 'exclusion from the wage order,' as well as changes to the allowances for 'meals, lodging, utilities, tips, and uniforms.' Additionally, the New York State Department of Labor proposed a rule amending the Minimum Wage Orders to further clarify the changes. The increases vary based on where in the state work is performed and the size of the employer, if located in NYC." (The Operations Inc Human Resources Consulting Weekly Advisor, Compliance Related News and Information)

Q. 78 Changes to the Fair Labor Standards Act (FLSA) were put into place on December 1, 2016, which may have caused employers to reclassify workers whose salaries do not meet the new thresholds set by the Department of Labor. New York employers should be advised that any reclassification of workers will result in the need to distribute new Wage Theft Prevention Act notices to employees, which should include information on "how the employee will be paid..., the regular pay day, and information regarding the employer." Additionally, employers are required to collect "a signed acknowledgement from the employee, and must keep that signed acknowledgement on record for six years." (The Operations Inc Human Resources Consulting Weekly Advisor, Critical Employment News, July 29, 2016)

## APPENDIX B

### REQUIRED DOCUMENTS AND EXPLANATIONS

UJA-Federation requires that all agencies submit the following documents and explanations along with the Agency Status Compliance Report 2017:

1. Organizational chart: Current organizational chart. (Document 1, Q. 19.)
2. Borrowing -- Lay Oversight: The role your Board or an appropriate committee plays in determining how and when the line of credit should be used If "No," why the Board or a Committee does not play a role. (Explanation 1, Q. 45)
3. Borrowing -- Lay Oversight: If your Agency has drawn down on an operating line of credit in the last year, the maximum amount borrowed and how long it remained outstanding (Explanation 2, Q. 46)
4. Capital Budget and Capital Projects: A description of all (i) major capital projects currently being undertaken by your Agency, including estimated cost, timeframe for completion, and a reasonable contingency, and (ii) repairs to be undertaken by your Agency from its capital (as opposed to operating) budget. (Explanation 3, Q. 51.)
5. Capital Budget and Capital Projects: For any capital project(s) that are not yet fully funded, a brief description of the projected sources of funds and schedule of collection, as well as how the unfunded portion will be financed until it is raised. (Explanation 4, Q. 51c.)
6. Audit Committee Chair: If the Chair of your Audit Committee has changed in the last year, a description of the professional background of the new Chair. (Explanation 5, Q. 61.)
7. Compensation Committee: For agencies that do not have a compensation committee, the process for determining the management team and the governing body that engages in this process (Explanation 6, Q. 73.)
8. Whistleblower Policy: If not described in your Agency's Whistleblower Policy, how calls are handled (Explanation 7, Q. 82.)

As referenced in the UJA-Federation Grant Letter, the following annual submissions are also required of all network agencies according to the timeframe below:

1. Annual Operating Budget (following approval by your Agency's Board)
2. Budget Narrative (due when operating budget is submitted)
3. Audited Financial Reports (due 7 ½ months from the time of your Agency's fiscal year end)
4. Management Letter and Responses (due when Audited Financial Statements are submitted)
5. 6 month Budget v. 6 month Actual Results (due when Audited Financial Statements are submitted)
6. Agency Financial Template (due when Audited Financial Statements are submitted)
7. Year-End Preliminary Results (due when operating budget is submitted)
8. Form 990 (due May 30th of following year)
9. Proof of Exempt Status (IRS determination letter)
10. Completed and signed IRS Form W-9