

# STANDARDS FOR CHARITABLE ACCOUNTABILITY

## *Better Business Bureau Wise Giving Alliance*

### Capital Area Food Bank of Texas, as of September 1, 2008

Standard	Status Toward Compliance
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 and fund raising practices, establishment of a conflict of interest policy and establishment of accounting procedures sufficient to safeguard charity finances.	CEO review and budget approval performed annually. Conflict of Interest policy in Personnel Handbook and Bylaws. Follow GAAP (generally accepted accounting principles) as affirmed by annual financial audit.
2. A board of directors with a minimum of five voting members.	Done (25)
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. (+)	Done (four)
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.	Done (none)
5. No transaction(s) in which any board or staff members have material conflicting interest with the charity resulting from any relationship or business affiliation. (+)	Done (none)
6. Have a board policy of assessing, no less than every two years, the organization's performance and effectiveness and of determining future actions required to achieve its mission.	This is addressed by Board Planning Process, which provides guidelines for board review of organization performance.
7. Submit to the organization'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.	Food distribution reports provided quarterly; financial reports monthly; marketing and program reports at each board meeting. Recommendations included in annual budget/workplan presentation.
8. Spend at least 65% of its total expenses on program activities.	Done (96.77% in 2007)
9. Spend no more than 35% of related contributions on fund raising. Related contributions include donations, legacies and other gifts received as a result of fund raising efforts.	Done (12.67% in 2007)
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 (300%) of the past year's expenses or three times the size (300%) of the current year's budget, whichever is higher.(+)	Done (140.58% at end of 2007)
11. Make available to all, on request, complete annual financial statements prepared in accordance with generally accepted accounting principles. (+)	Done
12. Include in the financial statements a breakdown of expenses (e.g. salaries, travel, postage, etc.) 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.	Done

13. Accurately report the charity's expenses, including any joint cost allocations, in its financial statements. (+)	Done
14. Have a board-approved annual budget for its current fiscal year, outlining projected expenses for major program activities, fund raising and administration.	Done
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 will 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.	Done
16. Have an annual report available to all, on request, that includes: (a) the organization's mission statement; (b) a summary of the past year's program service accomplishments; (c) a roster of the officers and members of the board of directors; (d) financial information that includes total income in the past fiscal year; expenses in the same program, fund raising and administrative categories as in the financial statements; and ending net assets.	2007 Annual Report included required financial statements
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.	There are links on website to entire 2007 audit, IRS Form 990, and the annual report.
18. Address privacy concerns of donors by (a) providing in written appeals, at least annually, a means (e.g. such as 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; (b) providing a clear, prominent and easily accessible privacy policy on any of its websites that tells 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 his/her personal information to be shared outside the organization; and what security measures the charity has in place to protect personal information.	Donor names are not sold or leased to any outside firm at any time. In addition, a check box for anonymity is on all remittance envelopes, the website donor form, and pledge sheet. Link to Privacy Statement is at bottom of Home Page.
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: (a) the actual or anticipated portion of the purchase price that will benefit the charity; (b) the duration of the campaign; (c) any maximum or guaranteed minimum contribution amount (e.g. up to a maximum of \$200,000.)	Two biggest cause related marketing campaigns are H-E-B's "Help End Hunger" from which we receive 100% of the proceeds, and Pampered Chef's "Round Up from the Heart" which is a voluntary add-on contribution at the donor's discretion. We maintain a policy of full disclosure with all our partners.
20. Respond promptly to and act on complaints brought to its attention by the BBB Wise Giving Alliance and/or Better Business Bureaus about fund raising practices, privacy policy violations and/or other issues.	Done

(+) indicates that additional guidelines were provided to help in the assessment