**BETTER BUSINESS BUREAU®
STANDARDS FOR CHARITY ACCOUNTABILITY**

**A - Governance and Oversight**
1. A board of directors that provides adequate oversight of the charity's operations and its staff.
2. A board of directors with a minimum of five voting members.
3. A minimum of three evenly spaced out meetings per year of the full governing body with a majority in attendance, with face-to-face participation.
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.
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.

**B - Measuring Effectiveness**
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.
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.

**C - Finances**
8. Spend at least 65% of its total expenses on program activities.
9. Spend no more than 35% of related contributions on fund raising.
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.
11. Make available to all, on request, complete annual financial statements prepared in accordance with generally accepted accounting principles.
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, fund raising and administrative activities.
13. Accurately report the charity’s expenses, including any joint cost allocations, in its financial statements.
14. Have a board-approved annual budget for its current fiscal year, outlining projected expenses for major program activities, fund raising and administration.

**D - Fund Raising and Informational Materials**
15. Have solicitations and informational materials, distributed by any means, that are accurate, truthful and not misleading, both in whole and in part.
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: (i) total income in the past fiscal year, (ii) expenses in the same program, fund raising and administrative categories as in the financial statements, and (iii) ending net assets.
17. Include on any charity web sites 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 990.
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, and
   (b) providing a clear, prominent and easily accessible privacy policy on any of its web sites that tells visitors (i) what information, if any, is being collected about them by the charity and how this information will be used, (ii) how to contact the charity to review personal information collected and request corrections, (iii) 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 (iv) 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:
   (a) 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),
   (b) the duration of the campaign (e.g., the month of October),
   (c) 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 Better Business Bureau about fund raising practices, privacy policy violations and/or other issues.