BBB® of Western Michigan, Inc.
Trust Bldg 40 Pearl St Ste 354 | Grand Rapids, MI 49503 | 616-774-8236
www.westernmichigan.bbb.org

Charitable Solicitations Questionnaire

Contact information

Organization's Name: ______________________________

Principle Contact for this form (Name, Title): ______________________________

E-mail: ______________________ Phone: ______________________

Web Address: ______________________ Fax: ______________________

Year/State of Incorporation: ____________ Primary Scope: ☐ Local ☐ Statewide ☐ Regional ☐ National

Former Name, if applicable: ______________________________

Executive Director/CEO: ______________________________

Board Chair: ______________________ Number of Board Members ____________

Number of Employees – Full Time: __________ Part Time: __________ Volunteers: __________

Classifications: (check all that apply)

- ☐ *Animals/Environment*
- ☐ *Arts & Culture*
- ☐ *Children & Families*
- ☐ *Community Development*
- ☐ *Credit Counseling & Financial Services*
- ☐ *Education & Literacy*
- ☐ *General*
- ☐ *Health*
- ☐ *Law & Public Interest*
- ☐ *Police & Fire*
- ☐ *Religious*
- ☐ *Seniors*
- ☐ *Social Service*
- ☐ *Special Needs*
- ☐ *Veterans*
- ☐ *Youth*

Does any city, county or state either (a) have any currently pending legal action against your organization and/or (b) have any concluded legal action within the past three years? ☐ Yes ☐ No

If yes, on a separate sheet, please name the places and briefly describe the nature and status/resolution of the action(s).

Organization information

If this is the first year you are completing a charity profile or if any changes have occurred in these areas, please submit the following materials. If not applicable, please provide a brief explanation. Otherwise, please proceed to the next section.

On a separate sheet, please include the following. These items will be included in your public report.

☐ **Mission Statement/Purpose.** Please limit to 60 words or less.

☐ **Description of Programs and Services.** Please summarize your organization's principal program service activities. So that we may include this program description in our report, it would be helpful if it is no more than 250 words, includes objective language, and appropriate statistics. Preprinted materials or brochures are acceptable.

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Charity Review & Reporting Service

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Participation agreement

BBB of Western Michigan's **Charity Review Program** is a local extension of the Council of Better Business Bureau's Wise Giving Alliance. Together, we represent the single most comprehensive source for evaluative charity information in the country. Nationally, thousands of charity reports are available from the BBB system. The primary purpose of the **Charity Review Program** is to provide consumers and businesses with information on nonprofit and other soliciting organizations. Charity reports are based on the ***BBB Standards for Charitable Accountability*** and include narrative and financial analysis.

The ***Standards for Charitable Accountability*** were developed to assist donors and grantors in making sound giving decisions and to foster public confidence in charitable organizations. The standards seek to encourage fair and honest solicitation practices, to promote ethical conduct by charitable organizations and to advance support of philanthropy.

Use of Information

To assist your BBB in responding to inquiries about your organization, please complete this questionnaire and submit the requested materials. Attach separate sheets as necessary. We believe both public and soliciting organizations will benefit from voluntary disclosure of an organization's activities, finances, fund raising practices and governance.

If your organization is a charity or solicits for charitable contributions, the information provided may be used to determine if your organization meets the voluntary ***Standards for Charitable Accountability.*** **Please note:** It is important to submit all of the requested information and the questionnaire as one complete package. The omission of any of the requested information or item(s) could affect this evaluation and may result in not meeting some standards. **If a report is written, your organization will be provided with a draft copy for review prior to distribution.**

If your organization is in the midst of completing a more current annual report, financial statement, and/or IRS Form 990, please submit the latest available copy of these items with your completed questionnaire and forward the more current reports when available. Publishing time lines might prevent the information later forwarded from being included in certain publications.

Use of the Better Business Bureau name

The name "Better Business Bureau" and the BBB torch logo are federally registered service marks owned by the Council of Better Business Bureaus, Inc. Unless licensed for use, others may not use the Better Business Bureau service marks. The completion of this form and the submission of information to the Better Business Bureau, does not imply any form of endorsement, approval or membership. The information is provided to help us assist donors and grantors in their contribution decisions. It also provides soliciting organizations with a means to establish their accountability.

Signing this form indicates your organization's agreement to the above conditions regarding use of submitted information and certifies the accuracy of the information contained in the questionnaire and any supplemental information.

Signature______________________________ Date ______________

Name and Title ______________________________

Organization ______________________________

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Checklist of Enclosures

Enclosures

Please provide copies of the items below. If any items aren't available or aren't applicable, please provide a brief explanation on a separate sheet.

Enclosed?

Yes	No	N/A	
☐	☐	☐	IRS Determination Letter
☐	☐	☐	Articles of Incorporation and Bylaws
☐	☐	☐	Board-approved Conflict of Interest Policy
☐	☐	☐	Board-approved CEO Performance Policy
☐	☐	☐	Board-approved Measurable Effectiveness Policy
☐	☐	☐	Informational Brochures and materials (other than fundraising)
☐	☐	☐	Annual Report (This is an annually produced fact sheet, brochure or other publication that summarizes your activities and finances for the past year.)
☐	☐	☐	Latest audited Financial Statements (if not available, then provide unaudited)
☐	☐	☐	Latest IRS Form 990 (complete, with Schedule A, if applicable)
☐	☐	☐	Budget for the current fiscal year (including breakdown of expenses by programs, administration, and fundraising, if available)
☐	☐	☐	Current board meeting attendance roster, specifying the officers (e.g., chairman, secretary, treasurer) and the professional affiliations of each board member (e.g., John Jones, CEO, XYZ Bank)
☐	☐	☐	Copies of all fundraising agreements/contracts with outside parties, including those related to car donations. Don't include contracts with employees. If privacy restrictions apply, please contact us.
☐	☐	☐	Copies of all cause-related marketing promotions (i.e. affinity credit cards, retail websites or point-of-sale promotions that state the charity will benefit from the sale of goods or services from a for-profit business)
☐	☐	☐	Fundraising Appeals (Please check all fundraising methods used in the past year and please include one sample of each type of appeal used.)

- ☐ direct mail appeals/fundraising letters
- ☐ telephone appeal scripts
- ☐ invitations to special events
- ☐ print advertisements
- ☐ scripts of television or radio appeals
- ☐ grant proposals
- ☐ planned giving
- ☐ internet appeals
- ☐ car donations
- ☐ other (please specify)

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Checklist for Evaluation

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Evaluation Consideration

GOVERNANCE AND OVERSIGHT

Standard 1: has a board of directors that provides adequate oversight of the charity's operations and its staff.

Does the board of directors formally review the performance of the chief executive officer at least once every two years?
☐ Yes ☐ No

If yes, please provide EITHER a copy of a board-approved policy that dictates the board is to conduct such a review, OR a copy of the minutes from the board meeting at which the review was conducted. BBB does NOT need to see the results of the review.

Please identify the total past year's compensation for your organization's chief paid executive. $______________________
This total compensation should include annual salary and, if applicable, benefit plans, expense accounts and other allowances. If this person is not the highest paid executive, please also provide the name, title and compensation for that person. (It is not necessary to answer this question if all of this information is contained within an IRS Form 990 that is enclosed with the questionnaire.)

Does the board of directors formally approve the budget annually? ☐ Yes ☐ No

If yes, please provide EITHER a copy of a board-approved policy that dictates the board is to approve the budget annually, OR a copy of the minutes from the board meeting at which the current budget was approved.

Does your organization use outside fund raising firms? ☐ Yes ☐ No

If yes, are arrangements with outside fund raising firms made in writing? ☐ Yes ☐ No

If yes, please provide evidence that the board receives information (for example, a written summary) about the financial arrangements with such firms and, if applicable, the anticipated portion of the gross proceeds that goes to the charity (i.e. minutes from the meeting where such arrangements are discussed).

Does your organization have a formally approved a conflict of interest policy? ☐ Yes ☐ No

If yes, please provide a copy of the conflict of interest policy and an explanation of how the board regularly monitors it to ensure adherence.

Do all of your board members receive, on an annual basis, all of the following applicable items?

☐ Yes ☐ No The charity's IRS Form 990

☐ Yes ☐ No The charity's audited financial statement

☐ Yes ☐ No The auditor's management letter

☐ Yes ☐ No If there is no audited statement, then the charity's unaudited financial statement

Please provide EITHER a copy of a board-approved policy that dictates the board is to receive all of these items annually, OR a copy of the minutes from the board meeting at which these items were distributed.

Standard 2: A board of directors with a minimum of five voting members.

Standard 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.

Please provide a board attendance chart for the last year. You may use the chart on page 9 of the packet or provide your own format.

Standard 4: Not more than one individual or 10 percent (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.

Do any compensated staff members serve as voting members of the board? ☐ Yes ☐ No

If yes, please provide name(s), title(s) and total compensation during the past fiscal year.

Other than paid staff members who may serve on the board, are there any other members of the board of directors who receive some type of direct compensation (for example, fixed expense accounts or honoraria)? ☐ Yes ☐ No

If yes, please describe the nature of the compensation and identify the board member(s) and amount(s) involved. Please also let us know if there are any board members who are relatives (for example, spouse, parent, sibling or child) of these individual(s).

Standard 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.

Are any members of the board of directors relatives of other board members or staff members of the organization? ☐ Yes ☐ No

If yes, please provide the name(s), title(s) and relationship(s)

In the past year, has your organization purchased goods and/or services from either

- ☐ any member of the board, executive committee and/or professional staff?
- ☐ any firm, organization or institution with which this member or his/her direct family relation is affiliated?

If yes, on a separate sheet, please

- ☐ *provide names and titles of individuals and identify their relationship to the related party*
- ☐ *identify goods or services purchased*
- ☐ *list amounts paid for such goods or services*
- ☐ *identify the size of the transaction relative to like expenses of the charity (for example, if the transaction is for printing expenses, what portion of the total printing expenses in the past year were purchased through the board member-related entity?)*
- ☐ *state if at least two other competitive bids were considered*
- ☐ *state if the interested board member(s) participate in the vote to hire the related firm(s)*
- ☐ *describe if the transaction is one-time, recurring or ongoing and*
- ☐ *identify any other steps taken to ensure arm's length transactions*

In the past year, has your organization made any grants, contributions or loans to

- ☐ any member of the board, executive committee and/or professional staff?
- ☐ any firm, organization or institution with which this member or his/her direct family relation is affiliated?

If yes, on a separate sheet, please

- ☐ *provide names and titles of individuals and identify their relationship to the related party*
- ☐ *identify goods or services purchased*
- ☐ *list amounts paid for such goods or services*
- ☐ *identify the size of the transaction relative to like expenses of the charity (for example, if the transaction is for printing expenses, what portion of the total printing expenses in the past year were purchased through the board member-related entity?)*
- ☐ *state if at least two other competitive bids were considered*
- ☐ *state if the interested board member(s) participate in the vote to hire the related firm(s)*
- ☐ *describe if the transaction is one-time, recurring or ongoing and*
- ☐ *identify any other steps taken to ensure arm's length transactions*

MEASURING EFFECTIVENESS

Standard 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.

Does the board of directors formally review the performance and effectiveness of the organization at least once every two years? ☐ Yes ☐ No

If yes, please provide a copy of a board-approved policy that dictates the board is to conduct such a review, and a copy of the minutes from the board meeting at which the last review was conducted. BBB does NOT need to see the results of the review. (The policy need not use the words "performance" and/or "effectiveness" but should make clear that the charity intends to formally evaluate its success and impact in fulfilling its mission, goals and objectives.)

Standard 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.

Please provide EITHER a copy of a board-approved policy that dictates the board is to receive a written report for approval OR a copy of the minutes from the board meeting at which the review was distributed and approved.

FINANCES

Standard 8: Spend at least 65 percent of its total expenses on program activities.

Standard 9: Spend no more than 35 percent of related contributions on fund raising. Related contributions include donations, legacies and other gifts received as a result of fund raising efforts.

Standard 10: Avoid accumulating funds that could be used for current program activities. (The charity's unrestricted net assets available for use are not 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.)

Standard 11: Make available to all, on request, complete annual financial statements prepared in accordance Standard 11 with generally accepted accounting principles.

To meet this standard, one of the following must be true.

- ☐ *If the charity's annual gross income exceeds $500,000, the financial statements should be audited by an outside certified public accountant, and the auditor's opinion or cover letter should generally carry a "clean" or "unqualified" opinion indicating that the financial statements were prepared in accordance with generally accepted accounting principles.*
- ☐ *If the charity's annual gross income exceeds $250,000 but is less than $500,000, the financial statements may be reviewed by a certified public accountant.*
- ☐ *If the charity's gross income is less than $250,000, the financial statements may be internally produced. However, the statement should include a balance sheet, statement of support, revenue and expenses, notes and any other appropriate schedules.*

Standard 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.

Standard 13: Accurately report the charity's expenses, including any joint cost allocations, in its financial statements.

The charity will not meet this standard if:

- ☐ *The charity's financial statements and/or IRS Form 990 show that the charity has inappropriately reduced reported fund raising costs by displaying contributions "net" of these expenses*
- ☐ *The charity's financial statements and/or IRS Form 990 does not include expenses associated with special events (including the cost of invitations, mailing, promotion and consultant fees)*

Standard 14: have a board-approved annual budget for its current fiscal year, outlining projected expenses for major program activities, fund raising and administration.

Fundraising and Informational Materials

Standard 15: have solicitations and informational materials, distributed by any means, that are accurate, truthful and not misleading, both in whole and in part.

Please provide copies of appeals and solicitations for all avenues of fundraising used by the charity, as identified on page 2 of this package.

If any of these appeals state or imply that donations will be used during a certain time period and/or for a specified purpose, please provide substantiation that the charity has followed through on these commitments.

Please note: appeals that request donations should include a description of the specific program activities for which funds are requested. If the appeal describes a problem without a description of how the charity plans to address it, the charity does not meet this standard.

Standard 16: have an annual report available to all, on request, that includes:

- ☐ *The organization's mission statement*
- ☐ *A summary of the past year's program service accomplishments*
- ☐ *A roster of the officers and members of the board of directors*
- ☐ *Financial information that includes (i) total income in the past fiscal year, (ii) expenses in the same program, fundraising and administrative categories as in the financial statements, and (iii) ending net assets*

Standard 17: Include on any charity website that solicits 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.

If your organization has a website, please identify the address for the specific page on the site where the following information can be found.

Annual report ______________________________

Organization's mission statement ______________________________

Program service accomplishments of the past year ______________________________

Most recent roster of the officers and members of the board of directors ______________________________

Most recent financial information ______________________________

Most recent IRS Form 990 ______________________________

Donation/contribution information ______________________________

Organization's mailing address ______________________________

Standard 18: Address privacy concerns of donors by:
1) 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
2) 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., 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.

Does your organization rent, exchange or sell names, addresses or other donor information with outside organizations?
☐ Yes ☐ No

If yes, please provide solicitations from the past year indicating how donors can "opt out" if they do not want their information shared outside your organization AND

If yes, please indicate how often this option is offered ______________________________

Standard 19: Clearly disclose how the charity benefits from the sale of products or services that state or imply that a charity will benefit from a consumer sale or transaction. Such promotions should disclose, at the point of solicitation:
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)
The duration of the campaign (e.g., the month of October)
Any maximum or guaranteed minimum contribution amount (e.g., up to a maximum of $200,000)

Some charities have arrangements with for-profit firms that sell consumer goods or services that state the charity will benefit from sales (for example, affinity cards, household products, restaurants, merchandise catalogs, etc.). Does your organization have any such arrangements? ☐ Yes ☐ No

If yes, please provide copies of any such promotions from the past year.

Did your organization have any written agreements/contracts with these businesses? ☐ Yes ☐ No

If yes, please provide copies of these arrangements.

Standard 20: Respond promptly to and act on complaints brought to its attention by the BBB about fund raising practices, privacy policy violations and/or other issues.

Has your organization received any complaints brought to your attention by BBB in the last three years? ☐ Yes ☐ No

If yes, please let us know which BBB office and provide details on actions taken, if applicable.

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Board Governance & Oversight

Board attendance chart

Either on a separate sheet of paper, or on the chart below, please list the dates of all board meetings held during the last fiscal year (or the year congruent with your most recent financial statements) and all voting members with titles of your organization's board of directors/trustees during that time period. Indicate which members attended (X) or were absent (A). (Proxy attendance is not included for BBB purposes). If any of the members joined or left the board after the first meeting date, please note in the chart below. Attach additional sheets as necessary.

Fiscal Year Ending: ______________________________

Board Member Name & Title	**Dates of board of directors meetings**											
Total Board Members Attending												