

Best Practices & Nonprofits

02.08.18 | Linda J. Rosenthal, JD



When experts in a field get together, they like to toss around the phrase “best practices.”

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*A **best practice** is a method or technique that has been generally accepted as superior to any alternatives because it produces results that are superior to those achieved by other means or because it has become a standard way of doing things, e.g., a standard way of complying with legal or ethical requirements.*

“Best practices” generally has a broader meaning than complying with specific laws and regulations. Meeting a legal requirement can be viewed as engaging in the *minimum* (and mandatory) acceptable behavior in a particular situation. Something more – including a consideration of ethical considerations, practical realities, and actual field experience – goes into decision-making that will lead to real results in accomplishing goals.

The National Council of Nonprofits strongly encourages tax-exempt organizations to learn about and adopt time-tested “best practices.” There is no single definition or standard “for each and every nonprofit organization,” but “there are well-recognized ethical standards and accountability practices that every staff and board member of a charitable nonprofit should be aware of.”

Best Practices: State Guides

There are differences by state, because of the varying legal obligations of each jurisdiction, “so many state associations of nonprofits share resources on state-specific legal requirements, as well as promote “best practices” to raise awareness about how ethical, accountable, and transparent

practices make nonprofits more effective.”

The National Council of Nonprofits has a list of guides for 25 states and the District of Columbia; see [Principles and Practices – Where Can You Find “Best Practices” for Nonprofits?](#)

Some jurisdictions have their own standards; see, for example, Illinois’ [Nonprofit Principles and Best Practices](#). Several other states, including Pennsylvania and Maryland use the Standards for Excellence Institute’s publication, [An Ethics and Accountability Code for the Nonprofit Sector](#). California has its own resource – (though not listed on NCN’s list). It is the [California Attorney General’s Guide for Charities](#). “The Guide for Charities was published to give charities the tools they need to comply with our laws. The Guide seeks to promote best practices to help directors and officers of charities better understand their responsibilities.”

More Best Practices Resources

In addition to these state-promoted guides, the National Council of Nonprofits touts a new guide titled [Small but Mighty: The Performance Imperative for Small Nonprofits](#) by Leap Ambassadors.

Other suggestions include:

- [Evaluation and Measuring Outcomes](#) (NCN);
- [Measuring the Impact of Your Nonprofit Program](#) (Beth Kanter);
- [Best Practice Guide](#) (New Hampshire Center for Nonprofits);
- [IT Best Practices for Nonprofits](#) (Minnesota Council of Nonprofits)
- [Principles and Practices for Nonprofit Excellence](#) (Colorado Nonprofits)
- [IT Best Practices for Nonprofits](#) (Minnesota Council of Nonprofits)
- [Principles and Practices for Nonprofit Excellence in Maine](#) (Maine Association of Nonprofits)
- [Infrastructure Checklist and Assessment Tool](#) (Nonprofit Association of the Midlands)
- [Principles and Practices for Nonprofit Excellence in West Virginia](#), plus an assessment tool (West Virginia Nonprofit Association)

Conclusion

“Even the smallest nonprofits can [benefit tremendously](#) from incorporating best practices into everyday operations.” In addition, many organizations are required by state law to conform to certain conduct standards, and accrediting or grantmaking bodies may also require or recommend adopting them. Still others “[seek voluntary accreditation](#) as a way of demonstrating their commitment to excellence” or “find it helpful to know that trusted experts have identified benchmarks to guide” them.