

# **BRIDGES OF TRUST: INDEPENDENT MONITORING OF CHARITIES**

A COMPARATIVE OVERVIEW  
OF ICFO MEMBERS  
AND THEIR MONITORING METHODOLOGIES



**International Committee on Fundraising Organizations**  
**ICFO – the association of national monitoring agencies**

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A Comparative Overview Of ICFO Members  
And Their Monitoring Methodologies

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## **Preface**

In 2002 ICFO published a first comparative survey which has been developed by Ms Ingrid-Hélène Guet in the final phase of her studies at the ECSP (Ecole Supérieure de Commerce) in Paris and while she was working at Comité de la Charte, the French member of ICFO. This updated and widely extended version of the survey is published by ICFO in 2013 as a tool to support the informational exchange between members of ICFO and, to make their activities and methodologies more transparent to the public. In addition, the survey will probably be helpful to new initiatives that intend to establish new independent monitoring organizations, especially in countries where such bodies do not exist yet.

After a short presentation about ICFO's history and mission, the numerous tables of this overview reflect the structures and working methods of ICFO member organizations and the most important determinants concerning the fundraising sectors in the respective countries. ICFO greatly appreciates the work of Mr Burkhard Wilke, director of DZI and former Secretary General of ICFO for his significant contribution to ICFO by coordinating and editing this overview. As an appendix, this booklet includes an introduction to the broader context of ICFO and its members' activities written by Rollin van Broekhoven, President emeritus of ICFO. This background article provides insight and deeper understanding regarding the challenges of transparency and accountability.

This survey has been completed with conscientiousness and accuracy. But as time always moves on, updated information concerning new developments at the ICFO member organizations should, if necessary, be requested from those members directly or via the ICFO General Secretariat.

Amsterdam, October 2013

Adri Kemps

Secretary General ICFO

## **ICFO's History and Mission**

ICFO was founded as the "International Committee on Fundraising Control" in 1958.

The present constitution was adopted in 1989 and the name was changed to "International Committee on Fundraising Organizations". ICFO was incorporated on September 10, 1990 under the laws of The Netherlands. Its legal seat is in Amsterdam, The Netherlands.

ICFO is registered at the Council of Europe as a Non Governmental Organization with consultative status.

The ICFO office and general secretariat is based at Centraal Bureau Fondsenwerving (CBF) in Amsterdam, The Netherlands.

## **Constitutional Objectives**

"In order to give confidence to donors that donations are used for the purposes for which they are given, the objectives of the ICFO (...) shall be:

- i. to promote transparency and integrity related to the activities of donor supported non-governmental charitable organizations, within the European Union and other parts of the world,
- ii. to gather information from members and other sources, and exchange such information among members,
- iii. to formulate standards for non-governmental charitable organizations working internationally." (article 2 of ICFO's Constitution),
- iv. to promote charity monitoring organizations within the countries of the European Union and other parts of the world.

(article 2 of ICFO's Constitution)

## **ICFO's Mission**

The purpose of ICFO is to ensure that fundraising for charitable purposes is being organized and performed in a satisfactory manner and that the administration of the collected funds is appropriate. ICFO and its Members look after the interests of donors.

Most voluntary sector organizations are honest and reliable. There are, however, a few which misuse the donors' money by directing it to activities other than for which it was raised or which deny their donors access to information about their financial activities. Such dishonest or unethical activities are not acceptable. This is where ICFO and its national Members can be of help.

The existence of meaningful and clear guidelines for fundraising activities as well as subsequent independent monitoring are in the best interest of trustworthy fundraisers as well as of their donors. ICFO's system for transparency adds proof of seriousness and reliability to the art of fundraising.

Fundraising organizations which are attached to one of the national ICFO Members are bound to follow the guidelines given in accordance with the respective national law and tradition. This may include ethical guidelines for fundraising, principles for accounting, transparency, annual reports, public access, etc.

Being monitored and recommended by the national ICFO Member enhances a fundraising organization's potential by obtaining the additional trust which follows adherence to the ICFO standards.

## Structure and Activities

The various national ICFO Member organizations are independent entities which are not identically organized, but which operate for the same goal within differing national frameworks. Some are based upon fundraising organizations themselves, others upon representation from other institutions, such as consumer organizations etc. Some operate with the authority to give fundraising organizations an official seal of approval for public fundraising – and to take it away.

Within this framework ICFO's activities are as follows:

- sharing information and experience among national monitoring organizations (Annual General Meeting);
- formulating standards for non-governmental charitable organizations working internationally;
- monitoring the international headquarters of those charities on a voluntary basis;
- helping in establishing new national monitoring agencies;
- providing information about the various national monitoring systems (ICFO Comparative Survey) and the activities of internationally working charitable organizations to businesses, foundations, governments, the media, and the general public.

For more information, please contact the ICFO General Secretariat or visit [www.icfo.org](http://www.icfo.org).

ICFO has promoted a set of Standards for good governance and management.

The Standards cover five key areas of activity:

- membership and responsibilities of the governing body;
- fulfilment of public benefit goals;
- fiscal control, management and reporting;
- fundraising practices;
- provision of public information.

In addition to these Standards, ICFO expects suitable guidelines to exist for public benefit organizations to ensure that the public, and recipients and donors, have ready access to sufficient and adequate information to enable them to make informed decisions about their relationships with the organization.




Further, these guidelines should be determined and administered by an independent non-governmental agency or function that is separate from governmental legal and taxation oversight.


Guidelines governing public benefit fundraising organizations should also require conformity with more rigorous and "best practice" standards for probity and good governance that go beyond the minimum national legal and audit requirements.

ICFO also expects fundraising public benefit organizations to present their accounts of income and expenditure in a common format to enable appropriate thresholds to be set for categories of expenditure and for meaningful inter-organizational comparisons to be made.




## 1.1 COUNTRY, NAME, LOGO, FUNDRAISING SITUATION



Country	Full name organization	Logo	Fundraising situation in country
Belgium	Donorinfo		<ul style="list-style-type: none"> <li>- Tax exemption for private persons: charities can apply with the federal tax authorities for a permission to issue a tax certificate for donations reaching a total sum of minimum 40 € within the calendar year and not exceeding a total amount of 10 % worth of the total net income with a maximum of 353.480 € (706.960 for a family of two working people).</li> <li>- Corporate tax exemption: limited to 5 % of the positive result with a maximum of 500 000 €.</li> <li>- Duo legacies to decrease inheritance taxes and help increase legacies to charities: (distant) heirs can be either exempt from paying inheritance tax if part of the inheritance is transferred to a non-profit organization (which benefits from lower inheritance tax rates), on the condition that it is the non-profit organization which takes the inheritance tax at its own expense.</li> </ul>
Canada	Canadian Council of Christian Charities (CCCC)		Registered charities have the privilege of providing an official receipt for cash donations made to their work. The federal government provides a tax credit against income ranging from 29% to 42% depending on the total amount donated. Gifts of shares donated to a charity are exempt from the usual 50% capital gain tax that must be taken into income on the sale of publicly listed securities.
China	China Charity Information Center (CCIC)		<ol style="list-style-type: none"> <li>1. The amount of the donation in China is about 12 billion dollar in 2011 and 15 billion dollar in 2010, but one third of the donation goes to the government.</li> <li>2. Most of the donation is from the rich and the enterprises. The part from the public is small but increasing sharply.</li> <li>3. The public doesn't know much of the charity but cares about it. They are deeply affected by the traditional Chinese charity and learning about the modern one.</li> </ol>




Country	Full name organization	Logo	Fundraising situation in country
France	Comité de la Charte (CC)		<p>France has a very specific non-profit sector with about 1 200 000 NPOs operating in two legal statuses: about 1.200.000 associations and less than 2000 foundations . Most of the associations are managed by volunteers. Only 180.000 of them are managed by professional staff. 2.000 associations have been granted by the government the "Reconnue d'Utilité Publique" label.</p> <p>In 2008, the legislator passed a law creating the “fonds de dotation”, French legal version of the endowment funds. This new law is at the origin of the creation of 350 endowment funds.</p> <p>Fundraising in the streets is regulated, but any NPO can receive manual donation and donation in kind. The organisations that are acting in defined public benefit fields (more numerous than "reconnues d'utilité publique") can receive donations that are eligible to the following tax exemptions:</p> <ul style="list-style-type: none"> <li>- for all of them: the deductibility from income tax (and not from taxable income, as before 1996) grew from 40% of the tax with a cap of 1.25% of taxable income in 1996 up to 66% of the tax with a cap of 20% in 2006, the donation over the cap can be reported on the following 5 years.</li> <li>- for those providing food, health support and shelter to the people in need: exemption of 75% with a cap of 479 euros.</li> <li>- for foundations, except corporate foundations: exemption of 75% of the wealth tax with a cap of 50 000 euros.</li> </ul> <p>The bulk of associations and foundations don't pay the three taxes paid by businesses.</p>



Country	Full name organization	Logo	Fundraising situation in country
Germany	Deutsches Zentralinstitut für soziale Fragen (DZI)		<p>In Germany, 555,000 associations and 18,000 foundations are registered as public benefit entities. Approx. 2,000 of them are regularly publishing nationwide fundraising appeals. Since 2002, three alliances of well-known charities have been established to publish joint fundraising appeals in case of major nationwide catastrophe fundraising campaigns. Donors are provided tax exemption for donations up to a maximum of 20% of their annual taxable income. 79% of private donations are given to humanitarian (social) causes, and the rest of 21% to animal protection, culture, conservation and further public benefit sectors. Donations to religious causes have a minor importance because acknowledged churches are financed by the church tax raised and transferred to churches by the public fiscal authorities. There is only very limited state supervision for fundraising organization by local or regional registration authorities and fiscal bodies. There is no legal obligation to publish financial information.</p>
Italy	Istituto Italiano della Donazione (IID)		<p>Donations are deductible from personal and organizational income up to 10% of total income and for a total maximum amount of € 70.000.</p> <p>Since 2005 taxpayers have been able to devote 5x1000 (0.5%) of personal income tax to a specific NGO of their choice. This regulation is subject to annual renewal by the Government. About 16 million taxpayers are using this opportunity. There is an annual total ceiling at national level (400 million € since 2010, that is about 20% less of total subscribed amount).</p> <p>Guidelines issued by the governmental Agenzia per il Terzo Settore (Third Sector Agency – TSA which ended operations Feb 2102. Responsibilities assumed in part by MInistry of Labour and Welfare):</p> <ul style="list-style-type: none"> <li>- Guidelines for Third Sector Representation procedures</li> <li>- Guidelines for fundraising in humanitarian emergency (2011)</li> <li>- Guidelines for fundraising via gadget sales (2011)</li> <li>- Fund raising Guidelines (2010)</li> <li>- Guidelines for the preparation of the Social Report (2010)</li> <li>- Child sponsorship Guideline (2009)</li> <li>- Guidelines and schemes for the preparation of Balance Sheet (2008):</li> </ul> <p>Data gathering by ISTAT, the National Institute of Statistics, for the National Census of the non-profit sector concluded at the end of 2012. Results are expected in 2014.</p>

Country	Full name organization	Logo	Fundraising situation in country
Mexico	Construyendo Organizaciones Civiles Transparentes A.C. Asociación Confío		<p>Mexican non-profit organizations rely on three main sources of income to finance their activities:</p> <ol style="list-style-type: none"> <li>1) Private sources (donations from individuals, companies and / or foundations). 6%.</li> <li>2) Public sources (including donations, grants and contracts with different levels and branches of government). 9%.</li> <li>3) Income-generating activities (including cost recovery, member dues or earned income activities, such as provision of services, in which all profits are reinvested back into the organization). 85%.</li> </ol> <p>Non-profit organizations are tax-exempt when they apply for a special authorization from the federal government (Tax Administration Service or Servicio de Administracion Tributaria / SAT). This authorization also allows non-profit organizations to receive tax-deductible gifts from their donors.</p>

Country	Full name organization	Logo	Fundraising situation in country
Netherlands	Centraal Bureau Fondsenwerving (CBF)		<p>The Netherlands is in the top when it comes to giving to charity. This country has a very favourable and generous tax regime for charities. Exact figures are not available but according to "Giving in the Netherlands 2011" the Dutch contribute yearly voluntary approx. € 4.7 billion to charitable causes of which approx. € 2 billion from households. Other sources are legacies (approx. € 230 million), lotteries (approx. € 460 million), endowments (approx. € 390 million) and companies (approx. € 1.7 billion). There are more than 30,000 fundraising foundations and associations with a special tax exemption status, the so called Anbi-status. 39% of private donations are given to sports, recreation, health and social causes, 19% are given to religion and 10% to culture and the rest to environment, animal protection, nature and education. Participation in volunteer work in the Netherlands remains high. 43% of the native Dutch population was engaged in unpaid work for a non-profit organization. 88% of non-western immigrants donate to charity in the Netherlands. There is no state supervision for fundraising organizations, there is also no legal obligation to publish financial information. However, politicians, media, public and donors required more transparency and supervision because of the generous tax regime, which is a public interest, and public outrage over the high executive salaries some organizations paid. Approx. 1.400 foundations and associations involved in public fundraising, including most of the large ones, provide voluntarily their financial information to CBF (Central Bureau on Fundraising). According to calculations of CBF these 1.400 charities represent approx. 90% of all public fundraising income. The minister of Security and Justice, who is responsible for charity, has announced a new law. As of 1 January 2013 all charity organizations with a tax exemption status, are required to publish their financial information at the Chamber of Commerce.</p>

Country	Full name organization	Logo	Fundraising situation in country
Norway	Stiftelsen Innsamlingskontrollen i Norge (IK)		<p>In Norway anyone can start a fundraising campaign or organization, without any particular form for permission. Though most of the fundraisers are serious, some people exploit this situation.</p> <p>Taxpayers under certain conditions and within certain limits may deduct donations to charities. Deduction is only given when the gift is at least NOK 500 in the year in which the gift is given. Maximum deduction for gifts is a total of NOK 12,000 per year. The tax effect will be about 28%. More than 530,000 Norwegians use this scheme. 450 organizations are approved for tax-relief.</p> <p>It is assumed that the total fundraising market in Norway is approximately NOK 7 billion. In addition it is performed yearly about 115,000 unpaid EFTs for non profit organizations. The value of this work is estimated to NOK 34 billion.</p> <p>There is a long tradition of giving money to NGO in Norway and, generosity grows. NRK (the Norwegian national broadcasting) has an annual collection in which 1.8 million households are visited in one day by volunteer collectors. The collected amount in 2012 was approximately NOK 250 million.</p>
Spain	FL (FL)		<p>In Spain, there is not a central registry of NGOs. Due to this fact, it is very difficult to calculate the number of NGOs operating in the country. Associations and foundations are registered on different registers depending on their legal status, field of activity or geographical presence. The most recent data indicate that 37.017 associations are registered on the National Register of Associations, and 8.646 foundations (working on international development, social assistance and environment) are included in the Directory of Foundations published by the Spanish Association of Foundations. The difficulty in accessing public information about NGOs contributes to a lack of knowledge among donors about how NGOs are managed, how they raise their funds and control their spending, etc. Fundraisers set that 10% of Spanish population donates regularly to NGOs, although this percentage increases when funds are donated to emergencies. Donors are provided tax exemptions for donations up to 25% of the amount donated (with a cap of 10% of the taxable income), and citizens can also choose to assign a percentage of their taxes (0,7%) to NGOs in their tax return. More than 19 million taxpayers contributed 267 million € in 2010. Donations made by corporations are also tax deductible.</p>

Sweden	Svensk Insamlingskontroll		<p>In Sweden everyone can start a fundraising. There is no law about fundraising. An increasing number of the Swedish population is getting aware of the importance of a 90-account. A 90-account guarantees the donor that fundraising is carried out in a responsible way and that the money reaches its intended destination. The most efficient ways of fundraising are when the organisation has been given permission by the donor to withdraw a certain amount through a regular direct debit (e.g. each month) or when they have a system for payment on their website. Not so many organisations use the telephone to fundraise anymore because it is expensive and gives many complains. Fundraising by SMS and social media are coming.</p> <p>From 2012 a new law says that donors could get reduced tax if the give money to an organisation that the Swedish tax authorities had approved after application. The possibility to get tax reduced is very limited and the rules are complicated.</p>
Switzerland	Stiftung ZEWO		<p>In Switzerland about 76 000 associations and 12 000 foundations are public benefit entities. Not all of them do have a social or humanitarian purpose. It also includes organizations in the area of sports, culture or animal protection. Only a very small part of them are regularly publishing fundraising appeals. In case of major catastrophes Swiss Solidarity in cooperation with Swiss Broadcasting Cooperation are raising funds nationwide. Projects are realized by 25 charity partners of Swiss solidarit. Usually they do have the seal of Zewo.</p> <p>Donors are provided tax exemption for donations up to a maximum of 20% of their annual taxable income. Two third of the Swiss households are giving regularly to charities. They donate on average around 500 CHF per year and distribute their donation among 4-5 charities. Except from tax exemption and financial audits for foundations and bigger associations, there is only very little regulation for charities in Switzerland. There is no legal obligation to publish financial information. Independent monitoring and self-regulation play an important role in this context.</p>
Taiwan	Taiwan NPO Self-Regulation Alliance (TWNPOS)		<ol style="list-style-type: none"> <li>1. For donor, there's income tax act, Art 17.2.2 For the taxpayer, his (her) spouse and dependent(s), contributions and donations made to educational, cultural, public welfare or charitable organizations or associations in a total amount not in excess of 20% of the total amount of the gross consolidated income is deductible.</li> <li>2. For the charities, if annual expenditure &gt; 70% revenue, then tax-exempt, otherwise, need to pay tax.</li> <li>3. For fundraising, there's "Charity Donations Destined For Social Welfare Funds Implementation Regulations".</li> </ol>

Country	Full name organization	Logo	Fundraising situation in country
USA	BBB Wise Giving Alliance		<p>In the United States, donors have the ability to get a deduction on their federal income taxes for making donations to charities. This is a financial benefit that helps charities in their fund raising efforts as it provides an additional incentive to give. For most major charities in the United States direct mail appeals are still the dominant form of development. However, some are questioning the future of direct mail since the postal service has had financial difficulties and the reduced charity mailing rate could be in jeopardy at some point. In turn, there are concerns that the younger generation are more influenced by social- media marketing rather than print advertising. Fund raising events such as walk-a-thons continue to generate public attention and involvement by generating publicity for the organization and providing a vehicle for direct donor contact. Charities are beginning to see how Facebook Twitter, mobile giving and other social media may become a more important part of both their outreach as well as fund raising efforts.</p>
USA	Evangelical Coucil for Financial Accountability (ECFA)		<p>At the request of U.S. Senate Finance Committee member, Charles Grassley (R-IA), ECFA is leading an independent, national effort to review and provide input on major accountability and policy issues affecting such organizations. This commission, known as the Commission on Accountability and Policy for Religious Organizations, has been formed and is addressing some of the most challenging tax and policy issues involving religious organizations in the united states. The Commission plans to release two reports on the issues it's addressing; one report later in 2012 and one in 2013. More information about the Commission's work can be found at <a href="http://www.ReligiousPolicyCommission.org">www.ReligiousPolicyCommission.org</a>.</p>



## 1.2 DONOR PERCENTAGE

Country	Organization	2008	2009	2010	Brief description of the meaning of the percentage
Belgium	Donorinfo	n/a	n/a	40%	Source: World Giving Index 2010
Canada	CCCC	24%	23%	n/a	According to the Fraser Institute Generosity Index, based on percentage of tax filers donating to charity.
China	CCIC	n/a	n/a	11%	Source: World Giving Index 2010
France	CC	14%	14%	14%	It is the percentage of households or persons ("foyers fiscaux") that register donations deductible of income tax every year (Source : Ministry of finance).
Germany	DZI	42%	39%	36%	Number of adult individuals, i.e. 18 years and older, who have donated money in the respective year.
Italy	IID	29%	27%	24%	Number of adult individuals, i.e. 15 year and older, who have donated money in the respective year. In 2011, the percentage was 24, i.e. same as 2010.
Mexico	Confío	n/a	n/a	25%	Source: World Giving Index 2010
Netherlands	CBF	n/a	77%	77%	Source: Charities Aid Foundation, World Giving Index 201. Percentage of donors in relation to number of adult population.
Norway	IK	n/a	n/a	47%	There are no official statistics for this field. We have two recent general surveys. 47% of the population over 15 years providing one or more times per year. 27% have monthly contributions. 81.3% has given a contribution over the past 2-3 years. The statistical basis is somewhat uncertain.
Spain	FL	11%	n/a	9%	Number of adult individuals, i.e. 18 years and older who donate money to NGOs.
Sweden	Svensk Insamlingskontroll	n/a	70%	72% (2011)	Number of donors (15-79 years old) in relation to number of adult population.
Switzerland	ZEWO	72%	72%	69%	% of Swiss households, which have made a donation during the last 12 month.
Taiwan	TWNPOS	0.48%	0.59%	0.46%	2011: 0.31% (Statistic are based on the survey of United Way Taiwan & iSURVEY) Formula: Average donations/ GDP
USA	BBB / ECFA	2.1%	2.0%	2.0%	This information shows total contributions in the United States as a percentage of the total GDP. In terms of the percentage of adult Americans who donate, various studies have shown that about nine in ten adults contribute money or property to charity each year.

### 1.3 VOLUME OF DONATIONS

Country	Organization	2008	2009	2010	Brief description of the applied definition of 'donations'
Belgium	Donorinfo	n/a	n/a	n/a	
Canada	CCCC	\$8,189,280,000 Cdn	\$7,750,405,000 Cdn	\$8,253,210,000 Cdn	Charitable donation is the allowable portion of total donations, as reported on the income tax return.
China	CCIC	\$ 15 billion	\$ 8 billion	\$ 15 billion	Money donation without gifts-in-kind, without sponsoring, without public subsidies
France	CC	1.772 billion €	1.885 billion €	1.920 billion €	2011: 2110 million €. Money donations by households registered by the tax authority and, deductible from the income or property taxes. The growth of 8% between 2010 and 2011 is due merely to a new tax deductibility of 75% on the property tax on the wealthiest called Impôt de Solidarité sur la fortune; ISF).
Germany	DZI	5.4 billion €	5.3 billion €	6.1 billion €	Money donations, without gifts-in-kind, without sponsoring, without public subsidies.
Italy	IID	n/a	n/a	3.2 billion € + 350 million € 0.5% method	Money donations.
Mexico	Confio	19,183,218,468 Mex Pesos	19,712,186,888 Mex Pesos	21,934,116,378 Mex Pesos	A gift of cash given by a private donor to a non-profit organization authorized by the government to receive tax-deductible donations.
Netherlands	CBF	2.1 billion €	2.2 billion €	2.3 billion €	Money donations via public fundraising.
Norway	IK	n/a	n/a	7 billion NOK	Estimates from Institute for Social Research
Spain	FL	782 million €	n/a	670 million €	Money donations by individuals.
Sweden	Svensk Insamlingskontroll	n/a	n/a	n/a	Such statistics do not exist in Sweden. The 90-accountholders got SEK 4.9 billion (2008), SEK 4.7 billion (2009) and SEK 4.9 billion (2010) from the general public.
Switzerland	ZEWO	1.437 billion CHF	1.489 billion CHF	1.6 billion CHF	Money donations, without gifts-in-kind, without sponsoring, without public subsidies, without income from other business activities of the organisations.
Taiwan	TWNPOS	\$ 1.3 billion	\$ 1.6 billion	\$ 1.3 billion	Including public donation and grants.
USA	BBB / ECFA	\$ 299.81 billion	\$ 280.30 billion	\$ 290.89 billion	These figures are from Giving USA 2011, an annual data summary on contributions in the U.S. produced in conjunction with the Center on Philanthropy at Indiana University.

## 1.4 MONEY DONATIONS MONITORED BY ICFO MEMBERS

Country	Organization	2008	2009	2010	Remarks
Belgium	Donorinfo	153,068,357 €	154,588,317 €	168,762,077 €	
Canada	CCCC	n/a	n/a	\$ 704,541,817 Cdn	(2010) or \$ 636,936,671 Cdn excluding gifts-in-kind for 2011.
China	CCIC	n/a	n/a	n/a	
France	CC	1.2 billion €	1.26 billion €	1.32 billion €	
Germany	DZI	1.2 billion €	1.2 billion €	1.5 billion €	
Italy	IID	300 million €	315 million €	325 million €	350 million € in 2011
Mexico	Confio	n/a	n/a	n/a	2011: 51,842,624 mex pesos
Netherlands	CBF	2.0 billion €	2.1 billion €	2.1 billion €	
Norway	IK	2.8 billion NOK	3.1 billion NOK	2.9 billion NOK	Resp. 47 / 77 / 84 org. This is collected funds. Public contributions and income from other sources is not included.
Spain	FL	495 million €	498 million €	532 million €	
Sweden	Svensk Insamlingskontroll	712 million €	750 million €	905 million €	
Switzerland	ZEWO	924 million CHF	982 million CHF	989 million CHF	
Taiwan	TWNPOS	\$ 133 million	\$ 154 million	\$ 145 million	2011: \$ 469 million
USA	BBB	\$ 16 billion	\$ 16 billion	\$ 16 billion	
USA	ECFA	\$ 8.5 billion	\$ 8.2 billion	\$ 8.7 billion	In cash donated income for all years.

## 1.5 NUMBER OF TOTAL POPULATION

Country	Organization	Population	Remarks
Belgium	Donorinfo	11,071,483	
Canada	CCCC	34,700,000	
China	CCIC	1.3 billion	
France	CC	65,000,000	Including ultra-marine islands.
Germany	DZI	82,000,000	
Italy	IID	61,500,000	
Mexico	Confío	112,336,538	In 2010
Netherlands	CBF	16,500,000	
Norway	IK	5,000,000	
Spain	FL	46,000,000	
Sweden	Svensk Insamlingskontroll	9,400,000	
Switzerland	ZEWO	8,000,000	
Taiwan	TWNPOS	23,000,000	
USA	BBB / ECFA	313,181,000	U.S. Census data.

## 1.6 NUMBER OF PUBLIC BENEFIT ORGANIZATIONS

Country	Organization	Amount	Remarks
Belgium	Donorinfo	70,000	
Canada	CCCC	86,000	Registered charities of which 33,000 are religious charities that would be in CCCC's target market.
China	CCIC	1,000,000	Approximately
France	CC	< 200 / 2,000 / 30,000	Resp. over 500,000 € collected / acknowledged as public benefit (ARUP) / NPOs with staff in public benefit fields of health, social services, advocacy and international aid.
Germany	DZI	573,000	
Italy	IID	350,000	Estimate from a number of 440,000 local units (2012 Census)
Mexico	Confío	5,318 / 14,327 / 40,067	Source: resp. SAT / Indesol / Mexican Census.
Netherlands	CBF	50,000	With tax exemption status, of which approx. 30,000 do public fundraising.
Norway	IK	115,000	Number includes local teams in the regions as well as national organizations). On average: 88 members per organization, i.e. the Norwegian sector consists of a large proportion of small local groups with no paid staff and minimal financial resources.
Spain	FL	45,000	Estimation based on number of registered associations and foundations (working on international development, social assistance and environment).
Sweden	Svensk Insamlingskontroll	220,000	Swedish Tax Agency's decides if the organization gets a corporate registration number. The numbers comes from the official Swedish Statistics. In Sweden there is a long tradition of starting associations and being a member, so here exist about 20,000 foundations and 200,000 associations.
Switzerland	ZEWO	76,000 / 12,000	Resp. associations / foundations. Please note: not all of them have a social or humanitarian purpose. It also includes organizations in the area of sports, culture or animal protection.
Taiwan	TWNPOS	67,273	Year 2011 Resp. 48,646 Occupational Associations / Social Associations, 4,000 Foundations, 14,627 Religion groups.
USA	BBB	1,080,130	Number of organizations tax exempt as charitable organizations as defined under section 501(c)(3) of the Internal Revenue Code.
USA	ECFA	1,800,000	Estimation, including houses of worship and religious organizations.

## 1.7 PUBLIC CONTROL OR REGULATION OF CHARITIES

Country	Organization	Describe the public (state) control or regulation which charities are subject to in your country.
Belgium	Donorinfo	n/a
Canada	CCCC	Charities are regulated by Canada Revenue Agency and are subject to the Income Tax Act. Incorporated not-for-profits are subject to the provincial or federal legislation under which they are incorporated. Many other provincial statutes must be complied with.
China	CCIC	<ol style="list-style-type: none"> <li>1. There are three separate laws for the foundation, association and people-run non-enterprise unit, which focus on the registration and governance.</li> <li>2. The charities also have to obey the "Law of the People's Republic of China on Donation for Public Welfare Undertakings" and some local laws on fundraising and donation.</li> <li>3. The charities can get the tax exemption according to the tax law, but the requirement is high and the procedure is complex.</li> </ol>
France	CC	<p>Associations and foundations are subject to different public control or regulation, and these are more frequent and demanding for the "reconnues d'utilité publique" organisations (RUP, i.e. public utility acknowledged, a concept narrower than general interest or common good). The largest and most ancient sealed organisations sealed by CC are RUP associations or foundations.</p> <p>Public control and regulation depends also of the industry: education, health and social services are subject to more state control than organisations working in the environment or advocacy fields. Specialised public control is run by specialised public agencies (Inspection générale de l'éducation nationale; Inspection générale des Affaires sociales etc.). As a large part of the income of most education, health and social nonprofit organisations comes from public funding (central and local governments, social security, European funds), the organisations have to report to these funders as well.</p> <p>If we limit to fundraising organisations, the specific public control is the following: The "Cour des comptes" and its regional subsidiaries, the 'Cours regionales des comptes". The Cour des comptes is an independent jurisdiction the principal aim of which is to control the use of public money: expenses of the state, the local administrations and the public agencies. However a specialised Court inside Cour des comptes is devoted to the control of fundraising organisations on three points : legal and contractual conformity (including fundraising ethics); efficiency (results compared to costs) and efficacy (results compared to objectives). The Cours regionales des Comptes do the same at the regional level. - The reports of these public bodies are published. They are very complete and include a following-up of the recommendations. However these controls are rather seldom: only 3 or 4 of the largest organisations are controlled or followed-up each year by the Cour des comptes. Some reports are focused on the use of the funds collected by special campaigns (2005 Tsunami, 2010 Haiti's earthquake) .</p>
Germany	DZI	Under German law, all types of legal entities, including associations, foundations, and corporate enterprises, can be used to form a nonprofit organization, and to get tax-exemption, i.e. public benefit status. German NPOs are governed by federal law, in general. Foundations are also subject to the law of the 16 states (Bundesländer). Federal law is used to determine basic registration conditions and, as to whether an organization receives tax benefits, but it is the local tax office that makes the actual decision on eligibility, including tax-focused audits every three years, or every year - if the entity also operates non-public-benefit activities. Associations are regulated by Articles 21-79 of the BGB (Civil Code) and by the Associations Law (Vereinsgesetz). These laws are not

		<p>very extensive, and they include only basic obligations. Associations have to be accountable to their ordinary members only, i.e. the board has to present oral or written reports at the member's assemblies. No obligation to provide information to the general public.</p> <p>A foundation of private law (Stiftung bürgerlichen Rechts) is established under Articles 80-88 of the BGB. Current Federal legislation in the BGB is not extensive. Foundations are more extensively regulated by the laws of the 16 states. Foundations have to submit annual financial statements and annual activity reports to the supervisory body on the level of the respective federal state. The authority will check financial statements and the annual report as to whether it has allocated its expenditures to statutory goals only and, as to whether its foundation capital has been preserved. No obligation to provide any information to the general public.</p> <p>Limited liability companies are not regulated. They only have to publish their financial statements via the Elektronischer Bundesanzeiger (<a href="http://www.ebundesanzeiger.de">www.ebundesanzeiger.de</a>). Small companies are only required to publish summarized financial information.</p>
Italy	IID	<p>The Italian regulation of reference for the Non-profit Organisations' Sector is contained in the Civil Code, Book 1, which describes the fundamental features of nonprofit organisations and identifies them as: associations, foundations, committees.</p> <p>Starting from the 1990's the regulations for NPO have been updated since the rules of the Civil Code alone were no longer sufficient for a strongly growing and diversifying Third sector which was assuming an ever more significant social and economic role.</p> <p>In a few years through a series of laws the following have entered the Italian legal system:</p> <ul style="list-style-type: none"> <li>· "Organizzazioni non governative - ONG" (Legge 49/1987), (non-government organisations) organisations which carry out activities of international cooperation, which have to register with the Foreign Ministry.</li> <li>· "Organizzazioni di volontariato" (Legge 266/1991) (voluntary organisations), those organisations which mainly make use of volunteers, and which have to register in regional registers for the purpose.</li> <li>· "Cooperative Sociali" (Legge 381/1991) (social cooperatives), those organisations dedicated to caring for disadvantaged people (Type A) or to providing work for disadvantaged people (Type B), which have to register in the company register and, to enjoy some tax benefits, in the Prefect's register.</li> <li>· "Associazioni sportive dilettantistiche" (Legge 586/1996) (Amateur Sporting Associations), which have to be entered on a register held by CONI-Comitato Olimpico Nazionale Italiano;</li> <li>· "Associazioni di promozione sociale" (Legge 287/2000) (Social Advacement Associations), dedicated to carrying out socially useful activities for associates or third parties, have to be entered on the national register or on regional ones according to their territorial coverage.</li> <li>· Finally, it is well to mention the more recent institution of the so-called "Imprese sociali" social enterprises (Legge 118/2005), which potentially concerns all the private enterprises, including cooperatives, in which the main economic activity has as its purpose the production and exchange of goods and services of social utility and general interest..</li> </ul> <p>The fact that for each legal type of non-profit organizations there are specific requisites and forms of control and registration which are just as specific, raises the problem of consistency and risks of overlapping of different regulations.</p> <p>The context is made still more complex by a central regulation for the Italian Nonprofit sector, the DLgs. 460/97, which instituted the so-called "ONLUS-Organizzazioni Non Lucrative di Utilità Sociale". The ONLUS are not a further type of nonprofit organisation: it is a fiscal status to which every nonprofit organisation can accede, provided it has the pre-requisites.</p>

Mexico	Confio	<p>The Mexican law dictates that nonprofit organizations are tax-exempt when they apply for a special authorization from the federal government. They will be regulated by the SAT (Tax Administration Service or Servicio de Administración Tributaria). This authorization also allows non-profit organizations to receive tax-deductible gifts from their donor. Annually, the organizations with authorization must submit various documents issued under the law to maintain the authorization and may be revoked if they do not meet any tax liability. Also, the ONGs are regulated by the Civil Code whose nature is considered promoter; establishes general rules regarding its constitution and the way of operating. Its field of competence is local.</p> <p>The "IAP (instituciones de asistencia privada/institutions of private assistance) are regulated by the Law of Private Assistance Institutions for each of the states, the nature and scope of controlling competition is local. The IAP are supervised and monitored by the Board of Private Assistance (public administration body that depends on the local executive power.</p>
Netherlands	CBF	Charities with tax exemption (ANBI) are subject to state control.
Norway	IK	<p>In Norway there is no specific legislation in relation to charities. It is free for everyone to start collecting. There are no specific laws or regulations governing this.</p> <p>There is no public register that the organizations are obliged to register themselves in. If they, however, organize their activities as a foundation, they are entered under special laws and special control schemes provided by the Foundation Act. Foundations are under public supervision. It is special legislation surrounding this. However, there is no requirement that charity organizations organize their activities as a foundation. This is not a requirement for tax exemption for gifts.</p>
Spain	FL	<p>Under Spanish legislation charities are subject to numerous and thorough controls carried out by the Public Administration, including: tax authorities, social security and relevant registry of charities. Associations and foundations are registered on different registers depending on their legal status, field of activity or geographical presence. Foundations are regulated by the law 50/2002 while the law 1/2002 applies to associations. The legal framework sets up, among others, issues regarding the constitution, government, assets, management, activities, and annual reports to be submitted to the corresponding register. Foundations and Public benefit associations must annually submit their activities report and financial statements approved by their governing body. Additionally, foundations must also submit their annual planning and budget. Organizations with a determined volume of assets, revenues, and/or employees are required to audit their annual accounts.</p> <p>Organizations that have applied to the special tax regime of non-profit entities and tax incentives for sponsorship (established by law 49/2002) must also submit an annual report to the Spanish Tax Agency. On the other hand, foundations and associations that receive public subsidies must justify the use of the funds through follow-up and evaluation reports.</p>
Sweden	Svensk Insamlingskontroll	For associations and religious communities there is no control or regulation. For foundations there is a law and they are controlled by the county administrative board.
Switzerland	ZEWO	There is no specific legal entity required for private charities by Swiss law. Most charities are associations and foundations. Under certain conditions they also could be an «Aktiengesellschaft» or a «GmbH». Less formal private initiatives may have the form of «einfache Gesellschaft». Legal entities are regulated in the Swiss Civil Code (ZGB/OR), which is liberal for associations. These are accountable to their mem-bers (General Assembly). Audited financial statements according to a legally regulated standard (ordentliche Revision) are only required for big associations.



		The regulation for foundations is slightly higher. They are controlled by the national or regional supervisory body of the state (Stiftungsaufsicht). The authority will check the constitution and the internal rules of the foundation as well as the annual report and the audited financial statements. By Swiss law all foundations are required to audit their financial statements according to a legally regulated audit standard depending on the size of the foundation (eingeschränkte Revision/ ordentliche Revision).
Taiwan	TWNPOS	<p>The taiwanese charities are governed by their own agencies-in-charge (either central government or local government).</p> <p>At present, there are four categories of regulations that govern the charity activities:  First of all, the establishment of non-profit Corporation apply to Civil Associations Act.  Secondly, for a foundation constituted as a juristic person(not-for-profit), they respect the monitoring points/directions and the relevant provisions of the governmental agencies-in-charge according to different functions.  Thirdly, when it comes to tax incentives, those who are non-profit corporation can be tax-exemption by the Income Tax Law.  Finally, the regulation for fundraising of the charities is under Charity Donations Destined For Social Welfare Funds Implementation Regulations.</p>
USA	BBB / ECFA	There are three types of government authorities in the United States that regulate some aspect of charity activities. The Internal Revenue Service requires charteis (except houses of worship) to file an application for tax-exempt status and to submit annual financial information through the IRS Form 990. About 40 of the 50 states require charities to annually register and submit financial information. Some states also require charities to have an audit report if revenues exceed a specified threshold. The U.S. Postal Inspection Service has the authority to address matters of charity fraud that involve the use of the mail.

## 1.8 PUBLIC DISCLOSURE OF FINANCIAL STATEMENTS

Country	Organization	Is there any legal obligation for charities to disclose their financial statements to the public? If yes, how does the disclosure has to be done?
Belgium	Donorinfo	<p>Yes, at the registry of the tribunal of commerce for every organization. Moreover, the “large” non profit organizations and the “large” private foundations must publish their annual accounts with the National Bank. According to the law, a non profit organization or a private foundation is 'large' when 2 of the following 3 criteria are met:</p> <ul style="list-style-type: none"> <li>- annual average of 5 remunerated Full Time Equivalents (FTE)</li> <li>- 312,500 Euros annual total income</li> <li>- 1,249,500 Euros total balance sheet.</li> </ul>
Canada	CCCC	Yes. They must be submitted annually to Canada Revenue Agency and sometimes to provincial bodies.
China	CCIC	Yes. The foundation has to disclose the financial statements according to the national law. In some provinces and cities, all charities have to disclose financial statements according to local law. But only about 20% of the charities have disclosed financial statements.
France	CC	Yes. The organisations with an income over 153,000 Euros have to disclose their financial statements, online on the website of the Journal Officiel and everyone may access to this website.
Germany	DZI	About 99 % of the charities haven't any legal obligation to disclose financial statements to the public. As an exception, limited liability companies (1 % of all charities) have to publish their financial statements via the Elektronischer Bundesanzeiger ( <a href="http://www.ebundesanzeiger.de">www.ebundesanzeiger.de</a> ). However, medium-sized companies are only required to publish summarized profit and loss accounts and balance sheets, and small companies can restrict on publishing summarized balance sheet only.
Italy	IID	<p>The Civil Code limits itself to a generic obligation to approve the balance sheet at the end of every accounting period. Regarding the specialist regulations, also for “Organizzazioni di volontariato” (Legge 266/1991) the obligation to draw up a balance sheet is foreseen, while “Cooperative sociali” (Legge 381/1991) have to draw up a balance sheet according to the structure foreseen for the public limited company. Regarding fiscal regulations, the ONLUS on the basis of D.Lgs 460/97 in the statute have to provide for the drawing up of a balance sheet or annual statement within four months of the closing of the accounting period, which represents adequately the patrimonial, economic and financial situation of the organisation. Over the years, some non-binding guidelines have been prepared, among which the most followed are from: Ordine Nazionale dei Dottori Commercialisti (National Public Accountant Association) and Agenzia per le ONLUS (Third Sector Agency).</p> <p>An obligation for the former Banking Foundations, whose private character was accepted by Parliament after much discussion, is, that a section of the management report illustrates “the social objectives pursued by the Foundation and the interventions carried out, making clear the results obtained with regard to the different categories of beneficiaries.” (DLgs. 153/1999).</p> <p>Finally, the Social Report is obligatory for social enterprises and it, after approval by the competent social bodies, has to be deposited in the Register of Enterprises together with the balance sheet for the accounting period. The reference is represented by the “Linee guida per la redazione del bilancio sociale da parte delle organizzazioni che esercitano l'impresa sociale” (Guidelines for drawing up the social report by social enterprises), introduced by Decreto 86/2008 of the Ministry for Social Solidarity.</p>

Mexico	Confio	Yes, non-profit organizations are tax-exempt when they apply for a special authorization from the federal government (SAT). They have to disclose their financial statements on the web page: <a href="http://www.sat.gob.mx">www.sat.gob.mx</a> , every year.
Netherlands	CBF	No.
Norway	IK	There is no requirement that non-profit organizations as such shall publish its accounts. For enterprises organized as a foundation or corporation special rules apply. Publication of accounts is however related to the corporate form and not in relation to the activities performed.
Spain	FL	There is no legal obligation for charities to disclose their financial statements to the public, although foundations and public benefit associations must submit their financial statements to the corresponding registers. The public can access to the data collected by the registers, but application procedures differ depending on the registers. To obtain this information, the public should first know which register a charity must submit its financial statements, secondly, they have to request the information, and thirdly, to wait for it to be delivered.
Sweden	Svensk Insamlingskontroll	Yes, there is a legal obligation for foundations and for big associations and big religious communities. Foundations have to send the annual reports to the county administrative board and then the annual reports are public. Big associations and big religious communities must have the annual report on the website or show the annual report if the public is asking for it.
Switzerland	ZEWO	Neither for foundations nor for associations the law requires financial statements to be published or established according to a certain standard.
Taiwan	TWNPOS	<p>In Taiwan, the charities are regulated by "Charity Donations Destined For Social Welfare Funds Implementation Regulations" when it comes to fundraising. Therefore, they are obligated to disclose their financial statement concerning fundraising. The agencies-in-charge as mentioned by these regulations are: MOIA [central government]; relevant jurisdictional city/county governments.</p> <p>Article 18: All fund raising groups must hand-over relevant documentations, stating detailed operation data, such as: donators, donated funds/items, total solicited charity donations, expenditures inventory, outcome of public investigations/verifications, etc., to respective governmental agencies-in-charge, for file-keeping and future reference; such actions must be executed within thirty{30} days, starting from the following day of the official termination date of relative charity donations activities. Make the information accessible for the public.</p> <p>Article 20: According to Article 18, such documentations must be reviewed and approved by relevant Board Of Directors meetings.</p> <p>If due to proper cause, then extension may be requested; maximal extension period is set for thirty additional calendar days. The respective detailed operation data [as described above] should be posted into concerned official governmental agencies-in-charge's websites; such agencies must conduct periodical annual audits.</p>
USA	BBB / ECFA	The Internal Revenue Service requires certain charities to file annual information returns (IRS Form 990) and to provide individuals with copies of its Form 990, on request. If someone shows up at the charity's offices and asks for the IRS Form 990 the charity must provide a copy. If a written request is received by the charity, the charity must send the IRS Form 990 within a specified time. However, the volume of such requests has been reduced in recent years due to the online availability of these completed forms.

## 2.1 FOUNDING YEAR, ADDRESS, CEO

Country	Organization	Year of establishment	Address	Website / Email	Executive Director
Belgium	Donorinfo	2005	Raketlaan 32, 1050 Brussel, BELGIUM / Avenue de la Raquette 1050 Bruxelles, BELGIUM	www.donorinfo.be / info@donorinfo.be	Sigrïd Maes
Canada	CCCC	1972	1-43 Howard Ave Elmira, ON CANADA N3B 2C9	www.cccc.org / mail@ccc.org	John Pellowe
China	CCIC	2007	Room 1161 of ZhongMin Plaza, No.7 Baiguang Road, Xicheng District Beijing, 100053, China	www.charity.gov.cn chenyang@charity.gov.cn	Jianmei Peng
France	CC	1989	15 rue Albert 75013 Paris, FRANCE	www.comitecharte.org / ccharte@comitecharte.org	François Genest
Germany	DZI	1893	Bernadottestr. 94, 14195 Berlin, GERMANY	www.dzi.de / sozialinfo@dzi.de	Burkhard Wilke
Italy	IID	2004	via Pantano, 2-20122 Milano, ITALY	www.istitutoitalianodonazione.it / istituto@istitutoitalianodonazione.it	Cinzia Di Stasio
Mexico	Confio	2010	Heroico Colegio Militar 4700 Col. Vistas del Sacramento Chihuahua, Chihuahua, MEXICO CP 31300	www.confio.org.mx / contacto@confio.org.mx	Javier Garcia
Netherlands	CBF	1925	Anthony Fokkerweg 1 1059 CM Amsterdam, THE NETHERLANDS	www.cbf.nl / info@cbf.nl	Adri Kemps
Norway	IK	1991	Øvre Slottsgate 7 0157 Oslo, NORWAY Postboks 395 Sentrum 0103 Oslo, NORWAY	www.innsamlingskontrollen.no / post@innsamlingskontrollen.no	Børre Hagen

Country	Organization	Year of establishment	Address	Website / Email	Executive Director
Spain	FL	2001	Calle Velázquez 100 1º dcha. 28006 Madrid, SPAIN	www.fundacionlealtad.org www.guiatransparenciaong.org / fundacion@fundacionlealtad.org	Patricia de Roda
Sweden	Svensk Insamlingskontroll	1980	Box 55961 102 16 Stockholm, SWEDEN	www.svenskinsamlingskontroll.se/ info@insamlingskontroll.se	N.N. (September 2013)
Switzerland	ZEWO	1934	Lägerstrasse 27 8037 Zürich, SWITZERLAND	www.zewo.ch / info@zewo.ch	Martina Ziegerer
Taiwan	TWNPOS	2005	10F.,No.276, Sec.2, Jianguo S. Rd., Da'an Dist., Taipei City 10662, TAIWAN	www.twnpos.org.tw / twnpos@gmail.com	Carol Chen
USA	BBB	2001	3033 Wilson Boulevard, Suite 600, Arlington, VA, 22201 UNITED STATES	www.give.org / bweiner@council.bbb.org	Art Taylor
USA	ECFA	1979	440 W Jubal Early Drive, Suite 130, Winchester, VA 22601 UNITED STATES	www.ecfa.org / information@ecfa.org	Dan Busby

## 2.2 STATUTORY OBJECTIVES, LEGAL STATUS, STRUCTURE

Country	Organization	Statutory objectives	Legal status and structure
Belgium	Donorinfo	<ul style="list-style-type: none"> <li>- Help raise gifts to charities by providing the guarantee that organizations published on <a href="http://www.donorinfo.be">www.donorinfo.be</a> are reliable.</li> <li>- Promoting transparency: encourage charities to report more rigorously and comprehensively and to submit their annual accounts to an auditor or chartered external accountant.</li> </ul>	<ul style="list-style-type: none"> <li>- Public utility foundation</li> <li>- Board of 4 members</li> <li>- Founder remains actively involved as authorized representative</li> </ul>
Canada	CCCC	<ul style="list-style-type: none"> <li>To conduct seminars and conferences across Canada.</li> <li>To disseminate information to charitable organizations.</li> <li>To encourage co-operation among charitable organizations.</li> <li>To act as a liaison between charitable organizations and various levels of government.</li> <li>To provide and develop educational courses.</li> <li>To encourage fair, honest, responsible stewardship.</li> </ul>	CCCC is a provincially incorporated non-share capital corporation. It is a federally registered charitable organization governed by a volunteer board of directors.
China	CCIC	Promote the charity industry development by statistics, research, information disclosure and international communication.	People-run non-enterprise units
France	CC	<p>Its purpose is to elaborate and keep up-date a code of ethics ("Charte") relying on accountability and transparency and to deliver a seal of approval to the members who comply with the requirements of the CC Charte.</p> <p>The Charte covers 4 main domains:</p> <ul style="list-style-type: none"> <li>- Governance: statutory conformity and rule of ethics</li> <li>- Management system and operation efficiency</li> <li>- Quality of communication an fundraising actions</li> <li>- Financial transparency</li> </ul>	<p>Association of the 1901 Law ; the accredited organisations are its members, added by 8 individual members, the independent board members. The organisation and individual members vote during the AGM to elect the board members and EGM to change the statutes and by-laws.</p> <p>The Board: CC is governed by a board of 15 members, with a short majority since 2008 of 8 members, independent of the member organisations, and 7 representatives of the member organisations. The board is in charge of the policy and administration of the Comité and also of keeping up to date the code of ethics.</p> <p>It includes 3 committees (nomination and governance, deontology, accreditation) and a Bureau of 4 persons (President, vice-president, treasurer, general secretary) in charge of the relationship with the staff to apply the decisions of the Board.</p>

Country	Organization	Statutory objectives	Legal status and structure
Germany	DZI	<p>(1) The foundation's objective, as an exclusive, direct public benefit activity, is the operation and development of the Welfare Archive as a documentation, information and research centre for the entire field of social work, with particular recognition of the requirements of practical welfare activities.</p> <p>(2) The Archive's documentation comprises material on the theory and practice of all kinds of welfare activities which serves the organisational development as well as the scientific research. The Archive is open to be used by everyone, in particular by circles and individuals interested in welfare activities, especially public authorities, universities, schools for social work, organisations of the public and the free welfare sector, social insurance institutions, and the circles of industry and commerce.</p> <p>(3) In its capacity as a documentation, information and research centre the foundation can monitor donation soliciting organizations pursuing any kind of public benefit goals, as to whether they are complying with the criteria set up by the foundation, and can inform the public in the sense of consumer advice and consumer protection in any form about the results of these audits.</p> <p>(Statutes of DZI, Article 2, Paragraphs 1-3)</p>	<p>Since 1957, DZI is a foundation of private law. Since 1926, it has been owned and governed by institutions representing the public sector, the corporate sector and the welfare sector (as part of civil society). DZI is registered as a public benefit entity serving objectives in the fields of culture, science, as well as consumer advice and consumer protection. The DZI seal-of-approval, however, is fiscally treated as a commercial activity, i.e. the fees have to be added VAT and also the profit is fully taxed. As a foundation DZI has no members. The independent status is central for DZI's credibility and reputation, and is supported by the diversity of its ownership (structure of the governing board) as well as the diverse financial sources and the abstention from pursuing lobbying or individual consulting services for fundraising organisations. The monitoring is entirely conducted by the staff of DZI. Senior analysts have a university degree, predominately in economics. Two senior analysts are jointly heading the donor advisory department and are responsible for internal quality control. Every two weeks all eight analysts meet, discuss and agree upon questions and judgements of major importance. Based on the audit reports, the chief executive finally decides about the results of the monitoring. DZI's Board decides about the content of the Seal-of-Approval Standards, the strategic development, and elects the members of the independent appealing committee.</p>

Country	Organization	Statutory objectives	Legal status and structure
Italy	IID	<p>1. To promote and foster excellence, transparency, integrity, fair management practices and ethical conduct in non-profit organizations.</p> <p>2. To verify and monitor such behaviours in actual operations (through an in depth verification procedure) with specific focus on the fund raising process and on the final destination of the funds supplied by donors (private donors and Local or Central Government).</p> <p>3. To increase the volume of donations thanks to an environment of trust and transparency, through the extended adoption of Carta della donazione (Charter for donation) – the Italian Code of conduct for self-regulation of fund-raising activities in the non-profit sector.</p> <p>In order to reach the above mentioned objectives and strengthen IID's role within the Italian non-profit sector, beside the mainstream monitoring activity, since 2009 IID has been carrying out research activity via the IID Survey and Research Center in Support of Italian Nonprofit Organizations. Main fields: Corporate Philanthropy; Fund Raising; Performance Measurement.</p>	<p>The Istituto Italiano della Donazione (IID) is a registered non-profit association which was founded on March 16, 2004. The activities began in 2005 thanks to start-up grants provided by two major Italian Foundations: Fondazione Cariplo and Compagnia di San Paolo.</p> <p>Founding Associates are Sodalitas Foundation (<a href="http://www.sodalitas.it">www.sodalitas.it</a>), Forum Nazionale del Terzo Settore (Third Sector National Forum, the organization providing Government relations and overall policy coordination for the entire sector) and Summit della solidarietà (operations discontinued March 2008).</p> <p>Associates are non-profit organizations who choose to go through the IID monitoring procedure. NPOs, after successful completion of the monitoring process, move from the Socio Candidato (Candidate Associate) status the to Socio Aderente (Full Membership Associate) status.</p> <p>The governance is based on the Board (from 5 to maximum 15 members, 9 board members at present. Founders have the right to at least three members) , the Technical Review Committee (9 members with competence in auditing, quality management, fundraising, accountability, legal, social reporting), the Board of Statutory Auditors (3 registered accountants), the Assembly.</p>
Mexico	Confío	<p>Confío is a non-profit organization aiming to financially support the activities of legal entities authorized to receive deductible contributions under the Mexican Income Tax Law. The association is a non-profit organization, although it may generate surplus revenue for its own sustainability. The organization may not be operated for financial gain for its members. The organization's assets shall be managed and preserved to fulfil its objectives.</p>	<p>Confío was created on June 20th, 2010 with the name of Construyendo Organizaciones Civiles Transparentes A.C., under the legal status of civil association or (A.C. by its Spanish acronym). Its mission is to: “Generate trust in civil society organizations through the promotion of transparency to increase social participation”.</p> <p>Its governance structure is comprised of:</p> <ol style="list-style-type: none"> <li>1. General assembly (13 members)</li> <li>2. Board of directors (12 members) which includes 2 committees: Technical and Monitoring</li> </ol> <p>The management team includes: 1. Executive Director, 2. Director of Analysis, 3. Analysts (3)</p>



Country	Organization	Statutory objectives	Legal status and structure
Netherlands	CBF	<p>The aim of the foundation is to promote the responsible raising and disbursement of funds in the Netherlands, including moneys obtained from gaming license holders within the meaning of the Dutch Betting and Gaming Act, by and for charitable, cultural, scientific or other legal entities with public benefit goals, and to promote the responsible public information provision by these entities within that framework. This is done both in the interest of the public and that of the legal entities involved.</p>	<p>The Central Bureau on Fundraising (CBF) is an independent foundation which has been monitoring fundraising by charities since 1925. The CBF's task is to promote trustworthy fundraising and expenditure by reviewing fundraising organizations and giving information and advice to government institutions and the public.</p> <p>The CBF's core task is performing assessments. An important criterium is that the costs for fundraising of the charity over a period of three consecutive years, expressed as a percentage of the revenues from its own fundraising in any one year, do not amount more than 25% of the revenues from its own fundraising.</p> <p>The Dutch Accreditation Council granted CBF the authority to award seals of approval.</p> <p>The CBF board has 9 members and also an advisor (connected to the Government). There is a Council of Experts to advise on the criteria (CBF Seal Regulations) and the Seal of Approval Committee which decides in granting the Seal of Approval to applicants.</p> <p>The CBF has 22 employees, 10 directly connected to the section Assessment, 12 in support functions.</p>
Norway	IK	<p>The purpose is to safeguard the public interest in that collection to humanitarian, cultural and religious purposes, etc. is organized and carried out in a satisfactory manner and that the management of the funds is prudent.</p>	<p>IK is formed as a foundation with official approval.</p>

Country	Organization	Statutory objectives	Legal status and structure
Spain	FL	<p>a) Foster community involvement in the third sector by enhancing transparency and best management practices among NGOs.</p> <p>b) Promote individual and corporate trust in NGOs, in order to promote their collaboration, focussed on those working on local and international development, humanitarian aid and the environment.</p> <p>c) International cooperation: provide technical support to local organizations to promote transparency and best practices in local NGOs.</p>	<p>FL is a nonprofit institution founded in Spain in 2001 by a group of civic-minded individuals. In 2010 five institutions (corporations and private foundations) joined its Board. Fundación Lealtad's mission is to promote the confidence of the Spanish society in NGOs, to achieve an increase in donations as well as any other type of collaboration with NGOs. FL offers individuals and companies independent, objective and consistent information on NGOs, to help them decide which NGO to collaborate with, and guide them monitoring their donations. This information is based on the analysis of transparency that FL provides free of charge to those NGOs who voluntarily request it.</p> <p>The foundation's structure is made up of three departments coordinated by the Executive Director: Analysis, Institutional Relations, and Marketing and Communication. The monitoring is entirely conducted by the foundation's staff. Analysts have a university degree, predominately in Business Administration. All NGOs reports are reviewed by the internal evaluation committee formed by the analysts, the Analysis Director and the Executive Director. Members of other departments can also participate in the committee meetings. The quality control secures the homogeneity and rigor of all the NGOs reports according to the "Analysis Procedure Manual", wherein evaluation feedback is continually incorporated. FL's Board decides about strategic development. Fundación Lealtad's independent status is supported by: the structure of its governing board, the diverse financial sources, the fact of providing the monitoring to NGOs free of charge, and the publication of the analysis results regardless the level of compliance with the standards reached by the monitored NGOs.</p>
Sweden	Svensk Insamlingskontroll	<p>The aims are that:</p> <ul style="list-style-type: none"> <li>- Public fundraising driven for humanitarian, charitable and cultural and other socially beneficial purposes is carried with satisfactory monitoring.</li> <li>- Fundraising is not saddled with unreasonable expenses.</li> <li>- Sound marketing methods are used for the fundraising sector.</li> <li>- Suitable methods for the fundraising are developed.</li> </ul>	A non-profit association.

Country	Organization	Statutory objectives	Legal status and structure
Switzerland	ZEWO	<p>Zewo foundation is a monitoring organization for public benefit organisations that are involved in fundraising in Switzerland. It strives to promote transparency and integrity in fundraising and verifies that the organisations use the funds entrusted to them in a conscientious manner. Organisations that comply with its requirements are awarded the Zewo seal of approval.</p> <p>The Zewo seal of approval certifies that the donations will be used economically, effectively and for their designated purpose. It stands for organisations which offer transparent information and true and fair financial reporting, have independent and appropriate control mechanisms, provide open communications and which procure their funds in a fair manner.</p> <p>In addition to that, Zewo provides information about donating and fundraising charities.</p>	<p>Since 2001 Zewo is a foundation according to private law. As such it has no members. The board of the foundation is built by independent members and representatives of important stakeholders, such as donors (represented by consumer organizations), public administration and public benefit organizations. The composition of the board has to be balanced, single interest shall not override.</p> <p>Zewo is tax exempt for its public benefit status, but has to pay VAT for the services provided.</p> <p>The independent status of Zewo is important for its credibility and reputation. It is reflected by the composition of the board, by the sources of the financial capital of the foundation provided by public funds as well as by avoiding lobbying activities.</p> <p>The donor advisory service and the monitoring services are conducted by the staff of Zewo, supported by certified auditors of the auditing committee. Decisions of renewal or refusal of the seal are taken by the board of Zewo. The Zewo Board also decides about the content of the standards for the seal.</p> <p>The board elects its members, the member of the committees of the board, the members of the committee for financial assets, the members of the arbitral court, the members of the audit committee and the executive director and the external auditors.</p>

Taiwan	TWNPOS	<p>Strengthening the trust of the public towards NPOs, as well as helping donors to better understand the operations of NPOs. At the same time, we also aim to encourage NPOs to achieve organizational accountability in order to further the philanthropic image and social mission of NPOs.</p> <p>Initially, 30 renowned organizations from diverse fields came together to form the Taiwan NPO Self-Regulation Alliance. Their hope was to create an environment conducive to the development of NPOs by actively advocating for self-regulation and a better legal framework.</p> <p>After two years of intensive preparations, the Alliance was formally established on October 2005 with 63 members who made the pledge of self-regulation and agreed to achieve the goals:</p> <ul style="list-style-type: none"> <li>- Organizational governance.</li> <li>- Fundraising accountability</li> <li>- Service efficiency</li> <li>- Financial transparency</li> </ul>	<p>Association (according to Civil Associations Act).  Assembly-board committee-secretariat-supervisor.</p>
USA	BBB	<p>To help donors make informed giving decisions and to strengthen the accountability of charitable organizations.</p>	<p>The BBB Wise Giving Alliance is tax exempt as a charitable organization under section 501(c)(3) of the Internal Revenue Code of the U.S. It is also affiliated with the Council of Better Business Bureaus, which is the national office of the Better Business Bureau system. The Alliance reports on nationally soliciting charitable organizations. Of the 116 local Better Business Bureaus in the U.S. and Canada, 55 of them report on local charities.</p> <p>The analysts hired by the Alliance have a Master's Degree in Non-profit Management or a related field. Many of them have worked at charitable organizations prior to joining the Alliance staff. The analyst staff work under the supervision of a Chief Operating Officer who has over 30 years of experience in BBB reporting on charities.</p>

USA	ECFA	<p>ECFA is committed to helping Christ-centered organizations earn the public's trust through developing and maintaining standards of accountability that convey God-honouring ethical practices.</p> <p>ECFA is an accreditation agency dedicated to helping Christ-centered organizations earn the public's trust through adherence to Seven Standards of Responsible Stewardship™, which focus on board governance, financial transparency, integrity in stewardship /fundraising, and proper use of charity resources.</p> <p>Founded in 1979, Members include Christian ministries, denominations, churches, educational institutions and other tax-exempt 501(c)(3) organizations. Collectively, these organizations represent nearly \$20 billion in annual revenue.</p> <p>ECFA membership entitles a ministry to use the ECFA seal and receive other membership benefits. The continuing use of the seal depends on the ministry's good faith compliance with all ECFA Standards.</p>	U.S. 501 (c)(3) - Public Charity.
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## 2.3 BOARD, STAFF, REVENUE

Country	Organization	Composition of the Board	Number of employees and FTE	Annual Revenue 2011 (or 2010)
Belgium	Donorinfo	<p>Mark Lambrechts (chairman), Martine Boone, Erik Delembre, Suzanne Van Well.</p> <p>None of Donorinfo's board members represent institutions or organizations, but all have been selected based on their expertise (auditing, communication, legal, etc). The kind of representation is not fixed in Donorinfo's Memorandum of Association (statutes), but should reflect society's diversity (in gender, belief, etc.).</p>	<p>1.5 (FTE) 3 volunteers</p>	180,024 €
Canada	CCCC	<p>The CCCC board is elected from the members of the corporation. There are forty-four corporate members and a board of twelve. Board members are elected to three-year terms and may serve for six consecutive years before taking at least a one-year break. Board terms are staggered so that each year there are four members who are up for re-election.</p> <p>The CCCC corporate membership includes representation from various sectors of our work as well as different geographic locations across Canada.</p>	<p>18 full-time equivalent staff:</p> <p>Certification (1.3 FTE) Legal (1.4 FTE) Charity law/financial advisors (6 FTE) Administrative (5.3 FTE) Management (4 FTE) (also do technical and legal work)</p>	1,478,147 € (for year ended March 31, 2011).
China	CCIC	<p>Chenfu Zhan (President) 19 board members including government officers, entrepreneurs and Charity leaders.</p>	50 employees	8.78 million RMB (2011) (\$ 1.4 million)

Country	Organization	Composition of the Board	Number of employees and FTE	Annual Revenue 2011 (or 2010)
France	CC	<p><u>8 independent Board members</u>  Gérard de la Martinière: President  Jean-Pierre Duport: Vice-President  Edith Archambault  Anne Chanon  Bruno Gizard  Patrick Gounelle  Susan Liautaud  Philippe Rollier</p> <p><u>7 representatives of member organizations</u>  Gilles Paillard: General secretary (SOS villages d'enfants)  Axelle Davezac: Treasurer (Association pour la recherche sur le cancer)  Sylvie Mouchard (Ass. Paralysés de France)  Nathalie Blum (Ass. Petits Frères des Pauvres)  Olivier Lebel (Croix rouge)  Philippe Texier (Cimade)  Thierry Barthélémy (Medicins du Monde)</p>	5 employees (4.9 FTE)	<p>617,000 € (2011)  (or approx. 1,400,000 € when accounting for money value of time spent by volunteers contributing to CC management and operation).</p> <p>CC is financed mainly by the members' dues (82%) and by a public grant (18%).</p> <p>The contribution scale of member organizations is proportional to the amount of donations received in the previous year.</p>

Country	Organization	Composition of the Board	Number of employees and FTE	Annual Revenue 2011 (or 2010)
Germany	DZI	<p>Following DZI's statutes the Board consists of 5 members that have been nominated by the following institutions:</p> <ul style="list-style-type: none"> <li>- Senate of Berlin (Prof. Ingrid Stahmer, former member of the Senate of Berlin, Chairperson)</li> <li>- Association of German Chambers of Industry and Commerce DIHK (Dr. Ulrich Koch, Head of Finance &amp; Controlling DIHK, Deputy Chairperson)</li> <li>- Federal Ministry of Families, Seniors, Women and Youth, Ingo Behnel, Head of Department for Family Affairs)</li> <li>- German Association of Cities (Elona Müller-Preinesberger, Member of the city government, City of Potsdam)</li> <li>- Free Federal Association for Non-Government Welfare Work BAGFW, Dr. Gerhard Timm, Chief Executive)</li> </ul>	<p>22 employees (18 FTE):</p> <ul style="list-style-type: none"> <li>Donor Advisory Service (10,5 FTE)</li> <li>Literature Database (1,75 FTE)</li> <li>Library (0,75 FTE)</li> <li>Magazine "Soziale Arbeit" (0,75 FTE)</li> <li>Administration (2,75 FTE)</li> <li>CEO + Secretariat (1,5 FTE)</li> </ul>	<p>(2011)</p> <p>Own income 728,546 €</p> <p>Federal Government 320,000 €</p> <p>Senate of Berlin 185 000 €</p> <p>Others 60,591 €</p> <p>In total 1,294,137 €</p> <p>Revenue allocated to fields of activity:</p> <p>Own income:</p> <ul style="list-style-type: none"> <li>- seal-of-approval fees 620,000 €</li> <li>- other donor advice 11,000 €</li> <li>- magazine "Soziale Arbeit" 28,000 €</li> <li>- Literature Database/ Library 26,000 €</li> <li>- Interests 13,000 €</li> <li>- Other own income 30,546 €</li> </ul> <p>Subsidies Federal Government:</p> <ul style="list-style-type: none"> <li>- Donor Advisory Service (without seal-of-approval) 320,000 €</li> </ul> <p>Subsidies Senate of Berlin:</p> <ul style="list-style-type: none"> <li>- All DZI activities without donor advisory service 185,000 €</li> </ul> <p>Others (DIHK, BAGFW, Counties):</p> <ul style="list-style-type: none"> <li>- All DZI activities without donor advisory service 60,591 €</li> </ul>



Country	Organization	Composition of the Board	Number of employees and FTE	Annual Revenue 2011 (or 2010)
Italy	IID	<p>Edoardo Patriarca: Chairman (Forum Nazionale del Terzo Settore)</p> <p>Ugo Castellano: Vice-Chairman (Fondazione Sodalitas)</p> <p>Roger King: Treasurer (independent professional)</p> <p>Luigi Agostini (Forum Nazionale del Terzo Settore)</p> <p>Elisabetta Bonagiunti (CSVnet, the umbrella organization of Service Centers for the Support of Volunteering)</p> <p>Gianfranco Cattai (Chairman of AOI – Italian Association of NGOs for international cooperation)</p> <p>Adriano Motta (Fondazione Sodalitas)</p> <p>Piero Pedralli (Fondazione Sodalitas)</p> <p>Antonio Salvi (Fondazione Sodalitas)</p>	<p>5 employees (4,5 FTE):</p> <ul style="list-style-type: none"> <li>- Associates Relations (2 FTE)</li> <li>- Communications (1 FTE)</li> <li>- Marketing &amp; promotion (1 FTE)</li> <li>- Administration (0,5 FTE)</li> </ul>	<p>(2011)</p> <p>395,167 €</p> <ul style="list-style-type: none"> <li>- seal-of-approval fees 165,350 €</li> <li>- grants for core mission 200,000 €</li> <li>- founders' fees 6,000 €</li> <li>- supporting member's fee 10,000 €</li> <li>- service activities 21,222 €</li> </ul>
Mexico	Confio	<p>Enrique A. Hernández Botello: Chairman</p> <p>Board composition must include members of the following organizations or groups:</p> <p>Telefónica Foundation, Mexico (2 members)</p> <p>Fundación del Empresariado Chihuahuense, Mexico (2 members)</p> <p>Fundación Lealtad, Spain (1 member)</p> <p>Centro para el Fortalecimiento de la Sociedad Civil, Mexico (1 member)</p> <p>Instituto Tecnológico de Estudios Superiores de Monterrey, Mexico (1 member)</p> <p>Academics and experts (5 members)</p>	<p>5 employees:</p> <ul style="list-style-type: none"> <li>1 Executive Director</li> <li>1 Director of Analysis</li> <li>3 Analysts</li> </ul>	<p>1,424,336 Mexican pesos (2011)</p>

Country	Organization	Composition of the Board	Number of employees and FTE	Annual Revenue 2011 (or 2010)
Netherlands	CBF	<p>Joan de Wijkerslooth de Weerdesteijn: Chairman - independent member</p> <p>Erika Marseille: Treasurer - independent member</p> <p>Simon Cohen - independent member</p> <p>Jacob Nawijn - Mayor of Hollands Kroon, member on the proposal of the Association of Dutch Municipalities</p> <p>Antje Raven - Mayor of Hellendoorn, member on the proposal of the Association of Dutch Municipalities</p> <p>Jan de Ruiter - Mayor of Zevenaar, member on the proposal of the Association of Dutch Municipalities</p> <p>Theo Schuyt - independent member</p> <p>Johannes Stam - member on the proposal of the Association of Fundraising Organisations</p> <p>vacancy - member on the proposal of the Association of Fundraising Organisations</p>	22 employees (18,6 FTE)	<p>1,700,000 € (2010)</p> <p>subsidy Ministry of Justice 278,259 €</p> <p>seal-of-approval fees 1,105,234 €</p> <p>fees local governments 233,649 €</p> <p>collection plan organizations 51,213 €</p> <p>interests 33,577 €</p> <p>other own income 26,502 €</p>
Norway	IK	<p>The Board consists of seven members. According to the statutes, the majority of IK's board members can not be involved in collection activities.</p> <p>The Norwegian Bar Association and the Norwegian Institute of Public Accountants shall each be entitled to appoint one member. The remaining two independent members of collection activities had to be persons with legal, financial, professional accountant or other relevant backgrounds and experience in the public or private sectors.</p> <p>The board consists of: Bernt Apeland (chair man), Svein- Arne Martinsen, Therese Fevang, Wilhelm Klose, Ole Kleppe, Leila Raustøl, Nina Solberg</p>	<p>2 employees: 1 secretary 50 % of full time, CEO engaged on an hourly basis. All audit services and control actions performed by dedicated Chartered Accountants</p>	<p>(2010) 1,800,000 NOK</p>

Country	Organization	Composition of the Board	Number of employees and FTE	Annual Revenue 2011 (or 2010)
Spain	FL	<p>The Board consists of 12 members; 7 individuals and 5 institutions:</p> <p>Salvador García-Atance: Chairman  Fundación Mutua Madrileña (represented by Ignacio Garralda: Vice-Chairman)  Cecilia Plañiol: Treasurer  Laura Abasolo  Joaquín García-Quirós  Pedro Guerrero  Gonzalo Ulloa  Alfred Vernis  Banco Santander (represented by Juan Manuel Cendoya)  Deutsche Bank (represented by Antonio Losada)  Fundación Juan-Miguel Villar Mir (represented by Silvia Villar Mir)  PwC Spain (represented by Enrique Fernández-Miranda y Lozana)</p>	<p>9 full-time employees  3 part-time employees  3 volunteers</p> <p>Analysis Department (5 FTE, 2 PTF, 1 volunteer)  Institutional Relations Department (1 FTE, 1 volunteer)  Marketing and Communication Department (1 FTE, 1 PTE, 1 volunteer)  Administration (1 FTE)  CEO (1 FTE)</p>	<p>620,755 € (2011)</p> <p>62% by institutions and private corporations  20% by individuals members of the board of trustees  17% granted by the public administration</p>
Sweden	Svensk Insamlingskontroll	<p>Nils Dexe: President</p> <p>Members:</p> <ul style="list-style-type: none"> <li>- Far (The professional institute for authorized public accountants, approved public accountants and other highly qualified professionals in the accountancy sector in Sweden)</li> <li>- The Swedish Trade Union Confederation (LO)</li> <li>- The Confederation of Swedish Enterprise (Svenskt Näringsliv)</li> <li>- The Swedish Confederation of Professional Associations (Saco)</li> <li>- The Swedish Confederation of Professional Employees (TCO)</li> </ul> <p>They choose a Board member each, the Secretary General is also a member. These Board members choose the President.</p>	(2,8 FTE)	Total income 2011 was 5,278,000 SEK (625,000 Euro). The income came from fees.

Country	Organization	Composition of the Board	Number of employees and FTE	Annual Revenue 2011 (or 2010)
Switzerland	ZEWO	<p>The board of directors consists of a minimum of 9 members. The chairperson and one member are nominated by the founding organizations (Schweizerische Gemeinnützige Gesellschaft). One member is nominated by the Conference of the Justice- and Police departments of the states. Otherwise the board constitutes itself by independent members and representatives of important stakeholders like consumer organizations or NGOs. All members are elected for a term of 4 years. Boardmembership is limited to 12 years. Current members are:</p> <ul style="list-style-type: none"> <li>- Trix Heberlein, President, since 2008</li> <li>- Ernst Züst, Vice-President, Independent member, since 2001</li> <li>- Markus Egger, Swiss Red Cross, since 2001</li> <li>- Esther Girsberger, Independent member, since 2010</li> <li>- Bernhard Gmür, independent member, since 2009</li> <li>- Robert Müller, independent member, since 2010</li> <li>- Peter Niggli, Alliance Sud, since 2007</li> <li>- Gian Reto Raselli, WWF, since 2011</li> <li>- Regula Stern-Griesser, consumer-organizations, since 2001</li> <li>- Beat Villiger, Head of Justice- and Police Department Zug, since 2011</li> </ul>	<p>8 Employees = 5,4 FTE (assisted by 5 auditors of the audit-committee)</p> <p>3 (2,4 FTE) = Monitoring and Seal</p> <p>2 (1,1 FTE) = Information and Administration</p> <p>1 (0,6 FTE) = Webmaster/IT-support/Layout</p> <p>1 (0,3 FTE) = Accounting</p> <p>1 (1 FTE) = CEO</p>	<p>CHF 1 109 952:</p> <ul style="list-style-type: none"> <li>- Income from monitoring activities and seal: CHF 822 382</li> <li>- Income from public funds: CHF 31150</li> <li>- other income CHF 255 993</li> </ul>
Taiwan	TWNPOS	<p>The Board members are elected from members in the assembly. Every term is 3 years.</p>	<p>4 full-time employees:</p> <ul style="list-style-type: none"> <li>Member Relation (1 FTE)</li> <li>Marketing and Communication (1 FTE)</li> <li>Administration (1 FTE)</li> <li>Project Executive (1 FTE)</li> </ul>	<p>(2011) Total: \$ 123,700</p> <p>Member fee: \$ 10,208</p> <p>Donation (Private/Enterprise/Group) : \$ 15,336</p> <p>Subsidies (Government/Group) \$ 98,062</p> <p>Interests \$ 94</p>

Country	Organization	Composition of the Board	Number of employees and FTE	Annual Revenue 2011 (or 2010)
USA	BBB	<p>The bylaws of the Alliance require a board size of 13 to 21 members. Currently there are 16 voting board members. The Alliance board seeks to include a diversity of expertise on its board including attorneys, corporate contribution executives, foundation executives, academics, charity trade associations, former government regulators, local Better Business Bureau CEOs, and other philanthropic experts. The current roster of the board follows:</p> <ul style="list-style-type: none"> <li>- David Ormstedt – Chair (Attorney / Consultant)</li> <li>- Myrl Weinberg – Vice Chair (President, National Health Council)</li> <li>- Kate Guedj – Treasurer (Vice President, Philanthropic &amp; Donor Services, The Boston Foundation)</li> <li>- Audrey Alvarado - Secretary (Senior Consultant Mosaica: The Center for Nonprofit Development and Pluralism)</li> <li>- Evelyn Brody (Professor of Law, Chicago-Kent College of Law)</li> <li>- Michelle L. Corey (President, BBB / St Louis)</li> <li>- John A. Edie (Director, Exempt Organizations Tax Services PricewaterhouseCoopers LLP)</li> <li>- Karl E. Emerson (Montgomery, McCracken, Walker &amp; Rhoads, LLP)</li> <li>- Cindy M. Lott (Senior Counsel National State Attorneys General Program Columbia Law School)</li> <li>- Paulette Maehara (President (retired) Association of Fundraising Professionals)</li> <li>- Char Mollison (Faculty and Program Coordinator Nonprofit Management Program Johns Hopkins University)</li> <li>- Joseph R. Reynolds (Communications Consultant Sundial Creative Services)</li> </ul>	<p>9 FTE, 1 Part Time</p> <p>FTE:  President &amp; CEO  Chief Operating Officer  Charity Analysts 5  Development/Fund Raising 1  Magazine Editor 1</p> <p>Part Time:  Administrative 1</p> <p>Also staff members of the affiliated Council of Better Business Bureaus provide administrative, personnel, media, accounting, legal, information technology and office services.</p>	<p>Total revenue (2011): \$ 2 018 129</p> <p>Charity Seal Revenue: \$ 1 330902  Contributions and Grants: \$ 654 011  Other: \$ 33 216</p>

		<ul style="list-style-type: none"> <li>- Patrick Rooney (Executive Director Center on Philanthropy at Indiana University)</li> <li>- Claire Rosenzweig (President, BBB / Metropolitan New York)</li> <li>- Mark Shamley (President Association of Corporate Contributions Professionals)</li> <li>- Cass Wheeler (Strategic Consultant/ Coach /Speaker)</li> <li>- H. Art Taylor – Ex Officio (BBB Wise Giving Alliance)</li> </ul>		
USA	ECFA	<p>Board is comprised of 14 leaders within the religious community. Board members are elected by ECFA members for three year terms.</p> <p>Mark Holbrook, Chairman of the Board.</p>	15 full-time employees and 10 part-time employees.	\$ 2,707,324 (2011)

## 2.4 VOLUNTEERS IN THE MONITORING ORGANIZATIONS

Country	Organization	Does your organization's office work with volunteers? If yes, in which positions?
Belgium	Donorinfo	Yes, with some translators French-English, one legal advisor and one ex-CEO, who provide from time to time extra support.
Canada	CCCC	Does not work with volunteers on a regular basis.
China	CCIC	Yes. IT Engineers.
France	CC	CC relies mainly on volunteers who are in charge of the monitoring and accreditation of the member organisations and of its governance. More than 120 high level volunteers acting as auditors with experience of business and/or control work for the monitoring body of CC ("Corps de contrôle" chaired by Maryline Daudin). They receive an intensive training on the different aspects of their mission, as well as on the CC standards and requirements. These training sessions are run by senior volunteers. The auditors are given a 3 year mandate to monitor one organization, each mandate can be renewed only once in the same organisation. They must have no conflict of interest (financial or moral) with the organisation they monitor. Each volunteer spends between 30 to 40 working days every year to do the monitoring. They report their findings on a annual basis to the Committee of accreditation and control.
Germany	DZI	No. However, DZI provides training via unpaid internships. And, membership in DZI's board (which is not engaged in operational work) in an unpaid activity.
Italy	IID	All Board members as well as Technical Review Committee members serve as volunteers. In addition IID takes advantage of a number of high level experts who cooperate in IID's educational activities (fiscal problems, privacy, work safety, etc.)
Mexico	Confio	Yes, membership in Confio's governing board (which is not engaged in operational work) is an unpaid activity. And, one person (lawyer) for the legal documents.
Netherlands	CBF	No.
Norway	IK	No.
Spain	FL	Yes. Volunteers collaborate in the management of Fundacion Lealtad's websites, the review of the documentation provided by charities to be monitored, the promotion of collaboration between corporations and charities, the relationship with the media, the elaboration of corporate publications, etc.
Sweden	Svensk Insamlingskontroll	No.
Switzerland	ZEWO	The board of Zewo is not paid for its work. Also, five auditors review the audited and published financial statements on a reduced mandate fee. Otherwise, we do not work with volunteers.
Taiwan	TWNPOS	Yes. We have external audit, the consultant such as scholar or expert, and Boards who work as volunteers, an unpaid activity.
USA	BBB	No.
USA	ECFA	Yes, board and committee members serve in a voluntary capacity. ECFA may also utilize volunteers on special projects.

## 2.5 MONITORED ORGNIZATIONS: NUMBER, INCOME

Country	Organization	Number of sealed / accredited / monitored organizations on December 31st, 2011	Total income (national currency) in 2010 of the sealed / accredited / monitored organizations on December 31st, 2011
Belgium	Donorinfo	226	659 910 382 €
Canada	CCCC	183	1 151 908 109 €
China	CCIC	1,000	n/a
France	CC	74	About 5 billion € (3/4 in the top 10)
Germany	DZI	263 sealed / 340 monitored in total	4 billion € (2009)
Italy	IID	2011 (2012) Full membership Associates / Seal holders: 62 (60)  Candidate Associates: 9 (10)	Full membership Associates / Seal holders: overall NPO total income 450 million € Candidate Associates: total income 10 million €
Mexico	Confó	3 published 18 in accreditation process	(2011) 57 475 248 mexican pesos
Netherlands	CBF	370 (359 Seals + 11 Declarations of no objection, for starting charities)	3 .4 billion €
Norway	IK	90	9.6 billion NOK (from 84 organisations)
Spain	FL	150	1 040 744 169 €
Sweden	Svensk Insamlingskontroll	384	1 620 000 000 €
Switzerland	ZEWO	496	2.8 billion CHF
Taiwan	TWNPOS	128	13,600,000,000 NTD (460,983,000 US-\$)
USA	BBB	456 (of which 338 have BBB Seal)	\$ 35 billion (all monitored charities)
USA	ECFA	1,613	\$ 20 000 000 000



## 2.6 MONITORING METHOD, OTHER DONOR ADVICE SERVICES

Country	Organization	Seal of Approval	Other donor advice services provided
Belgium	Donorinfo	Donorinfo does not have a seal of approval other than the permission for an organization to be published in the online database after approval by the team on the basis of a number of criteria set by the board, including financial transparency and external auditing. Nevertheless, public perception that Donorinfo is a quality label is growing.	No.
Canada	CCCC	The Canadian Council of Christian Charities Seal of Accountability. Short description: Seal of Accountability.	CCCC has a community trust fund where donors may gift shares and then distribute to one or more charities.
China	CCIC	No seal issued by CCIC. CCIC itself is 3A sealed by the Ministry of Civil Affairs of China.	Provide donation advice to Amway, Shenhua Group.
France	CC	From a donor point of view, the seal of approval delivered by the CC is a "label of trust" that confirms that basically, the organisation "says what it does and does what it says". It ensures the donor that the organisation to which he/she makes a donation operates properly and that his/her donation will be used by the organisation in accordance with his/her will. The accredited organisations have to affix this seal on all of their communication with the donors and other stakeholders.	No.
Germany	DZI	DZI Spenden-Siegel (DZI Seal-of-Approval), established 1992. <ul style="list-style-type: none"> <li>- Voluntary application by public benefit NPOs with more than 25 000 € annual money donations.</li> <li>- Application is own initiative by the relevant NPO, DZI does not actively advertise the application.</li> <li>- On average, 30% of the initial applications are not successful.</li> <li>- The DZI seal is intensely used by the German Foreign Office, and the Federal Ministry of Economic Development and Cooperation when they decide on providing subsidies to NGOs. Public and private TV companies and other media refer prominently to charities with DZI seal. Stiftung Warentest (nationwide testing agency) and 200 decentralized consumer advice centres regularly recommend consumers to use the DZI seal and other DZI donor advisory services.</li> </ul>	Beside of the DZI seal-of-approval, which is applied for on a voluntary base on on the NPOs own initiative, the DZI Donor Advisory Service documents individual and evaluated information on further 750 charities (which raise funds supraregionally), i.e. 350 permanent information on charities without seal, and approx. 400 basic files (not regularly updated) on charities without seal; DZI's website includes portraits and judgements of an increasing number of non-seal NPOs, also including negative judgements and warnings.

Country	Organization	Seal of Approval	Other donor advice services provided
Italy	IID	<p>Seal of Approval «Giving with trust» (Donare con Fiducia), established in 2004.</p> <p>Applicants must</p> <ul style="list-style-type: none"> <li>- have been established for at least two years</li> <li>- their income must at least be equal to 300,000 € or they should have in place development programs to reach that amount</li> </ul> <p>10% out of the over 70 NPOs that have entered the evaluation process in the period 2006-2012, were not successful.</p>	<p>An updated list of sealed NGOs is made available every six months to large donors. Specific presentations are carried out on request.</p> <p>Some advertising activity is carried on annually by year end.</p>
Mexico	Confio	<p>Confio's seal of approval is granted after a careful review of 9 principles and 36 sub-principles (Transparency and Best Practices Principles) - modeled after the analysis method of Fundación Lealtad in Spain and adapted to the Mexican context. The analysis results are published in a report, including non-compliances. There is no logo associated to Confio's model.</p>	<p>Confio promotes the concept of "responsible donation" among donors.</p>
Netherlands	CBF	<ol style="list-style-type: none"> <li>1. CBF Seal of Approval (Keurmerk), voluntary application by fundraising -charity- organizations that have been operating as such for a minimum period of three years.</li> <li>2. CBF Certificate for small charities, voluntary application by small fundraising -charity- organizations with less than € 500.000 annual money donations.</li> <li>3. CBF Declaration of no objection, for starting charity foundations.</li> </ol> <p>Both seals are accredited by the independent National Dutch Accreditation Council.</p> <p>The CBF Seal (CBF Keurmerk or CBF certificate) is intensely used by the Dutch Ministry of Foreign Affairs when they decide on providing subsidies to NGO's. Public and private TV companies and other media refer prominently to charities with CBF Seal. Local governments often ask advice from CBF when making a decision to grant a permit to collect. The Dutch Ministry of Finance as well as the Ministry of Security and Justice refer to CBF in political discussions with the Parliament.</p>	<p>Besides the 359 charity organizations with a CBF seal of approval, which is applied for on a voluntary bases, CBF also publishes financial information on approx. 1.000 charities without a seal. CBF does not give any judgement about the information provided by these charities.</p>

Country	Organization	Seal of Approval	Other donor advice services provided
Norway	IK	Our logo.	On our website we publish an extract of the financial statements and ratios showing percentage of collection costs, objectives expenses and administrative expenses. The Annual report of the Board and the auditor's report are published as well
Spain	FL	<p>Fundación Lealtad does not have a seal of approval program. The results of all analysed NGOs are published on foundation websites (www.fundacionlealtad.org and www.guiatransparenciaong.org) regardless the level of compliance to the standards reached by the NGO. FL does not rate NGOs neither elaborates a NGOs ranking. The analysis of transparency is provided free of charge to those NGOs who voluntarily request it. FL is the unique independent monitoring agency in Spain.</p> <p>To help donors to identify monitored NGOs, Fundación Lealtad has designed the "Analysed NGO logotype". Once its evaluation results are available online, each analysed NGO receives this logotype and an evaluation certificate that the organization can include in their communication and fundraising materials.</p>	<p>Donors can check NGOs analysis results on Fundación Lealtad website. <a href="http://www.fundacionlealtad.org">www.fundacionlealtad.org</a> contains an NGO search engine which allows donors to search for NGO on the basis of its field of activity, beneficiaries or geographical area of activity. Each NGO has a file where donors can access to complete information about the compliance or non-compliance with the Standards.</p> <p>Corporations which are members of FL also have access to personalized services and support that allow them to select which NGO to collaborate with and also which project suits them better for that collaboration:</p> <ul style="list-style-type: none"> <li>- Elaboration of tailor-made reports to identify the NGO and the projects that better fits into the social action strategy of the company.</li> <li>- Putting in contact the company with the NGOs selected by the company for collaboration and organization of the first meeting.</li> <li>- Dissemination of company proposals through Fundación Lealtad's website: cession of spaces, expertise, cause marketing campaigns, etc.</li> <li>- Support for the establishment of the different collaboration actions to promote the participation of the company's stakeholders (employees, customers, suppliers, etc.).</li> </ul>

Country	Organization	Seal of Approval	Other donor advice services provided
Sweden	Svensk Insamlingskontroll	In the early 40's there was an agreement between the Board of Inspectors for Enterprises and the Postal Giro Office that the Board should be in control of all six digits postal accounts starting with 90. This was taken over by the Swedish Fundraising Control which thus is in control of all postal accounts between 90 00 00-x to 90 99 99-x. Currently there is a corresponding new agreement with the Central Agency of the Bank giro Service. These 90 accounts between 900-000c to 909-999c are exclusively used for public fundraising by foundations and non-profit associations which have been approved by Swedish Fundraising Control.	No.
Switzerland	ZEWO	<p>The Zewo seal of approval was established in 1940 and it is unique in Switzerland. The label distinguishes those non-profit organisations which manage the funds entrusted to them in a conscientious manner. It is intended to assist individuals, institutional donors, authorities, church communities and companies in their decision-making process regarding donations, contributions, benefits, accreditations or sponsorship.</p> <p>The seal certifies that the donations will be used economically, effectively and for their designated purpose. It stands for organisations which offer transparent information and true and fair financial reporting, have independent and appropriate control mechanisms, provide open communications and which procure their funds in a fair manner.</p> <p>Any non-profit organisation based in Switzerland may apply for the Zewo seal of approval, if they believe that they meet Zewo's standards. The prerequisite for this is that the organisation is committed to carrying out social, humanitarian and socio-cultural tasks or to protect nature and the environment, and that it has been in existence for at least two years.</p>	The donor advisory service provides information on non-sealed organizations and about topics around donation. Warnings and a list of intransparent organizations are published on the website of Zewo <a href="http://www.zewo.ch">www.zewo.ch</a> . It handles complaints, if they are related with the Zewo standards.
Taiwan	TWNPOS	n/a	We don't have this kind of content.

Country	Organization	Seal of Approval	Other donor advice services provided
USA	BBB	<p>BBB Accredited Charity Seal. The seal is an optional activity for those charities that meet all 20 BBB charity standards that seek to place this logo on the charity's website and in fund raising appeals.</p> <p>Of the charities that provide requested information to the Alliance, 58% meet all BBB charity standards and 42% do not meet one or more of these standards. Charities that meet all BBB charity standards are called "accredited charities". There is no charge to the charity for this accreditation.</p> <p>Of the charities that meet all BBB charity standards (accredited charities), about two-thirds of them decide to also participate in the charity seal program to place this logo on the charity's website and in fund raising appeals. The Alliance does not refer to this seal as "a seal of approval" but as a logo that shows the charity meets BBB standards and is demonstrating its commitment to accountability.</p>	<p>The approximately 1,400 completed national charity reports are posted on the Alliance's website for free access for donors.</p> <p>On the rare occasion that the Alliance receives a complaint about a charity (for example, problems in address removal from a charity's mailing list), the Alliance will forward the complaint to the subject charity for a response. A summary of complaints, if applicable, is included in a charity report.</p> <p>Recently the Alliance engaged in a collaborative project about charity effectiveness with two other organizations: Independent Sector and GuideStar USA. The project sought to create a common framework for charities to report on their accomplishments, goals, strategies and progress. In 2011, the website <a href="http://www.charityingimpact.org">www.charityingimpact.org</a> was released to provide charities with a framework to provide this information by answering five questions. The Alliance intends to refer this as an additional donor resource for information on charity effectiveness.</p>
USA	ECFA	ECFA accredited.	ECFA provides a wealth of resources both in print and on its website <a href="http://ECFA.org">ECFA.org</a> . ECFA also provides a subscription service for organizations and churches that are not accredited through its NonprofitWise and ChurchWise programs.

## 2.7 IMPORTANT PUBLICATIONS

Country	Organization	Important publications
Belgium	Donorinfo	www.donorinfo.be
Canada	CCCC	<p>CCCC Bulletin - published 5 times per year with shorter articles written to keep CCCC members current on new legislation and other developments.</p> <p>CCCC Charities Handbook - a comprehensive resource for charities in the legal and financial area. View table of contents at <a href="http://www.cccc.org/cart/view_toc/book_ch">http://www.cccc.org/cart/view_toc/book_ch</a>.</p> <p>The Church at Work - a publication based on Dr. Pellowe's research on how Christian churches and agencies can work together effectively.</p> <p>Serving as a Board Member - DVD Training Set--training to prepare board members to serve well. View overview at <a href="http://www.cccc.org/cart/view_item/dvd_board">http://www.cccc.org/cart/view_item/dvd_board</a>.</p> <p>CCCC Stewardship Handbook.</p>
China	CCIC	<ul style="list-style-type: none"> <li>- Annual China Donation Report;</li> <li>- Annual China Charity Transparency Report.</li> </ul>
France	CC	<p>Every year CC publishes a barometer of trust in fundraising organisations, result of a SOFRES Population survey.</p> <p>CC does not publish any journal or review. Only about 12 press releases every year. But some board members or the CEO write articles, books or chapters on non-profit organisations, giving and volunteering, monitoring and control.</p>
Germany	DZI	<p>Magazine "Soziale Arbeit": monthly magazine covering theory and practice of social work, social pedagogy.</p> <p>DZI Spenden-Almanach: annual guide for donors with articles, short-infos for donors on 15 important issues, one-page-portraits of all sealed organizations, statistical annex with details on the structure and financials of all sealed organizations.</p> <p>Spendenmagazin: Annual newspaper supplement financed by advertisements; with information and advice how to donate wisely and how donations have been allocated by charities.</p> <p>Spenden-Siegel-Bulletin: bi-annual brochure listing names, addresses and bank account numbers of all sealed organizations.</p>

Country	Organization	Important publications
Italy	IID	<ul style="list-style-type: none"> <li>• Carta della Donazione the Italian Code of conduct for self-regulation of fund-raising activities in the nonprofit sector (first released in 1999 and then revised in 2011, taking into consideration the experience of its application in the years 2005 – 2010 )</li> <li>• IID brochure describing IID values, mission and activities</li> <li>• IID Social Report, issued every year.</li> <li>• Surveys and Research reports which can be downloaded from IID website.</li> <li>• IID Guidelines for self-assessment (the starting point of the evaluation process), which can be only accessed and downloaded by IID full members or candidates.</li> </ul>
Mexico	Confio	Support documents portfolio (Portafolio de documentos de apoyo). It included a guide to help the ONGs to have Best Practices, it is only available online ( <a href="http://www.confio.org.mx">www.confio.org.mx</a> ).
Netherlands	CBF	<p>Financial results and trends of charity organizations in the Netherlands, 2010 CBF.</p> <p>Annual report CBF, 2010.</p> <p>Register of charity organizations, public database (<a href="http://www.cbf.nl">www.cbf.nl</a>) of known charity organizations with financial information. The CBF-sealed organizations are mentioned separately with detailed financial information.</p> <p>ANBI-register of 50.000 tax exempted charity organizations (it's a link at <a href="http://www.cbf.nl">www.cbf.nl</a> to the website of the Dutch Tax Authority).</p> <p>Annual report of collecting street donations.</p>
Norway	IK	<p>On our website we publish the following for all registered organizations:</p> <ul style="list-style-type: none"> <li>• extract of the financial statements and ratios showing percentage of collection costs, objectives expenses and administrative expenses;</li> <li>• the Annual report of the Board and the auditor's report;</li> <li>• name and birth date of all board members (the purpose is that to make these searchable in relation to other activities);</li> <li>• organization's statutes.</li> </ul> <p>In collaboration with the Norwegian Fundraising Council (Norges Innsamlingsråd) we publish an annual report concerning trends, challenges and statistics regarding incomes etc.</p>

Country	Organization	Important publications
Spain	FL	<p>Solidarity's Transparency. Fundación Lealtad's first publication edited in 2001 with the collaboration of local public administration (Madrid). It included articles introducing NGOs accountability in Spain, signed by representatives of public administration, NGOs and social platforms, and university professors.</p> <p>Transparency and Best Practices Guide to Spanish NGOs. This annual guide includes the results of the evaluation of NGOs monitored by Fundación Lealtad. From 2002 to 2009 this guide was published annually in paper and distributed to institutional donors, individuals, public administration, etc. Since June 2010, in order to provide donors update information, the guide is only available online (<a href="http://www.guiatransparenciaong.org">www.guiatransparenciaong.org</a>).</p> <p>FL also edits its annual report that includes the complete list of monitored NGOs and a monthly newsletter. FL publishes several press releases every year about the Third Sector in Spain and the entity's activities. Board and Staff members write articles on charities monitoring, donations to NGOs, Social Corporate Responsibility, etc.</p>
Sweden	Svensk Insamlingskontroll	<p>On the basis of all the 90-account holders accounting to The Swedish Fundraising Control, we produce every year official statistics that we publish on our website. We produce individual statistics concerning some key numbers for the 90-account holders such as total income, equity capital, administrative percentage and purposes percentage and publish it on the website. It is the only statistics in Sweden concerning fundraising. On the website we also have information about the 90-account holders, information about withdrewed 90-account, press releases, newsletters, all standards and guidelines, our annual reports.</p>
Switzerland	ZEWO	<p>Focused on donors / public:</p> <ul style="list-style-type: none"> <li>- Guide for donations</li> <li>- Warnings and list of intransparent organizations</li> <li>- List of sealed organizations and data-base of sealed organizations</li> <li>- Magazine about donations as supplement in Sunday newspapers (annual)</li> <li>- Press releases</li> <li>- Annual report</li> </ul> <p>Focused on NGOs:</p> <ul style="list-style-type: none"> <li>- Newsletter, Zewo-forum (quarterly)</li> <li>- Study about Cost-structure and Fundraising-Efficiency of NGOs (every 3rd year)</li> <li>- Guidelines for outcome and impact assessment in International Development</li> <li>- Statistics about donations and other income of NGOs (annual)</li> <li>- Zewo-standards</li> </ul>



Country	Organization	Important publications
Taiwan	TWNPOS	<ul style="list-style-type: none"> <li>- Monitoring fundraising - A comparative survey of ICFO members and their countries. (Chinese Translation)</li> <li>- Debating NGO accountability.</li> <li>- Standard for excellent NPO.</li> <li>- Charity Donation Destined for Social Welfare Funds Implementation Regulations.</li> </ul>
USA	BBB	<p>1,400 Reports on Nationally Soliciting Charities posted on <a href="http://www.give.org">www.give.org</a> website.</p> <p>Wise Giving Guide magazine published 3 times a year. Includes a cover story about charity accountability along with a summary list of its most current national charity evaluations.</p> <p>Full page ad in USA Today newspaper includes a list of those national charities that meet all of the BBB charity standards and also choose to participate in the BBB Accredited Charity seal program.</p>
USA	ECFA	<p>ECFA publishes multiple resources under both the ECFA name and ECFAPress. These resources are all available at <a href="http://ECFA.org">ECFA.org</a>. ECFA specifically publishes an annual Integrity Report providing a list of members and important updates about ECFA and its members.</p>

## 2.8 OTHER IMPORTANT ACTIVITIES

Country	Organization	Important other fields of activities (1)	Important other fields of activities (2)
Belgium	Donorinfo	n/a	
Canada	CCCC	<p>Answer approximately 18,000 to 20,000 calls and emails per year from CCCC members providing guidance and information.</p> <p>Annual conference bringing together experts in charity law, governance, human resources, stewardship &amp; fundraising, and administration.</p> <p>Regional seminars in major Canadian cities to provide training on specialized topics.</p>	<p>Group Employee Health Benefit Plan: Includes extended health care, short-term disability, long-term disability, life insurance, dental and vision benefit coverage. Participation in the plan is conditional on CCCC membership.</p> <p>Pension Plan: CCCC offers member churches and Christian charitable agencies the opportunity to provide their employees with retirement income. The plan is governed by a <u>board of trustees</u> and is administered jointly by CCCC and a large insurance company. The plan is registered with the Financial Services Commission of Ontario, Canada Revenue Agency and all provincial jurisdictions in Canada.</p> <p>CCCC offers other affinity programs providing discounts for a range of products and services.</p>
China	CCIC	<p>China Charity Award; China Charity Annual Conference.</p>	
France	CC	n/a	<p>CC organises many working groups for the member organisations on the overall situation of fundraising organisations and its current evolution, on the change of some standards of the code of ethics.</p> <p>CC supports its members with advice, it facilitates the transfer of knowledge between the members by helping them exchange on best practices in different domains. It also provides answers to donator's questions related to issues relevant to the CC charte.</p>

Country	Organization	Important other fields of activities (1)	Important other fields of activities (2)
Germany	DZI	<p>Library: one of the most comprehensive German language libraries in the field of social work and social pedagogy, including important publications in English language.</p> <p>Literature Database: consultation services, individual research for literature in the database DZI SoLit; more than 200 universities in Germany, Austria and Switzerland have subscribed to (paid) internet access to the database SoLit.</p> <p>Magazine "Soziale Arbeit": the monthly magazine was founded in 1951 and provides students, teachers, practitioners and scientists with articles, news, bibliographies covering the theory and practice of social work, social pedagogy.</p>	
Italy	IID	<p>The <u>IID Survey and Research Center</u> in Support of Italian Nonprofit Organizations:</p> <p>The main objective of the Center is to provide appropriate data and information in order to support the Italian non-profit sector to improve both management and strategy development systems.</p> <p>Major covered areas are:</p> <ul style="list-style-type: none"> <li>- Giving and Philanthropy</li> <li>- Fund raising</li> <li>- Performance measurement</li> </ul> <p><u>National Day of Giving:</u></p> <p>In order to establish an Italian National “Day of Giving” is to increase public awareness of the value of giving, (the approval of a specific law, is required) in 2011 an <i>ad hoc</i> promotional Committee was appointed. The Committee is chaired by Carlo Azelio Ciampi, former President of the Republic of Italy (1999-2006). Other members are prominent scholars and leaders from different backgrounds: Academia, Corporations, Foundations, NGOs.</p>	<p><u>IID project for small NPOs.</u></p> <p>The IID project for small NPOs (total income below 250,000€) aims to recognize accountable and well managed small voluntary associations which are too small to sustain IID accreditation procedures and costs. First established in 2010, the project became fully operational in 2011.</p> <p>Specific benchmark requirements and a simplified selection process has been designed to this purpose by IID.</p> <p>To make accessible to the public relevant information on these voluntary organizations (deserving to be mentioned for their transparency and fair management practices) IID publishes on its website a data base where web users can access useful information about the organization’s profile, behaviour and services.</p>
Mexico	Confío	<p>Confío has been invited to present itself at important forums in Mexico City, Ciudad Juarez and Saltillo to promote its non-profit model of transparency and good practices.</p>	

Country	Organization	Important other fields of activities (1)	Important other fields of activities (2)
Netherlands	CBF	Granting a Seal of Approval. Maintain and expand the knowledge library, facilitate information and documentation for research purposes and advising stakeholders and local authorities in the field of fundraising, database of charity foundations, advisory service to public.	
Norway	IK	In addition to control activities, we are keen to raise the awareness of donors and promote high ethical standards at all levels within organizations. Improving the quality of financial statements is central. We require the use of an accounting standard that is adapted to nonprofit organizations. This is necessary to ensure a proper evaluation and that the accounts are comparable and transparent.	
Spain	FL	<p>1. NGOs workshops: Fundación Lealtad is very much committed to assisting the Non-profit Sector in improving its transparency and management practices. Therefore, the foundation has developed Transparency and Best Practices Self-assessment and Improvement Workshops. They are directed to those NGOs which, although not yet in a position to submit their organization to an exhaustive analysis, are very much interested in improving the quality and transparency of the information they exchange with their various stakeholders. Also, to those NGOs that wish to upgrade their organizational practices with the aim of increasing their financing or collaborations. These workshops are partly funded by organisations or institutions interested in building NGOs capacity. Their content is based on the Standards of Transparency and Best Practices but is adapted to the requirements and preferences of the financing entity, with respect to their duration and the profile of the participating entities.</p> <p>2. Services to the business world: Fundación Lealtad promotes the collaboration between companies or other institutions and the analysed NGOs while making the corporations aware of the importance of the Standards of Transparency and Best Practices in its partnerships with NGOs. On one hand, analysed NGOs may incorporate their projects and financing needs in FL's project database, they have access to the proposals for collaboration submitted by companies and institutions, and may use an on-line donation tool.</p>	<p>On the other hand, companies and other institutions, by becoming members of Fundación Lealtad, have access to the FL's knowledge and experience developed since 2001: the complete reports of analysed NGOs and their executive summary, NGO's initiatives opened to entrepreneurial collaboration (project financing, sponsorships, solidarity campaigns, payrolls and activities directed to the companies' employees, etc.). The companies' contribution to projects of the analysed NGOs is made public on FL's website in order to encourage other companies to follow their example.</p> <p>3. FL supports new projects in Latin America, which consist on transferring Fundación Lealtad NGO analysis methodology and adapting it to the local sector context in Latin American countries. The purpose of this field of activity, is to develop and implement a transparency evaluation process for local civil society organizations. This process institutionally reinforces NGOs and promotes the trust of Latin-American societies in local organizations. The first project has been carried out in Mexico, where Asociacion Confio- Construyendo Organizaciones Civiles has developed the methodology and Standards to analyse Mexican NGOs and to provide this information to Mexican society.</p>
Country	Organization	Important other fields of activities (1)	Important other fields of activities (2)
Sweden	Svensk	No.	

	Insamlingskontroll		
Switzerland	ZEWO	<p>Organize and host annual conference for NGOs.</p> <p>Coordination dates of nationwide fundraising campaigns in a timetable as well as coordinate the date of broadcasting «mitenand - ensemble - insieme» at Swiss Television.</p> <p>Development of new guidelines for outcome and impact assessment for charities in Switzerland.</p>	
Taiwan	TWNPOS	<p>Capacity building (management and governance). Advocacy.</p>	
USA	BBB	<p>Produces media advisories about giving tips during the holiday season, after a disaster, and/or in response to emerging issues of concern for donors.</p> <p>Is one of 17 entities that participate on the Not-for-Profit Advisory Committee of the Financial Accounting Standards Board.</p> <p>From time to time, the Alliance is requested to provide testimony about charity accountability issues before the U.S. Congress.</p> <p>Makes presentations at various charity conferences throughout the year.</p>	
USA	ECFA	<p>ECFA has a robust compliance program including annual reviews of due diligence materials and financial statement of all its members, in addition to field reviews, and proactive compliance education through live events and webinars.</p>	

## 2.9 MONITORED ORGANIZATIONS: TARGET GROUP

Country	Organization	Which kind of charities are monitored by your organization, or are allowed to apply for the seal of your organization?
Belgium	Donorinfo	The charities monitored by Donorinfo are required to: <ul style="list-style-type: none"> <li>• in essence provide aid to people in need</li> <li>• be established in Belgium and have an enterprise number</li> <li>• rely on contributions from private persons and/or enterprises</li> <li>• be willing to provide information on their annual accounts in a transparent way and provide Donorinfo with an audit report annually.</li> </ul>
Canada	CCCC	Must be registered as a charity with Canada Revenue Agency and must subscribe to a Christian statement of faith or doctrinal statement.
China	CCIC	We are mainly monitoring the foundations, associations and people-run non-enterprise units. We rank them according to their transparency but don't seal.
France	CC	Public interest organisations, with more than 500,000 Euros of donations or legacies. Most of our monitored charities are in the fields of health, education, social services and international aid, but recently CC monitored some organisations in new fields: environment and animal protection, foundations created by public hospitals to boost their research. The public interest aim is verified when the organisation applies.
Germany	DZI	The DZI Seal-of-Approval can be applied for by legal entities with public benefit status that have received a minimum of 25,000 Euros money donations in the recent two budget years.  Outside the seal process, the DZI Donor Advisory Service will monitor those public benefit charities on which it regularly receives informational requests by the public. However, this basic monitoring is restricted to charities with humanitarian goals, or being engaged in conservation and environment protection, because the public subsidies which finance the DZI Donor Advisory Service do only cover those three issues.
Italy	IID	In theory, all kinds of NPOs mentioned in table 1.7 are allowed to apply for the IID seal, with the exception of large grant making foundations (former Banking Foundations), very large religious institutions, political parties, business associations, labour unions. Today, main areas of activity of monitored NPOs are: International Cooperation, Medical Research, Struggle against poverty and social exclusion, Health and social services, Community Foundations.
Mexico	Conffo	ONGs that: <ul style="list-style-type: none"> <li>- are legally constituted;</li> <li>- carrying out programs and projects of social benefit and / or environment;</li> <li>- have a minimum of two years of continuous work at the time of signing the collaboration agreement for analysis;</li> <li>- have externally audited financial statements for at least the last two financial years, preferably with relevant tax advice should be tax-exempt status.</li> </ul>

Netherlands	CBF	Large Fundraising Charities, Small Fundraising Charities and Beneficiaries of Good Cause Lotteries.
Norway	IK	Registration in the Registry Collection is voluntary. Conditions for registration are that the organization is a charity. There is no lower limit on the size of the organization. Nor is there any claim in relation to the organizational structure.
Spain	FL	Foundations and public benefit associations working on the fields of international development, social assistance and environment. to be monitored, the organizations must have developed more than two years of activity and have audited financial statements.
Sweden	Svensk Insamlingskontroll	A fundraising organisation that conducts public fundraising for humanitarian, charitable, cultural or other public benefit aims can be granted a 90-account. A precondition for being granted such an account is that the organisation's aim is sufficiently defined, so that it is possible to control. The legal entity must be a non-profit association, a religious community or a foundation. The organisation must have its domicile in Sweden.
Switzerland	ZEWO	In order to apply for the seal, charity needs to be a formal legal entity with a public benefit purpose (indication is the tax-exemption for public benefit reasons). The activities of the organization need to be dedicated to humanitarian, social a socio-cultural activities or to the environmental protection and animal care (new since 2013). The organization needs to be active at least for 2 years.  The donor advisory service is monitoring charities without the Zewo seal on which it gets information requests by the public and which could apply for the seal. The monitoring is limited on the published and publically available information.
Taiwan	TWNPOS	All kinds of Non-profit organisations working for the purpose of the public interest. Establishment of at least one year is basically conditioned.
USA	BBB	The BBB Wise Giving Alliance reports on nationally soliciting charities that have been the subject of recent public inquiries. A national charity can also ask to be evaluated if no inquiries have been received. About 54 of the 114 local Better Business Bureaus in the United States and Canada report on locally soliciting charities. Cumulatively, over 10,000 reports are produced on charities throughout the Better Business Bureau system.
USA	ECFA	ECFA provides accreditation to leading Christian nonprofit organizations that faithfully demonstrate compliance with established standards for financial accountability, fundraising and board governance. Members include Christian ministries, denominations, churches, educational institutions and other tax-exempt 501(c)(3) organizations.

### 3.1 WHO SETS THE STANDARDS AND WHO IS MONITORING?

Country	Organization	Rules / standards decided by	Monitoring conducted by
Belgium	Donorinfo	The Board.	The Donorinfoteam members.
Canada	CCCC	CCCC staff in consultation with Standards Committee determine Standards. Staff determines rules and/or methods of monitoring.	Staff and professionals contracted for monitoring purposes.
China	CCIC	The CCIC and some experts.	CCIC.
France	CC	<p>The board since 2008. Before this date, it was the General assembly through votes in the annual AGM or EGMs.</p> <p>However the decision on changes to be made to the Charte requirements follow a very stringent process. The Board first decides which parts of the Charte need to be revised and updated. Then the topics are discussed in working groups to which members, volunteers and permanent staff participate. The recommendations of the working groups are then reviewed by the deontology committee of the board before being submitted to the board for final approval. Generally, before the board committee submit the changes to the board for approval, all the members are asked to give their comments on the modifications that are submitted.</p>	<p>One or two volunteers acting as auditors, depending on the size of the organisation.</p> <p>More than 100 high level volunteers acting as monitors with experience of business and/or control work for the monitoring body of CC ("Corps de contrôle" chaired by Jean Chevallier). They receive an intensive training on the different aspects of their mission as well as on the CC charte standards and requirements.</p> <p>They are given a 3 year mandate to monitor one organization, each mandate can be renewed once in the same organisation. They must have no conflict of interest with the organisation they monitor.</p> <p>Members are monitored on an on-going basis.</p> <p>Each volunteer spends between 30 to 40 working days every year to do their job. They report their findings on an annual basis.</p>
Germany	DZI	Board of DZI.	DZI Staff: senior analysts with university degree.



Country	Organization	Rules / standards decided by	Monitoring conducted by
Italy	IID	The IID Board on recommendations by the Technical Review Committee (TRC).	<p>The monitoring process is based on:</p> <ul style="list-style-type: none"> <li>- Carta della Donazione the Italian Code of conduct for self-regulation of fund-raising activities in the non-profit sector (a revised and updated was released in 2011 taking into consideration the experience of its application in the years 2005-2010).</li> <li>- A manual containing the IID Guidelines for self-assessment.</li> </ul> <p>The monitoring process can be divided into 5 main steps with different responsibilities:</p> <p>Step 1. The applicant NPO is accepted by IID Board as IID Candidate Member based on the analysis of the NPO's:</p> <ul style="list-style-type: none"> <li>- statutes</li> <li>- latest annual reports</li> <li>- organization chart</li> <li>- website and other available information</li> </ul> <p>Step 2. Self-assessment by the applicant NPO:</p> <ul style="list-style-type: none"> <li>- with reference to 55 items (requirements) derived from the Charter for Donation - 2011 edition.</li> <li>- IID provides support as required.</li> </ul> <p>Step 3. An independent auditor carries out the audit review on the premises of the applicant NPO and prepares an audit report (findings and recommendations) which is submitted to the Technical Review Committee (TRC).</p> <p>Steps 4 &amp; 5 see column 'Result (accreditation or refusal) decided by.'</p>

Country	Organization	Rules / standards decided by	Monitoring conducted by
Mexico	Confío	<p>The rules and standards were decided in collaboration with Fundación Lealtad (Spain). For the development of these rules and standards Confío carried out research activities that can be grouped in 4 stages:</p> <ol style="list-style-type: none"> <li>1. Interviews and questionnaires with Mexican organizations and consultants;</li> <li>2. Interviews and questionnaires with academics, non-profit experts and donors;</li> <li>3. One-on-one interviews with non-profit organizations of different size, mission, and location;</li> <li>4. Pilot tests of the developed principles with 6 organizations.</li> </ol> <p>Finally, after this process, we established 9 principles and 36 sub-principles for Mexican organizations.</p>	Monitoring is carried out by the staff at Confío. Confío's analysts are experienced and trained to conduct the evaluation process according to our principles. Their work is based on a manual that contains the principles and the criteria that must be used to perform the analysis (monitoring).
Netherlands	CBF	CBF Board, after being advised on the standards by the Council of Experts.	CBF Bureau, analysts with specific knowledge or an university degree.
Norway	IK	Partly IK and partly the Ministry of Culture.	IK and our auditors.
Spain	FL	Fundacion Lealtad's Board decides and approves the standards of the monitoring. However, before submitting the standards to the approval of the Board Fundación Lealtad asks NGOs, public authorities, experts, NGO platforms, FL team members, etc. about their opinion and suggestions about the standards.	Fundacion Lealtad has its own staff of analysts. FL hires and trains them. The profile of these analysts is BA in Business Administration with 3 years experience in auditing or analysis and some experience in the NGO sector.
Sweden	Svensk Insamlingskontroll	The Board of Svensk Insamlingskontroll.	The staff with the help of two audit firms.
Switzerland	ZEWO	The Board of Zewo.	Staff of Zewo: analysts with university degree assisted by certified auditors of the certification committee.
Taiwan	TWNPOS	Board committee.	Member committee.

Country	Organization	Rules / standards decided by	Monitoring conducted by
USA	BBB	<p>The BBB Standards for Charity Accountability were last revised in 2003 in a project that took over three years to complete. An advisory panel of charities, government regulators, foundation executives, academics and others guided the development of the standards. A draft version was distributed to charities and donors and made available for comment for over a 12 month period. After comments were considered, the advisory panel provided the final version to the BBB Wise Giving Alliance board for its approval. As needed, the standards committee of the Alliance board meets to make adjustments in the applications of these standards.</p>	<p>A trained staff of 5 analysts completes reviews of national charities in relation to the BBB charity standards. All of them have a master's degree in non-profit management or a related field. Many of them have worked at charitable organizations before joining the Alliance staff.</p>
USA	ECFA	ECFA Board of Directors.	ECFA Staff.

### 3.2 DECISIONMAKING AND APPEAL PROCEDURES

Country	Organization	Result (accreditation or refusal) decided by	Appealing procedure
Belgium	Donorinfo	The team members - in case of problems: small consultancy team consisting of the founder, team members and 2 volunteers.	No appealing procedure.
Canada	CCCC	The results of monitoring are a staff decision.	First, applicants or members can ask staff to reconsider based on new information or clarifications. Ultimately, a final appeal to the board of directors is possible.
China	CCIC	CCIC.	None.
France	CC	<p>The member accreditation is granted every three years. During that period, reports of the volunteer monitors are presented on an annual basis to the president of the Commission d' Agrément du Comité (CAC) which is the body deciding on granting or cancelling the accreditations. (CAC is chaired by Philippe Moisan).</p> <p>At the end of the three year cycle, when the member accreditation has to be renewed, a special report is presented to the CAC which then decides to renew or not the accreditation.</p> <p>Then, the board, hearing the report and advice of the president of the Commission d'Agrément du Comité (CAC) and the advice of the committee of accreditation (mixing board members and members of the CAC) endorses the decision made by the CAC or asks it to re-examine the case.</p> <p>Most of the time decisions of the CAC calls for specific actions to eliminate minor non-compliance of the CC rules and requirements. They also include suggestions for improvements in matters not directly linked to the CC standards.</p>	<p>New application investigation is a very long process of some 18-24 months because most applicants don't meet all the standards and during this application they are followed by 2 monitors, a senior one and a new volunteer, helped by the Director of development. So there are very few applications which are rejected. Most of time if the organisation cannot meet the standards, it withdraws its application.</p> <p>If a new application is rejected, or if a member accreditation is not renewed, the organisation can use a special appealing procedure (since 2010; before that date, it was an informal discussion/bargaining). An appeal commission was recently created, chaired by an independent judge and including two CC board members and two independent members.</p>

Country	Organization	Result (accreditation or refusal) decided by	Appealing procedure
Germany	DZI	DZI Chief Executive based on the results of the monitoring and the respective recommendation elaborated by DZI staff.	Yes: Following the DZI Seal-of-Approval Guidelines DZI's Board appoints five independent individuals to build the appealing committee. Those individuals shall represent the following professions: Law, Economy, Media, NPO Management, Theology or Philology). An organization whose application has been rejected by DZI or from which DZI has withdrawn the seal can appeal the committee. The appeal must be submitted to the committee no later than one month after the negative DZI decision has been received by the NPO. Only in case of an application to prolong the validity of the seal, validity of the negative DZI decision will be postponed until the appealing committee has made its decision. Every decision of the appealing committee is immediately binding for DZI.
Italy	IID	<p>(continuation of column "Monitoring conducted by" where the first 3 steps of the evaluation procedure are described)</p> <p>Step 4. The TRC (Technical Review Committee) evaluates the audit report. If the compliance with the requirements of the Charter is verified, the TRC recommends the IID Board to accept the NPO as a Full Member Associate.</p> <p>Step 5. IID Board can decide either to reject or to accept the accreditation or to request further investigations, in agreement or disagreement with the TRC. In case of a positive appraisal, the Board:</p> <ul style="list-style-type: none"> <li>- accepts the NPO as Full Member</li> <li>- awards the Seal of Approval «Giving with trust»</li> </ul> <p>The Board has to justify in writing any decision which might contradict the TRC recommendations.</p> <p>The on site audit is repeated every year.</p>	No appeals procedure.

Country	Organization	Result (accreditation or refusal) decided by	Appealing procedure
Mexico	Confio	The result of the monitoring is decided by the staff. Confio's analysts are experienced and trained to conduct the evaluation process according to our principles. Their work is based on a manual that contains the principles and the criteria that must be used to perform the analysis.	Before publication, the analysis report is sent to the board chair or the executive director of the participating organization, in accordance with the terms of the agreement between Confio and the organization. The organization can appeal the result of any of the evaluated principles. If this is the case, the organization has the right to provide any additional / important information about the principle. Published reports may include an explanation about non-compliance from the organization's viewpoint.
Netherlands	CBF	The Seal of Approval Committee: Jacob Nawijn: Chairman - Mayor of Hollands Kroon Antje Raven - Mayor of Hellendoorn Jan de Ruiter - Mayor of Zevenaar  The Members of the Seal of Approval Committee are appointed by the Board.	There is an independent Commission of Appeals whose members are appointed by the board: Mrs T.A.C. van Hartingsveldt: Chairman Mr A.L.G.A. Stille: Vice-Chairman Mr G.P. van Ham Mr M.N. Hoogendoorn In case a seal of approval has been denied by the Commission of Seals, the applicant can file an objection within 6 weeks at the Commission of Appeals. The outcome decision of this Appeals Committee is a binding decision.
Norway	IK	The executive director / the board.	No.
Spain	FL	FL does not give any accreditation or certificate to the NGO. FL publishes a report with information regarding the NGO compliance of the FL Standards. The analyst carries out a monitoring report where he/she analyses the NGO compliance with the Standards. Once he/she has finished the NGO evaluation report, it is presented in an internal evaluation committee (integrated by all analyst and members of other Fundación Lealtad departments) that tries to guarantee the quality and homogeneity of all the reports. The analyst incorporates all the comments from that committee in the report, the Research Director reviews the report again and the Executive Director makes the final review of the report.	In case the NGO does not agree with the results of the monitoring, the NGO can incorporate "comments or disagreements" in the report, where they can explain their point of view. In this way, FL tries to obtain a balanced report, where both FL and NGO views are incorporated in the final report.
Sweden	Svensk Insamlingskontroll	The Secretary General. When in doubt the Board decides.	No, the organization can approve for the 90-account again.

Country	Organization	Result (accreditation or refusal) decided by	Appealing procedure
Switzerland	ZEWO	The formal application to the board decision is based on the analysis and may contain certain requirements with the NGO need to comply with in a certain delay in order not to lose the right to use the seal or to obtain the seal. The application to the board is discussed with and approved by the Executive Director before it will be submitted to the board for decision.	Yes, NGOs can refer a board decision about refusal or withdrawing of the seal to an arbitral court with five independent members.
Taiwan	TWNPOS	Board committee.	No.
USA	BBB	Trained Alliance staff complete the evaluations with the assistance of a complex computer program that helps analyse the initial data provided by the charity. No draft report is released to the charity until senior Alliance staff has reviewed the proposed contents. Charities always have an opportunity to review and comment on reports prior to posting on the Alliance website.	The charity reviews a draft of the proposed charity report. This usually results in correspondence between the Alliance and the subject organization. If the charity has concerns about finding(s), the staff will arrange telephone conferences with Alliance staff members and, if needed, an invitation to discuss the matter in an in-person meeting at the Alliance's offices in Arlington, Virginia.
USA	ECFA	ECFA Board of Directors, with at times, recommendations from a group of experts serving on a Standards Committee.	Decisions ultimately rest with the ECFA board of directors.

### 3.3 PUBLISHING RESULTS, AUDIT FREQUENCY, FEE STRUCTURE

Country	Organization	Publication monitoring result	Repetition review	Fee structure
Belgium	Donorinfo	On the website, by means of a threefold file: - project information (objective, activities/projects, needs), - general information (board members, fiscal certificate, bank account, number of employees, volunteers,...), - financial information per year (incl. audit information and detailed information on expenses and proceeds of the organization,...)	Annually.	No fee required, Donorinfo services are free to the public as well as for the organizations. Donorinfo wishes to preserve its independence and objectivity.
Canada	CCCC	Specific detail of monitoring reports are confidential, but the names of successful applicants and renewals are published on our website and in print media (eg. magazines/newspapers).	A desk review is conducted annually and an on-site review every four years.	A flat base fee (\$520 CDN in 2012), plus \$42/\$100 000 of donation revenue.
China	CCIC	Annual China Charity Transparency Report.	Annually.	No fee.
France	CC	Before publication, the organisation receives the results of a preliminary report and can answer. The definitive report must be transferred to the board of the NPO.  The names of organisations which are newly accredited are published on the CC website, with a short description of their action. A press release is a joint publication. It is the same when the accreditation is cancelled, or when the organisation chooses to leave the CC.  A list of all accredited organisations, with a short description of what they do, is provided on the CC website.	The members have to answer to a detailed questionnaire every year and there is a continuous monitoring by the volunteer(s) to identify non conformities to the CC standards.  Every three years, the accreditation is renewed, based upon the degree of conformity of the organisation with the CC rules and requirements (See II C 3).	The contribution scale of member organizations is proportional to the amount of donations received in the previous year (from 1670 to 13 240 euros). CC is now thinking to an amendment to monitoring fees, with a fixed part and a proportional one according to the level of the donations collected.



Country	Organization	Publication monitoring result	Repetition review	Fee structure
Germany	DZI	<p>Seal-of-Approval: The details of the monitoring findings and results are documented in an extensive DZI auditing report (approx. 5 to 15 pages) which is sent to the Board of the respective NPO. The report also includes recommendations or requirements to change certain proceedings. Whereas DZI promises to keep this auditing report confidential, the NPO is free to publish it. When an organization has been awarded the seal for the first time, its name, address and bank account will be published on the DZI website and printed in the bi-annual Seal-Bulletin (brochure). A one page portrait will be published on the DZI website and in the annual "DZI Spenden-Almanach" (book). The names of those organizations who have not successfully applied for the (annual) renewal of the seal, or who have not applied for a renewal will be published on the DZI website the following 12 months. The names of NPO whose initial application were rejected are not published by DZI.</p> <p>Donor Advisory Service (without seal-of-approval): Simultaneously to publishing any formal information on a certain NPO that information will be sent to that NPO, also stating that the information is free available to everyone via the DZI website. There are four different types of publishing a DZI information:</p> <p>1. If NPOs have sent all requested material to DZI (statutes, tax status confirmation, annual report, financial statements, fundraising/advertising material) and there is no clear negative evidence (especially with respect to the core criteria like fundraising ethics, governance, financial transparency and efficiency), a general information on the NPO will be produced by DZI, also stating the information behaviour towards DZI is open and that DZI does not recognize critical aspects.</p>	<p>DZI Seal-of-Approval: every year (revolving system, i.e. the one-year-periods of validity include four quarters of a year, which in most cases are not identical to the calendar year. Starting in 2014, DZI will make a full annual audit only every three years, if an NPO has already been awarded the seal three consecutive years. However, the "basic audits" in the two other years can be upgraded up to a full audit if necessary.</p> <p>Donor Advisory Service (without seal-of-approval): New information is requested annually from the NPOs. Information produced and published by DZI will then be adjusted to the new information if appropriate.</p>	<p>Seal-of-approval fees for the annual monitoring (as of Jan 1st, 2011):</p> <ul style="list-style-type: none"> <li>- initial fee 1.000 € (only first application)</li> <li>- basic fee 500 €</li> <li>- additional fee 0,035 per cent of total annual income</li> <li>- maximum overall fee (basic plus additional fee) for each annual assessment procedure is 12.000 €</li> <li>- VAT (19 per cent) will be added to the fee because the DZI seal is not included in the general tax-exemption of DZI</li> </ul>

		<p>2. If NPOs do not send any / or sufficient material to DZI and even their website does not provide all requested information DZI publishes a brief information on that NPO, also stating the month it has sent the most recent written request for information. The wording also states that on this insufficient basis DZI is not able to produce a judgement on this NPO, and that DZI regrets that an NPO which seeks public support does not provide sufficient information which would enable the DZI donor advisory service to complete an information on this NPO to be used by the interested public. On DZI's website, information on this kind of NPOs are listed in a section titled "Judgement not possible".</p> <p>3. If there is clear negative evidence concerning a certain NPO (especially with respect to the core criteria like fundraising ethics, governance, financial transparency and efficiency), an information on the NPO will be produced by DZI which states the critical issues and ends up with the judgement that because of the stated critical issues DZI cannot recommend to support this NPO. The sources to which the critical judgement is relating to can be part of the information provided to DZI by the NPO itself, or could even be provided by other sources (e.g. donors) in a quotable way. On DZI's website, these negative information on certain NPOs are listed in a section titled "Not recommended by DZI" and a subsection titled "Not worth to be supported".</p> <p>4. If the situation is identical to what was described above in No. 3 and, in addition, DZI sees an extraordinary significant public demand to get information on the respective NPO, the negative information and judgement is transferred to the subsection "DZI is warning" in section "Not recommended by DZI" on its website.</p>		
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Country	Organization	Publication monitoring result	Repetition review	Fee structure
Italy	IID	<ul style="list-style-type: none"> <li>Accredited member organizations are listed on IID's website</li> <li>An updated list of accredited members is sent to major donors every six months</li> <li>Small NGOs which follow basic transparency requirements are listed in a special database on IID's website.</li> <li>Press Releases are issued when a new Member is awarded the IID Seal of Approval</li> </ul>	Every year with an on-site visit.	Seal-of-approval fees for the annual monitoring: <ul style="list-style-type: none"> <li>- basic fee 1,250 €</li> <li>- additional fee 0.035% of total annual income</li> <li>- maximum overall fee (basic plus additional fee) for each year is 6.500 €</li> </ul>
Mexico	Confío	Confío does not offer a seal of approval to the participant non-profit organization. The end result of the process and monitoring is to inform to the public through our website about the compliance (or non-compliance) of each of the 36 evaluated principles for each participant organization. The published report describes the reasons why the organization is in compliance or non-compliance with each principle and sub-principle. Before the report is published, we carry out a group review with the participation of Confío's director and analysis team to make final decisions.	The evaluation process must be conducted every two years. Failure to do so implies being discharged from the program and removal from Confío's website.	There is no fee for participating organizations or for any service that Confío offers. Our operation costs are covered by gifts from grant-making foundations and donors that support transparency and good practices in non-profit organizations.
Netherlands	CBF	As soon as an organization has been awarded with the CBF Seal of Approval, the organization will be published on the website of CBF.	Annually basic audit on main lines, important chapters, 'deviations' and commitments, full audit once every 3 years.	CBF Keurmerk (Seal of approval): new € 2.925. Yearly fee depends on total income, ranking from € 445 yearly (small organization) until € 8.830 yearly (big organization). CBF Certificate (for small organizations): new € 505, yearly fee € 355.
Norway	IK	<p>The result is published on our website, i.e. the accounts and key numbers for each organisation.</p> <p>We also publish statistics from the total numbers from all organisations.</p>	Every year.	The annual fee is calculated in relation to total income exclusive public contributions. Fee is 20/00 (per thousand) for income up to NOK 10 million and 10/00 (per thousand) thereafter. The minimum fee is NOK 1,500 and the maximum fee is NOK 40,000, i.e. for revenues over NOK 30 million.

Country	Organization	Publication monitoring result	Repetition review	Fee structure
Spain	FL	<p>FL publishes a full report with the result of the monitoring. That report has the following structure:</p> <ol style="list-style-type: none"> <li>1) Basic data: in the first two pages.</li> <li>2) Executive summary: contains a description of the origin, mission, geographical presence, activities, financing, and monitoring and control systems of the NGO.</li> <li>3) Analysis of the 9 Standards, where FL explain in detail whether the NGO complies with each of the standards and why.</li> </ol> <p>The analysis results and the complete list of monitored charities are published on <a href="http://www.fundacionlealtad.org">www.fundacionlealtad.org</a> and <a href="http://www.guiatransparenciaong.org">www.guiatransparenciaong.org</a></p>	Charity evaluations are completed once every two years but can be amended at any time based on a change in charity practices.	FL charges no fees to the NGO for the monitoring.
Sweden	Svensk Insamlingskontroll	On the basis of the 90-account holders accounting to The Swedish Fundraising Control, we produce official statistics. We also publish individual key ratios for every organization.	Every year.	The annual fee is 0.065 % of the business income minus expenses for business activities. The minimum fee is SEK 5,000 and the maximum fee is SEK 60,000.
Switzerland	ZEWO	<p>The board decision is communicated to the NGO in a letter. The letter also includes the requirements the NGO has to comply with in a certain delay in order keep the seal. As soon as the NGO complies with the requirements, it gets the seal-certificate valid for 5 years.</p> <p>NGOs which no longer have the seal, are removed from the list of sealed organizations and the database. A list with the names of new organizations and of those which do not have the seal anymore is published on the website and in the annual report of Zewo. The list of intransparent organizations and the warnings are published on the website after a standardized process of information gathering.</p>	The entire monitoring process is automatically repeated every 5 years. It can be repeated earlier, if needed for a specific reason. In addition to that sealed organizations need to provide their annual report, the audited financial statements and the audit report to Zewo for a review every year.	<p>Annual fees for seal of approval (1.1.2012):</p> <ul style="list-style-type: none"> <li>- annual fee of 0,033 per cent of total income for up to a maximum of CHF 13 000 *</li> <li>- minimum annual fee CHF 500 / for subsidiaries CHF 300</li> </ul> <p>* reduced fees for handicapped homes</p> <p>Monitoring fees:</p> <ul style="list-style-type: none"> <li>- CHF 150 per hour (every 5 years)</li> <li>- First application Minimum CHF 2 500</li> </ul>
Taiwan	TWNPOS	On the website.	Every year.	Initial fee 100 USD, annual fee 65 USD (will be 100 USD from 2013).

Country	Organization	Publication monitoring result	Repetition review	Fee structure
USA	BBB	<p>Inquiries from the public about a particular national charity prompt an Alliance letter requesting that the charity complete an online questionnaire and provide certain basic documents (Federal tax form 990, financial statements, annual report and others as needed) within three weeks. (A charity may also file information on its own initiative.) If no response is received, a second letter is sent, again asking for a response within three weeks. If no information is then received, a third letter is sent; it encloses a draft report stating that the charity has not responded with current information and that the report will be distributed in two weeks if the information, again requested, is not received. The first letter and any letter enclosing a draft report are sent by certified mail.</p> <p>When a charity files requested information, it is used to produce a draft report. These reports list any standards not met, and provide a detailed explanation of why. In addition, the report includes information on the charity's mission, a description of the charity's programs, information on the organization's governance (including CEO compensation), fundraising activities, and a financial overview to provide users with information to assist them in making a giving decision. Also, the report will include, if applicable, information on any recent government actions taken against the charity as well as information about complaints the Alliance received from donors.</p> <p>The draft report is sent to the charity with a request for a response within three weeks. The Alliance often communicates regularly with the charity in this period, as the organizations are working to change practices in order to amend issues raised in the draft report. The</p>	<p>Charity evaluations are completed once every two years but can be amended at any time based on a change in charity practices.</p>	<p>Accredited charities (i.e., charities that have been evaluated and are found to meet all 20 BBB charity standards) have the option of signing a license and obtaining the BBB Accredited Charity seal for use on their website and fund raising appeals. Fees for nationally soliciting charities range from \$ 1,000 to \$ 15,000 based on the organization's total contributions revenue in the past year. A charity with donations under \$ 1 million would pay \$ 1,000 for the seal. An organization with more than \$ 100 million in contributions would pay \$ 15,000.</p>

		<p>final report, incorporating any appropriate changes made following the charity's response, is posted on the Alliance website. If the charity does not meet one or more standards, it has the option of inserting a comment in the report that describes its position on the matter.</p> <p>In addition, a summary of the findings is published in the Alliance's magazine, the Wise Giving Guide, issued three times a year. About 20,000 copies of each issue are printed. The magazine is sent to contributors to the Alliance and individual copies are distributed free on request.</p> <p>There is no charge to the charity for the accountability evaluation and reports are publicly available at no cost. Charities that meet all of the BBB charity standards are considered "accredited."</p>		
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Country	Organization	Publication monitoring result	Repetition review	Fee structure																																																																								
USA	ECFA	ECFA requires all of its members to meet all of the standards all of the time. If members are not able to remedy issues they no longer are eligible to be members.	Annually.	<p>The ECFA member fee is based on the highest of the following:</p> <p>A. Cash contribution income (Table A)</p> <p>B. Total revenue (Table B)</p> <p>Table A Cash Contributions of:</p> <p>At Least - But Less Than - Member Fee Is</p> <table border="1"> <tbody> <tr> <td>\$0</td> <td>\$250,000</td> <td>\$525</td> </tr> <tr> <td>\$250,000</td> <td>\$500,000</td> <td>\$675</td> </tr> <tr> <td>\$500,000</td> <td>\$1,000,000</td> <td>\$800</td> </tr> <tr> <td>\$1,000,000</td> <td>\$2,000,000</td> <td>\$925</td> </tr> <tr> <td>\$2,000,000</td> <td>\$3,000,000</td> <td>\$1,175</td> </tr> <tr> <td>\$3,000,000</td> <td>\$4,000,000</td> <td>\$1,325</td> </tr> <tr> <td>\$4,000,000</td> <td>\$5,000,000</td> <td>\$1,550</td> </tr> <tr> <td>\$5,000,000</td> <td>\$6,000,000</td> <td>\$1,900</td> </tr> <tr> <td>\$6,000,000</td> <td>\$7,000,000</td> <td>\$2,100</td> </tr> <tr> <td>\$7,000,000</td> <td>\$8,000,000</td> <td>\$2,400</td> </tr> <tr> <td>\$8,000,000</td> <td>\$9,000,000</td> <td>\$2,750</td> </tr> <tr> <td>\$9,000,000</td> <td>\$10,000,000</td> <td>\$2,950</td> </tr> <tr> <td>\$10,000,000</td> <td>\$11,000,000</td> <td>\$3,150</td> </tr> <tr> <td>\$11,000,000</td> <td>\$12,000,000</td> <td>\$3,350</td> </tr> <tr> <td>\$12,000,000</td> <td>\$13,000,000</td> <td>\$3,850</td> </tr> <tr> <td>\$13,000,000</td> <td>\$14,000,000</td> <td>\$4,150</td> </tr> <tr> <td>\$14,000,000</td> <td>\$15,000,000</td> <td>\$4,350</td> </tr> <tr> <td>\$15,000,000</td> <td>\$17,000,000</td> <td>\$4,850</td> </tr> <tr> <td>\$17,000,000</td> <td>\$20,000,000</td> <td>\$5,950</td> </tr> <tr> <td>\$20,000,000</td> <td>\$25,000,000</td> <td>\$7,250</td> </tr> <tr> <td>\$25,000,000</td> <td>\$50,000,000</td> <td>\$8,250</td> </tr> <tr> <td>\$50,000,000</td> <td>\$75,000,000</td> <td>\$9,750</td> </tr> <tr> <td>\$75,000,000</td> <td>\$100,000,000</td> <td>\$10,000</td> </tr> <tr> <td>\$100,000,000 &amp; UP</td> <td></td> <td>\$10,500</td> </tr> </tbody> </table>	\$0	\$250,000	\$525	\$250,000	\$500,000	\$675	\$500,000	\$1,000,000	\$800	\$1,000,000	\$2,000,000	\$925	\$2,000,000	\$3,000,000	\$1,175	\$3,000,000	\$4,000,000	\$1,325	\$4,000,000	\$5,000,000	\$1,550	\$5,000,000	\$6,000,000	\$1,900	\$6,000,000	\$7,000,000	\$2,100	\$7,000,000	\$8,000,000	\$2,400	\$8,000,000	\$9,000,000	\$2,750	\$9,000,000	\$10,000,000	\$2,950	\$10,000,000	\$11,000,000	\$3,150	\$11,000,000	\$12,000,000	\$3,350	\$12,000,000	\$13,000,000	\$3,850	\$13,000,000	\$14,000,000	\$4,150	\$14,000,000	\$15,000,000	\$4,350	\$15,000,000	\$17,000,000	\$4,850	\$17,000,000	\$20,000,000	\$5,950	\$20,000,000	\$25,000,000	\$7,250	\$25,000,000	\$50,000,000	\$8,250	\$50,000,000	\$75,000,000	\$9,750	\$75,000,000	\$100,000,000	\$10,000	\$100,000,000 & UP		\$10,500
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				<p>Table B</p> <p>Total Revenue:</p> <p>At Least - But Less Than - Member Fee Is</p> <table> <tr> <td>\$10,000,000</td> <td>\$30,000,000</td> <td>\$1,150</td> </tr> <tr> <td>\$30,000,000 &amp; UP</td> <td></td> <td>\$2,300</td> </tr> </table> <p>Fee Calculation</p> <p>Member fee for a full year will be:</p> <p>A. Based on cash contribution income (Table A)</p> <p>B. Based on total revenue (Table B)</p> <p>The fee is the highest of A or B.</p>	\$10,000,000	\$30,000,000	\$1,150	\$30,000,000 & UP		\$2,300
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\$30,000,000 & UP		\$2,300								



### 3.4 GOVERNING AND SUPERVISORY BODIES: COMPOSITION AND PAYMENTS

Country	Organization	Required minimum number of members of the governing or supervisory body	Required frequency of meetings of the governing or supervisory body	Conditions on number of paid members of the governing body
Belgium	Donorinfo	<p>Yes:</p> <p>The non profit organizations have a governing body (board of directors) and a supervisory body (general meeting of the members). The law provides the following : "The board of directors of a non profit organization is composed of three persons at least. However, if only three persons are members of the organization, the board of directors is only composed of two persons. The number of board members should always be less than the number of members of the organization."</p> <p>According to the law, the foundations only have a governing body (board of directors) and no supervisory body. As a consequence, the law only imposes that the board of directors of a foundation be composed of minimum three persons.</p>	<p>Yes:</p> <p>Governing body: minimum of 1 annual meeting to draw up the annual accounts of the previous year and the budget of the following year.</p> <p>Supervisory body (e.g. AGM): minimum of 1 annual meeting to approve the annual accounts of the previous year and the budget of the following year.</p>	No.
Canada	CCCC	Yes: 5.	Yes: two annually.	No.
China	CCIC	No.	No.	No.
France	CC	<p>Board: at least 3 members.</p> <p>AGM: half of the members present or represented.</p> <p>EGM: 2/3 of the members present or represented.</p>	<p>Board: at least twice a year.</p> <p>AGM: at least once a year.</p>	<p>None, because they have to be volunteers.</p> <p>Except very specific cases when the president or another board member works full-time s/he can be compensated and under the strict conditions précised by CC: the compensation has to be published by the NPO.</p>

Country	Organization	Required minimum number of members of the governing or supervisory body	Required frequency of meetings of the governing or supervisory body	Conditions on number of paid members of the governing body
Germany	DZI	<p>Yes:</p> <p>Governing body:</p> <ul style="list-style-type: none"> <li>- 3 members if all board members are unpaid.</li> <li>- 2 members if all members are paid and annual revenue of the NPO exceeds 10 million Euros in the two recent years.</li> </ul> <p>Supervisory body (e.g. AGM):</p> <ul style="list-style-type: none"> <li>- At the meetings of the supervisory body, members of the governing body, participants with family links to members of the governing body, and participants being dependent from members of the governing body or the organization itself (employees) shall not be the majority of the participants of the meeting.</li> </ul> <p>Extra Supervisory body:</p> <ul style="list-style-type: none"> <li>- 3 members.</li> </ul>	<p>Yes:</p> <ul style="list-style-type: none"> <li>- Board: minimum of 2 annual meetings.</li> <li>- Supervisory body (e.g. AGM): minimum of 1 annual face-to-face meeting.</li> <li>- Extra Supervisory body (obligatory if annual revenue of the NPO exceeds 10 million Euros in the two recent years): minimum of 3 annual meetings, of which at least 2 are face-to-face meetings.</li> </ul>	<p>Yes:</p> <p>2 members if all members are paid and annual revenue of the NPO exceeds 10 million Euros in the two recent years.</p>
Italy	IID	Yes: 3.	Yes: 2 Annually	No limitation, but any paid position must be justified by specific operational responsibilities (fund raising, admin, etc.)
Mexico	Confío	Yes: 5.	Yes: 4.	A maximum of 40% of the members of the governing body can receive direct or indirect economic benefits from the organizations.

Country	Organization	Required minimum number of members of the governing or supervisory body	Required frequency of meetings of the governing or supervisory body	Conditions on number of paid members of the governing body
Netherlands	CBF	Board 5 members. If there is a Supervisory body of at least 3 members, then the Board minimum number of members is: 1.	No.	The members of the governing board receive no remuneration as such, direct or indirect. A reasonable compensation for costs incurred by them on behalf of the institution and services rendered by them is not considered as remuneration and neither are attendance fees, provided they are not excessive. This does not prejudice the possibility of board members receiving remuneration in their capacity of employees if they are employed by an organization with a supervisory body. These compensations are shown and specified in the annual accounts.
Norway	IK	No.	No.	No.
Spain	FL	Governing body: minimum of 5 members. FL does not evaluate the Supervisory Body (Standard 1A).	Minimum of 2 meetings a year with a minimum attendance of 50% of the members (Standard 1B).	Maximum of 40% of members can receive any income coming directly from the NGO of indirectly through any linked organization to the NGO (Standard 1E).
Sweden	Svensk Insamlingskontroll	Yes, at least three regular members and three deputies.	No.	No.
Switzerland	ZEWO	Yes: Governing body: minimum of 5 independent members. If two are related with each other a minimum of 7 members is needed.	Yes: Regular board meetings are required. As much as needed. AGM is required at least once a year.	No. Exception: One employee can be delegated to the board as representative of the staff.
Taiwan	TWNPOS	15 for governing body and 5 for supervisory body.	Minimum of 2 meetings a year with a minimum attendance of 50% of the members.	No.

Country	Organization	Required minimum number of members of the governing or supervisory body	Required frequency of meetings of the governing or supervisory body	Conditions on number of paid members of the governing body
USA	BBB	Yes:  Standard 2 requires a minimum of 5 board members.	Yes: Standard 3 requires a minimum of three evenly spaced meetings per year of the full governing body with a majority in attendance, with face-to-face participation. A conference call of the full board can substitute for one of the three meetings. Meetings of the board's Executive Committee are not counted as a replacement for full board meetings.	Yes: Standard 4 calls for no more than one or 10% (whichever is greater) of voting board members should be either directly or indirectly compensated. Direct compensation consists of payments made by the organization to a board member. Indirect compensation refers to payments made by the organization to a relative of a board member.  In addition, the board's Chair and Treasurer should not be compensated.
USA	ECFA	5	2	Must be a minority of the board's composition.

### 3.5 MEMBER REQUIREMENTS FOR GOVERNING AND SUPERVISORY BODIES

Country	Organization	Conditions for being a member of the governing or supervisory body	Possibility to be a member of the governing or supervisory body and CEO at the same time	Ban on family links on the governing or supervisory body
Belgium	Donorinfo	No. Governing body: members are elected by the supervisory body.	Governing body: Yes. Supervisory body: Yes.	No.
Canada	CCCC	Yes. Majority must be Canadian residents. May not receive remuneration, be employee, or do business with the organization (with few exceptions).	No, a few exceptions.	No, but limited to less than 50%.
China	CCIC	No.	No.	No.
France	CC	No direct or indirect distribution of profit; no distribution of the assets of the NPO to the members or their family; contracts between the NPO and any member or kins are forbidden.	Generally speaking, the CEO can attend the board meetings but cannot vote to the Board meetings and AGM.	None.
Germany	DZI	Yes. Board: The majority of the Board members shall not be personally related to each other (family links) and not be depending from each other (e.g. employer/employee).  Extra Supervisory body: - members are elected by the supervisory body; - members are not also members of the governing body; - at least one member has to provide economic expertise and another member special expertise related to the NPOs activities; - no family links to members of the governing body; - no dependence from members of the governing body or the organization itself (employees); - no dependence from companies which are providing consulting or auditing services to the NPO. - the majority of the members of the extra supervisory body should not be member of that body for more than 10 years.	Governing body: Yes.  Supervisory body: Yes.  Extra Supervisory body: No.	Governing body: Not strictly, but members with family links shall not be the majority of members of the body.  Supervisory body: No, but members with family links to members of the governing body shall not be the majority of the members attending the body's meetings.  Extra Supervisory body: No, but members with family links to members of the governing body cannot be member of the extra supervisory body.

Country	Organization	Conditions for being a member of the governing or supervisory body	Possibility to be a member of the governing or supervisory body and CEO at the same time	Ban on family links on the governing or supervisory body
Italy	IID	IID verifies that the NPO Statute or the regulations/procedures (i.e. purchasing, grant making etc.) govern conflict of interest properly.	Yes, but with clear separation of duties specified in a formal governance document.	Grant making NPOs must appoint a special Committee to select projects to be funded avoiding any conflict of interest.
Mexico	Confio	None.	None, the CEO may not serve on the governing or supervisory body at the same time.	None if the organization provides full disclosure to the public.
Netherlands	CBF	The members of the supervisory body receive no remuneration as such, direct or indirect. A reasonable compensation for costs incurred by them on behalf of the fundraising institution and services rendered by them (not in their capacity of supervisor) is not considered as remuneration and neither are attendance fees, provided they are not excessive. These compensations are shown and specified in the annual accounts.	The members of the governing board of the fundraising institution are not to be board member, founder, shareholder, supervisor or employee of an entity with which the fundraising institution structurally conducts legal acts which are valuable in money. A member of the supervisory body is not allowed to be a member of the governing board or employee of the fundraising organization.	Close family or other comparable relations between members of the governing board as well as the supervisory body are not allowed.

Country	Organization	Conditions for being a member of the governing or supervisory body	Possibility to be a member of the governing or supervisory body and CEO at the same time	Ban on family links on the governing or supervisory body
Norway	IK	No.	Yes, but such a mix of roles may easily be in conflict with the ethical provisions on disqualification. The Board or an individual member of the Board shall not have commercial or financial interests or otherwise be involved in the activities of the organization, which can be suited to question the impartiality or independence of the decisions taken or the activities exercised.	No, but it will be a matter of identification and must be assessed specifically
Spain	FL	FL does not set any condition.	Yes: Fundación Lealtad's standards do not prohibit or impede members of the board to be CEO at the same time. However, if this is the case, Fundacion Lealtad discloses this fact in the organization's report.	FL establishes no bans. However, family links are disclosed in FL report.

Country	Organization	Conditions for being a member of the governing or supervisory body	Possibility to be a member of the governing or supervisory body and CEO at the same time	Ban on family links on the governing or supervisory body
Sweden	Svensk Insamlingskontroll	Yes, a board member may be resident in a country outside of the European Economic Area, provided at least half of the members or deputies are resident within said area. At least one of the board members, who can receive notifications on behalf of the fundraising organisation, must be resident in Sweden. 90-accounts are only granted if it is evident from the application that suitable individuals who are knowledgeable as regards economic matters are to be responsible for the fundraising organisation's operations. The board members and deputies must be of legal age and may not have been declared bankrupt or banned from engaging in business. Exemptions may be granted in certain cases by the Swedish Fundraising Control regarding the requirement that all members and deputies must be of legal age. In addition, the board members and deputies must not have a record for non-payment of a debt and/or due and unpaid tax liabilities. Credit information must be submitted regarding all members and deputies. Such information must not be more than four weeks old.	No.	No.
Switzerland	ZEWO	Yes. Members of the board shall not be employed by the organization. (Exception see before)  Members of the board shall not be personally related with the CEO/Executive Director.	Governing body: No. Exception, if both functions are unpaid.  Supervisory board: Yes.	Yes. Only two board members can be personally related to each other. In this case the minimum of the board members shall be 7 instead of 5.
Taiwan	TWNPOS	Elected from members in Assembly.	No.	Yes.



Country	Organization	Conditions for being a member of the governing or supervisory body	Possibility to be a member of the governing or supervisory body and CEO at the same time	Ban on family links on the governing or supervisory body
USA	BBB	No.	Yes. Per Standard 1, the board chair should not also serve as the organization's CEO.	Yes. While there is not a general ban on family links on the board of directors, Standard 4 states that no more than one or 10% (whichever is greater) of board members should be compensated, including indirect compensation where a board member's relative is paid by the charity.
USA	ECFA	No.	Must be a minority of the board's composition.	Same as previous.

### 3.6 GOVERNING AND SUPERVISORY BODIES: UNPAID ACTIVITIES?

Country	Organization	Does the membership of the governing or supervisory body have to be an unpaid activity?	Remarks
Belgium	Donorinfo	No.	Donorinfo does not impose “governance conditions” other than the one imposed by the law of June 27, 1921 on non profit organizations, international non-profit organizations and foundations. Contrary to non-profit organizations, there is no supervisory board (general meeting) in foundations but only a governing body (board of directors).
Canada	CCCC	Yes.	
China	CCIC	No.	
France	CC	Yes.	French law is less stringent than CC rules: paid board members have to be less than ¼ of the board.
Germany	DZI	Governing body: No.  Supervisory body: No, but members being dependent from the organization (employees) shall not be the majority of the members attending the body’s meetings (Standard No. 2.b (4)).  Extra Supervisory body: No, but if membership in the body is a paid activity this has to be fixed in the statutes, and the level of the payment has to be approved by the Supervisory body, and has to be published in the organization’s annual report (Standard No. 2.c (9)).	The DZI Seal-of-Approval Standard No. 2, in general, requires governing and supervisory structures to be strictly separated from each other and to avoid conflicts of interests. Beside of the required supervisory body, DZI Standard No. 2.b (8) requires from organizations whose annual income exceeds five million Euros (in the two recent years) a whistle-blowing policy confirmed by the supervisory or the extra supervisory body.
Italy	IID	Yes, but for those Board members who have defined operational responsibilities.	
Mexico	Confio	No, but only 40% or less of the members of the governing body may receive payment for their services.	1. The governing body must integrate a new member at least every 5 years. 2. All members of the governing body must attend at least one board meeting per year.
Netherlands	CBF	Yes.	
Norway	IK	No.	

Country	Organization	Does the membership of the governing or supervisory body have to be an unpaid activity?	Remarks
Spain	FL	FL standards allow body members to receive income directly or indirectly with the limit of 40% of total members.	Spanish law does not allow members of the governing body to be paid for their activities serving as members of the governing body. However, it allows them to receive income from the NGO for any other service or activity provided to the NGO.
Sweden	Svensk Insamlingskontroll	No.	
Switzerland	ZEWO	Board members need to work up to 100 hours unpaid. For additional time they can be paid at a moderate rate. Reimbursement of out-of-pocket expenses is possible.	Basically Zewo requires the separation of powers by dividing operational paid staff-functions from strategic governing and control board functions and the personal separation of the board members and staff members. Payment to the chairperson and to the board as a whole need to be published in the audited financial statements.
Taiwan	TWNPOS	Yes.	
USA	BBB	No, however, per Standard 4, the chair and treasurer should be unpaid and should have no paid relatives. The standards do allow for one or 10% (whichever is greater) of board members to be paid directly or indirectly.	In addition to the previous, our Standard 5 calls for no transactions in which any board or staff members have material conflicting interests with the charity resulting from any relationship or business affiliation.
USA	ECFA	No.	Standard: Every member shall be governed by a responsible board of not less than five individuals, a majority of whom shall be independent, who shall meet at least semi-annually to establish policy and review its accomplishments.

### 3.7 COMMITMENTS FOR MONITORED ORGANIZATIONS RELATED TO SALARY

Country	Organization	Requirements regarding CEO payment	Requirements regarding other salaries	Remarks
Belgium	Donorinfo	No.	No.	
Canada	CCCC	Yes: governing body decides.	No.	
China	CCIC	No.	No.	
France	CC	None, but if the salary is too high under the market conditions, it could be considered by the tax authority as profit distribution. Therefore the organisation is no longer a NPO.	None, but same remark.	The amount of the five (three) highest salaries, the amount of the compensation of a board member if any (see above) and the kind and amount of reimbursed expenses have to be communicated to the AGM and published in the annual report of the organisation.

Country	Organization	Requirements regarding CEO payment	Requirements regarding other salaries	Remarks
Germany	DZI	<p>Yes:</p> <ul style="list-style-type: none"> <li>- Standard No. 5.a: The three highest salaries paid by the organization have to be explained to DZI in detail, i.e. including an extensive description of the relevant tasks and function. If the total number of employees exceeds 20, this requirement will be extended to the five highest salaries. Based on this information DZI monitors the appropriateness of the salaries (see following item).</li> <li>- Standard No. 7.a (7): The three highest salaries will be published in the annual report, i.e. as separate numbers and including not necessarily the respective names but the functions. If important reasons speak against publishing the single salaries (e.g. privacy), the reasons shall be mentioned and then the three salaries can be published as a total sum.</li> </ul> <p>If even the total sum reveals inappropriate details about the single salaries, the publication may be skipped completely, and the respective reasons must be explained in the annual report.</p>	<p>Yes:</p> <ul style="list-style-type: none"> <li>- Standard No. 5: Salaries and related payments to employees and members of the constitutional bodies of the organization have to be appropriate with respect to the public benefit status, to the qualification and responsibility of the respective position, and stays within the usual level for this kind of function.</li> <li>- Standard No. 5.b (1): In case of face-to-face fundraising campaigns success based components of salaries will not exceed 50% of the total individual salary. The same refers to salaries for other fundraising campaigns where this special kind of payment can cause inappropriate pressure to donors.</li> <li>- Standard No. 5.b (2): Success based salaries are appropriate with regard to the delivered service.</li> <li>- Standard No. 5.b (3): Success based salaries in the context of fundraising campaigns will be made transparent to the target persons of the campaigns before they decide upon a possible donation.</li> <li>- Standard No. 7.a (7): The structure and bandwidth of the salaries of staff and the remuneration of the constitutional bodies are described and made transparent in the annual report.</li> <li>- Standard No. 7.a (10): The annual report will include a summarized description of possible success based payments used in the context of fundraising campaigns.</li> </ul>	

Country	Organization	Requirements regarding CEO payment	Requirements regarding other salaries	Remarks
Italy	IID	CEO compensations must be based on a signed contract approved by the Board.	Relationships with all employees must be based on an official legal labour contract.	When the NPO benefits from fiscal advantages the Law establishes that CEO compensations must not exceed the maximum compensation amount of the Chairperson of the Board of Statutory Auditors of a public company.
Mexico	Confio	The CEO can be a paid or unpaid position. If the CEO is a member of the governing body, it counts towards the 40% limit (see Governance Conditions.)	None for staff members.	There is no limit or condition about salaries for staff.
Netherlands	CBF	The fundraising institution will render a public account of the remuneration of its director(s). The institution will also state the basis on which the remuneration is determined. The remuneration should be proportional to the size of the organization and the nature of the duties.	No rules.	
Norway	IK	No.	No.	
Spain	FL	No.	No.	
Sweden	Svensk Insamlingskontroll	No.	No.	
Switzerland	ZEWO	Yes: Payment to CEO needs to be declared to Zewo during the monitoring process.  Must be adequate to the market (sector) and the place (region, town).	Auditors of the NGO need to check and confirm that salaries are adequate to the market (sector) and the place (region, town).	

Country	Organization	Requirements regarding CEO payment	Requirements regarding other salaries	Remarks
Taiwan	TWNPOS	No.	No.	
USA	BBB	No, however, our charity reports do list the compensation of the CEO. If someone other than the CEO is the highest paid executive, then that person's compensation is also identified in the report.	No.	
USA	ECFA	Yes, effective January 1, 2014.	Yes, effective January 1, 2014.	ECFA has adopted a compensation setting process standard in addition to addressing related-party transactions.

### 3.8 FINANCIAL STATEMENTS: PUBLICATION AND AUDIT REQUIREMENTS

Country	Organization	Publication of annual financial statements required?	External audit of accounts obligatory?	Special standards for audit of financial statements
Belgium	Donorinfo	<p>Yes, at the registry of the tribunal of commerce for every organization. Moreover, the 'large' non-profit organizations and 'large' private foundations must publish their annual accounts with the National Bank.</p> <p>According to law, 'large' is referred to when 2 of the following 3 criteria are met:</p> <ul style="list-style-type: none"> <li>- annual average of 5 remunerated Full Time Equivalent (FTE)</li> <li>- 250,000 Euros annual total income</li> <li>- 1,000,000 Euros total balance sheet.</li> </ul> <p>In order to be published on <a href="http://www.donorinfo.be">www.donorinfo.be</a>, Donorinfo requires that each charity provides information on its annual accounts in a transparent way and accepts that its annual accounts be published according to the Donorinfo Model.</p>	<p>Yes.</p> <p>The law imposes an audit by a company auditor, but only for the 'very large' organizations.</p> <p>According to the law, 'very large' corresponds to either employing over a 100 remunerated FTE, or exceeding 2 of the 3 following criteria:</p> <ul style="list-style-type: none"> <li>- annual average of 50 remunerated FTE</li> <li>- 6,250,000 Euros annual total income</li> <li>- 3,125,000 Euros total balance sheet.</li> </ul>	<p>Yes.</p> <p>Donorinfo's policy goes further than the law. Each organization must provide a copy of an audit report by a company auditor, save for charities with annual total income less than 6,250,000 Euros. In this case, an audit report by a chartered accountant, member of the IEC-IAB or an accountant, member of the ICPF-BIBF, is sufficient.</p> <p>If the charity does not have a company auditor/chartered accountant/accountant, Donorinfo may decide to carry the cost of such an audit, unless the income of the organization exceeds 600,000 Euros. However, due to the increasing number of applicants, Donorinfo submits the requests to re-evaluation yearly.</p>
Canada	CCCC	Yes.	Yes.	Yes, according to generally accepted accounting standards.
China	CCIC	Yes, we require the organizations to disclose their annual financial statement every year before June, 30th.	No.	No.



Country	Organization	Publication of annual financial statements required?	External audit of accounts obligatory?	Special standards for audit of financial statements
France	CC	Yes, by law.	Yes, by law over an income of 153 000 €	The auditor has to be publicly certified.
Germany	DZI	Yes	Yes, if the annual total income exceeds 250,000 Euros (in the two recent years).	<ul style="list-style-type: none"> <li>- auditors will also orally discuss the results of their audit with the supervisory body or the extra supervisory body.</li> <li>- If annual total income &lt; 250,000 Euro: internal audit by at least two internal auditors with sufficient skills</li> <li>- If annual total income &gt; 250,000 Euros and &lt; 1 million Euros: audit by chartered accountant or professional auditor</li> <li>- If annual total income &gt; 1 million Euros and &lt; 10 million Euros: audit by chartered accountant or professional auditor has to be completed by issuing an extended auditing statement ("Bestätigungsvermerk")</li> <li>- If annual total income &gt; 10 million Euros: audit by chartered accountant or professional auditor has include the extended audit procedure concerning the correctness of the executive business operations.</li> </ul>
Italy	IID	Yes, publication is mandatory. IID is strongly promoting the application of the format for the financial statement released by the Third Sector Agency (TSA).	The Board of Statutory Auditors (Collegio Sindacale) is always mandatory. An External Audit of accounts is required by law when total income > 1 million €	The Chair of the Board of Statutory Auditors – BSA - must be a certified member of the national association of public accountants. The BSA must enforce standards approved for the Third Sector.
Mexico	Confio	Yes, but if an organization fails to do so, a public mechanism for direct delivery, upon request, is valid to fulfil the standard.	Yes.	The audit must be conducted by a certified accountant and must comply with the Mexican Financial Reporting Standards and reflect legal and fiscal fulfilment.
Netherlands	CBF	Yes.	Yes.	Yes.

Country	Organization	Publication of annual financial statements required?	External audit of accounts obligatory?	Special standards for audit of financial statements
Norway	IK	Yes.	Yes.	Yes, there is a requirement of external auditors which must be either a registered auditor or a Certified Public Accountant.
Spain	FL	Yes, FL requires the following information to be published in the NGO web page: auditors report (letter), financial statements and financial report that explains the statements (Standard 4D).	Yes, it is a minimum requirement for being monitored by FL.	Yes: One of the minimum requirements to be analysed by Fundación Lealtad is to have audited accounts by chartered accountant or professional auditor. Accounts must be formulated according to Spanish General Accounting Plan for Non-Profit Organizations.
Sweden	Svensk Insamlingskontroll	Yes, the annual report has to be made available to the public, either by publishing it on the website or by having it available at the office, so that anyone who requests it can study it.	Yes, at least one auditor authorised or approved by the Supervisory Board of Public Accountants.	Yes, instruction for account auditors. The instructions for account auditors are decided by the board of Svensk Insamlingskontroll after co-operation with Far, the professional institut of accountants and other highly qualified professionals in the accountancy sector in Sweden.
Switzerland	ZEWO	Yes.	Yes, review for small associations.	Yes: 1) Audit standards according to the law. 2) Professional standards of the audit sector 3) Specific additional requirements of Zewo for sealed organizations.
Taiwan	TWNPOS	Yes.	Depends on their revenue, in general if it exceeds 33 million USD, then the organization is obligated to have external audit.	Annual expenditure > 70% revenue, then tax-exempt, otherwise, need to pay tax.

Country	Organization	Publication of annual financial statements required?	External audit of accounts obligatory?	Special standards for audit of financial statements
USA	BBB	Yes, and according to Standard 11 these statements should be made available to the public upon request.	<p>Yes, per Standard 11. However, only if the organization's total revenue meets certain thresholds. Note that these thresholds were recently updated and apply to all financial statements for fiscal years ending December 31, 2011 and thereafter.</p> <p>- Up to \$250,000: the organization can provide internally produced financial statements.  - \$250,000 - \$500,000: the organization must, at a minimum, have financial statements reviewed by an independent CPA.  - \$500,000+: the organization must have financial statements audited by an independent CPA.</p>	Yes, according to Standard 11 the financial statements should include a detailed functional breakdown of expenses that shows what portion of these expenses was allocated to program, fund raising, and administrative expenses. In addition, for charities with more than one major program, expenses should include a breakdown for each one.
USA	ECFA	Yes, upon request. Summary information also provided on ECFA website.	ECFA requires its members to provide audits, reviews or compilations (depending on thresholds) prepared by an independent CPA.	See previous.

### 3.9 FINANCIAL STATEMENTS: ACCOUNTING STANDARDS

Country	Organization	Special standards for preparing financial statements	Revenues presented separate for each income category	Remarks
Belgium	Donorinfo	Yes. For the 'large' organizations (see before the legal meaning of 'big'), the Royal Decree of December 19, 2003 imposes a short diagram and a complete diagram of annual accounts. These diagrams comprise a balance sheet (assets/liabilities), a results account (costs/proceeds) and an annex. For the other organizations, the Royal Decree of June 26, 2003 provides a diagram of the statement of income and expense and a diagram of the annex. Donorinfo imposes no special standards for preparing financial statement, yet requires full detail in order to categorize expenses and income according to the financial model on <a href="http://www.donorinfo.be">www.donorinfo.be</a> .	Yes. - gifts and sponsoring - legacies - membership fees - proceeds from fundraising (or other activities) - proceeds from services to beneficiaries - subsidies - other operating proceeds - financial proceeds - exceptional proceeds	Donorinfo may request/publish more detailed information on any of the mentioned categories.
Canada	CCCC	Yes, according to generally accepted accounting standards.	No, but imposed by government requirements.	
China	CCIC	No.	No.	
France	CC	By the French law there is a general financial template for associations (plan comptable) and a specific one since 2008 for fundraising organizations called Compte d' Emploi des Ressources (CER).	Yes , by law. They have to isolate: - donations, legacies and other transfers from households; - other private funds; - subsidies and other public funds; - sales and other products.	There was a remarkable progress in the presentation of financial statements in the last decade. Internal audit is recommended by CC.

Country	Organization	Special standards for preparing financial statements	Revenues presented separate for each income category	Remarks
Germany	DZI	<p>Yes:</p> <p>Standard No. 6:  - The audited financial statements have to be provided not later than 12 months after the respective fiscal year has been completed.</p> <p>Standard No. 6.a:  - Financial statements provide all information needed to calculate administration and fundraising expenditures on the basis of the respective DZI concept.  - detailed information on cause restricted funds</p> <p>Standard No. 6.b:  - If annual total income &lt; 1 million Euros: simple statement of income, expenditure and reserves  - If annual total income &gt; 1 million Euros and &lt; 10 million Euros: financial statements following the general rules of German commerce law, including profit and loss account, balance sheet and annex.  - If annual total income &gt; 10 million Euros: financial statements following the German commerce law rules for big companies, including profit and loss account, balance sheet, annex, and situation report.</p>	<p>Yes:</p> <p>Standard No. 6.a:  - detailed separate information on following sources of income: money donations, gifts-in-kind, membership fees, penalty payments from courts, public subsidies, payments from other NPOs, cause-restricted income.</p>	<p>The DZI Standards are rather detailed with regard to financial statements because the German law does not include any specific requirements for the accounting of most NPOs. This refers in particular to the associations as the most used legal body for NPOs.</p>
Italy	IID	<p>IID recommends to abide with the TSA guidelines. Main provisions require that the statement of accounts must distinguish and detail between expenditures for:</p> <ul style="list-style-type: none"> <li>- institutional activities</li> <li>- communication and fund raising</li> <li>- administrative &amp; general expenses</li> </ul> <p>In addition, the Nota Integrativa - Supplementary Disclosure Attachment - which explains the content and significance of the individual balance sheet entries, must always be present.</p>	<p>Not mandatory in the balance sheet, but required in the Supplementary Disclosure Attachment to the balance sheet.</p>	

Country	Organization	Special standards for preparing financial statements	Revenues presented separate for each income category	Remarks
Mexico	Confío	Financial statements should be prepared in accordance with the Mexican Financial Reporting Standards (NIF, for its Spanish acronym).	Yes, from government (local, state and federal), private (from businesses, individuals and grant-making institutions) and self-generated (income-generating activities, fundraising activities and fees).	Failure to comply with publication of financial statements is "accepted" (see the first answer in this section) due to the current public safety and security crisis in Mexico.
Netherlands	CBF	Yes.	Yes: 1. Health, Health Care of the Disabled, Blind / visually impaired, deaf / hearing impaired. 2. International Aid, Development Work, Refugee Aid, Victim Assistance 3. Nature and the Environment, Animals interests, environmental concerns, Nature Conservation 4. Welfare, Social / social goals, Human Rights, Art and Culture, Sport and Recreation, Education and Research, Church and religion.	
Norway	IK	Yes, the standard Accepted Accounting Principles for non-profit organizations and IKs Guidelines for accounting.	Yes.	
Spain	FL	Financial statements, to be prepared according to general accounting plan for not-profit organizations, have to be approved by the governing body (Standard 8B).  NGOs have to prepare a budget for next year and a budget deviation analysis each year. Both documents must be approved by the governing body (Standard 7C).	Yes, revenues should present the following breakdown (Standard 5B and 5C): - EU and other international authorities; - Central Government; - Local Governments and Townhalls; - Membership fees; - Funds coming from companies; - Donations from individuals; - Other (financial income, extraordinary income, etc).	

Country	Organization	Special standards for preparing financial statements	Revenues presented separate for each income category	Remarks
Sweden	Svensk Insamlingskontroll	Yes, instruction of financial reports.	Yes, collecting money etc., member fees, sales of goods and services, fundraising with donation certificates, donation with conditions, contribution from authorities, contributions from organisations, contributions from companies, other operation revenue, interest income, share dividends, etc.	
Switzerland	ZEWO	Yes:  Financial statements need to be prepared according the local accounting standards for NGOs (Swiss GAAP FER 21).	Yes: - Donations - Public subsidies - Other income - Using and building up restricted funds	
Taiwan	TWNPOS	No, only the general form of balance sheet and income statement.	Yes, in general, including, public donation, government subsidy, company donation(program), member fee, service/product fee.	
USA	BBB	Yes. According to Standard 11, audited financial statements should be completed in accordance with Generally Accepted Accounting Principles (GAAP) and both reviewed and audited financial statements should be completed in accordance with Generally Accepted Auditing Standards (GAAS).	No.	
USA	ECFA	ECFA requires its members to provide audits, reviews or compilations (depending on thresholds) prepared by an independent CPA.  Standard: Each member shall prepare complete and accurate financial statements. The board or a committee consisting of a majority of independent members shall approve the engagement of an independent certified public accountant, review the annual financial statements and maintain appropriate communication with the independent certified public accountant. The board shall be apprised of any material weaknesses in internal control or other significant risks.	No.	

### 3.10 REQUIREMENTS CONCERNING EXPENSES AND DEFICITS

Country	Organization	Ceiling on overhead expenses, i.e. administration and fundraising costs	Ceiling or requirements on reserves	Remarks
Belgium	Donorinfo	No.	No.	
Canada	CCCC	No.	No, but government requires spending 3.5% of reserves annually.	
China	CCIC	No.	No.	
France	CC	No. With the CER presentation, administration expenses are often partly included in the diverse missions of the organisation. Fundraising costs are isolated but they are variable according to the seniority and the reputation of the organisation. The CC monitor can question their amount if deemed not reasonable.	None; usually reserves are between 6-12 months of activity. When it is more than 2 years, the organisation has to explain and adjust its policy regarding the amount of funds to book as reserves.	The bulk of member organisations have reserves that were for some of them reduced by deficits in 2009.
Germany	DZI	Yes: Standard No. 4.b: - maximum of 30% administration and fundraising costs in relation to total annual expenditure; - administration and fundraising costs are defined and calculated following the DZI Concept "Fundraising and administration costs of donation soliciting organizations"; - even within the ceiling of 30% the organization may not cause inappropriate high expenditure.	Yes:  Standard No. 4.b (5): - If the annual income exceeds five million Euros (in the two recent years) principles on the allocation of reserves have to be decided and provided by the NPO.	
Italy	IID	No. From the analysis of the ONPs' financial statements IID has derived benchmarks. When an organization exceeds them considerably, it is asked to justify the difference.	No.	A Survey among IID Full Member organizations has highlighted that with them the average incidence of fundraising expenses on total fundraising income is 19% while of that of G&A over total income it is 11.2% (2011 data).



Country	Organization	Ceiling on overhead expenses, i.e. administration and fundraising costs	Ceiling or requirements on reserves	Remarks
Mexico	Confío	No.	Yes, unrestricted reserves cannot exceed 1.5 times the expenses of the year.	
Netherlands	CBF	No.	1.5 times the annual cost of the organization.	
Norway	IK	Yes, at least 65% of collected funds must go to the stated purpose (over a time span of 3 years).	A general requirement that equity must be appropriate to the activity being conducted	Reserves should not be built up, at least not without a good cause or plan on how to use it later.
Spain	FL	FL does not set any limit on fundraising nor administration costs. FL just ask the NGO to provide a breakdown of total expenses in three categories: mission, fundraising and administrative costs.	FL standards establish that the NGO cash and short term investments should not exceed 1.5 times the previous year total cost or following year budget for more than 2 years (Standard 7D).	
Sweden	Svensk Insamlingskontroll	Yes, 25 % of total income.	No.	
Switzerland	ZEWO	<p>Yes, Fundraising cost as % of total costs between. Maximum varies between 14 and 24 % according to share of public subsidies, size, structure and activity of the organization.</p> <p>Fundraising + administration cost as % of total costs. Maximum varies between 29 and 38% according to share of public subsidies, size, structure and activity of the organization</p> <p>Fundraising-Efficiency defined as the % of the total fundraising costs form the donation income will be analysed during the monitoring process. The average is 17,5% and three out of four NGOs are below 24,1% . However, so far no ceiling has been defined.</p>	<p>No.</p> <p>Only recommendation that non-restricted capital should be spend for the purpose of the organization within two years.</p> <p>The going concern of the organization is a general requirement. This means: If the financial situation of an organizations is so weak, that the further existence of the organizations is seriously in danger, we require measures of improvement to be taken to stabilize the situation. We then recommend buiding up reserves as soon as possible (one year of turnover usually is enough).</p>	The monitoring of the fundraising and administrative costs is based on standardized definitions and methods, which have been developed by Zewo. The ceiling for different types of organizations is regularly updated with the results of the survey conducted every 3 years. For the maximum the value where 80% of the NGOs are below and 20% are above has been taken so far.
Taiwan	TWNPOS	15%	30%	

Country	Organization	Ceiling on overhead expenses, i.e. administration and fundraising costs	Ceiling or requirements on reserves	Remarks
USA	BBB	<p>Yes:</p> <p>Per Standard 8, at least 65% of total expenses should be spent on program activities.</p> <p>Per Standard 9, no more than 35% of contributions received as a result of fund raising efforts should be spent on fund raising.</p>	<p>Yes:</p> <p>Standard 10 calls for unrestricted net assets available for use to be no 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. A charity that exceeds this threshold can meet this standard by including certain disclosures about its reserves on its website and in its fund raising appeals.</p>	
USA	ECFA	No.	No.	

### 3.11 REQUIREMENTS CONCERNING THE USE OF FUNDS

Country	Organization	Requirements regarding quality control of project or program selection and project/program expenditures	Do investments have to be placed into ethical funds?	Rules to guarantee proper use of restricted funds	Remarks
Belgium	Donorinfo	No.	No.	No.	
Canada	CCCC	No, but program evaluation is required by the Standards.	No.	Yes.	
China	CCIC	No.	No.	No.	
France	CC	None. It is not yet inside the standards of CC.	No. They have to be secure.	<p>Issue which is addressed in depth by CC rules. There is a quasi-contract between the donor and the organisation to use the money received according to the call for fundraising or the will of the legacy, with a reasonable part for overhead expenses.</p> <p>If the money is not used within the year it has to be included on the liability side of the balance sheet as dedicated funds.</p>	CC rules do not address issues related to efficiency/effectiveness of the members missions or projects. But it is on the agenda.

Country	Organization	Requirements regarding quality control of project or program selection and project/program expenditures	Do investments have to be placed into ethical funds?	Rules to guarantee proper use of restricted funds	Remarks
Germany	DZI	<p>Yes: Standard No 3.1:  - NPOs providing single child sponsorship programs will take proper action to respect and pay attention to the children's special need for protection (as far as possible, no direct contact of sponsors to the children without knowledge of the NPO; travelling of sponsors to the projects, their presents sent to the children, and the entire sponsorship communication have to respect subsequent standards and the principle of appropriateness.</p> <p>Standard No. 4:  - The allocation of funds will follow the principles of efficiency and highest possible effectiveness (impact).</p> <p>Standard No. 4.c:  - The NPO monitors the effectiveness (impact) of its activities in an appropriate way (depending from the size of its support, the time frame and the complexity of the program) includes the lessons-learned in the future planning, and publishes the results and the conclusions in a summarized way. Costs and benefits of the impact monitoring are relating appropriately to each other.</p> <p>Standard No. 7.a 5):  - In the annual report, the NPO reports on its main projects and program, the relevant impact monitoring including important successes and failures, and about the future planning.</p>	No.	<p>Yes:</p> <p>Standard No. 4.a (2):  - If the NPO raises cause restricted funds it has to use the funds subsequently. If that, by exception, is not possible, the NPO decides appropriately about an alternative allocation of that funds and reports on this decision to the public.</p> <p>Standard No. 6.a (4):  - Cause restricted funds will be documented separately in the financial statements (profit and loss account, and balance sheet).</p>	
Italy	IID	NPOs must have in place a business control system enabling them to identify separately expenditures and income on each project/program.	Not necessarily, but we advise investment only in government bonds or low risk/high grade bonds		

Country	Organization	Requirements regarding quality control of project or program selection and project/program expenditures	Do investments have to be placed into ethical funds?	Rules to guarantee proper use of restricted funds	Remarks
Mexico	Confio	The organization has to have a mechanism to ensure and demonstrate that restricted funds will be wisely allocated.	Yes, investments must be risk free.	None, each organization establishes a system to fulfil donors requests regarding the use of restricted funds.	
Netherlands	CBF	The institution is obliged to observe the following general principle: "The institution should continually strive to achieve the best possible use of funds, in such a way that it works towards the realisation of its objective in an effective and efficient manner."	No.	Yes, there must be a distinction between the reserve and a designated fund.	
Norway	IK	The funds must be used for the stated purpose or in the accordance with the donor`s requirements, and must benefit the aim without unnecessary costs.	No.	No.	
Spain	FL	-NGO governing board should have approved criteria for selecting programmes or activities (Standard 3F). - NGO should have defined formal systems of control and internal follow-up of the activity and beneficiaries. The governing board should approve these systems (Standard 3D).	Not required by FL standards, but the NGO should: - carry out prudent financial investments (Standard 7F); - have standards of investments approved by the governing body (Standard 7G); - regarding investments in companies, the activity of the company should be related to NGO activity (Standard 7H).	The NGO should have systems to monitor restricted funds that guarantee that these funds are used in the activity or program established by the donor. The NGO should account or register those funds separately from the rest of funds and should keep the donor informed about the use of these funds (Standard 7I). Also, child sponsorship funds are considered restricted funds by FL, therefore the NGO should have monitoring system for them as well that guarantee that money.	
Sweden	Svensk Insamlingskontroll	Yes, the received funds must be used for the stated aim or in the accordance with the donor`s wishes, and must benefit the aim without unnecessary costs.	No.	Yes, see before.	

Country	Organization	Requirements regarding quality control of project or program selection and project/program expenditures	Do investments have to be placed into ethical funds?	Rules to guarantee proper use of restricted funds	Remarks
Switzerland	ZEWO	Yes.	No.	Yes, according to Swiss GAAP FER 21.	See remarks below *.
Taiwan	TWNPOS	No.	No.	No.	
USA	BBB	<p>Yes:</p> <p>Per Standard 8, at least 65% of total expenses should be spent on program activities.</p> <p>In addition, Standards 6 and 7 call for the charity to have a policy for and complete an effectiveness assessment that should be used by the organization to determine future actions to better achieve the organization's mission.</p>	No. However, if we discover unethical investments, we may question the board's oversight of the charity's investments, which could potentially become an issue with Standard 1, which calls for adequate board oversight.	No. However, if we find that donor restrictions are not being honoured, we would question the board's oversight of the way the charity is managing its restricted fund. This could also become an issue with Standard 1 concerning the board's adequate oversight.	
USA	ECFA	Every member shall exercise the appropriate management and controls necessary to provide reasonable assurance that all of the member's operations are carried out and resources are used in a responsible manner and in conformity with applicable laws and regulations, such conformity taking into account biblical mandates.	See previous.	Statements made about the use of gifts by a member in its charitable gift appeals must be honoured. A giver's intent relates both to what was communicated in the appeal and to any instructions accompanying the gift, if accepted by the member. Appeals for charitable gifts must not create unrealistic expectations of what a gift will actually accomplish.	

\* Remarks (Switzerland - ZEW0)

So far the following good practice standards for outcome an impact \_ssessment have been defined:

1. Quality: The organisation has an impact assessment plan that is adapted to its circumstances. This provides information about who uses which methodology when and how often to assess effects on the target groups. The organisation regularly measures the outcomes on the target groups and devotes between 0.5 and 2.5% of its annual project budget to implementing and carrying out impact assessments. The organisation interprets an outcome or impact assessment and at the very least a before-and-after comparison. A description of a state of affairs is not considered to be an impact assessment.
2. Disclosure: The organisation discloses the principles of its impact assessment system, the time schedule and the methods it uses. The organisation publishes the results of the impact assessments carried out according to plan during the reporting year in its annual performance report. This includes in particular statements about: Outcome and impact objectives, the intended results for the target group; a presentation of outputs with reference to the inputs and the achievement of the objectives; a description of the changes for the target group as well any changes compared to the control group; if possible, a description of the contribution to the overarching goals and longer-term impact. Reports on the outcome and impact of individual projects and programmes are disclosed to funders at the very least. It is also desirable to reveal the expenses related to impact assessment.
3. Assertions: The findings may be aggregated by subject area or region as long as the chosen methods permit this. Assertions about the outcomes and impact achieved are adapted to the meaningfulness, accuracy and reliability of the chosen methods. In particular, it is clear whether the effects of a specific project or programme can be proved beyond doubt or whether a plausible case has been made for it. No essential information has been withheld that might distort the overall picture. This means, in particular, that it is not simply positive examples that have been presented while negative aspects have been omitted.
4. Correctness: If assertions are used for advertising or fundraising, then the facts must be verifiable.
5. Time period: The organisation discloses when the assessment was conducted and to which period of time the respective assertions refer.

### 3.12 FUNDRAISING ETHICS: ACCURACY, TRUTHFULNESS, DIGNITY

Country	Organization	Accuracy of information obligatory	Truthfulness, accuracy and non-misleading fundraising practices required	Respect for people's dignity
Belgium	Donorinfo	Yes: Donorinfo checks the accuracy of the financial breakdown of the organization's financial statements according to the Donorinfo financial model (including fundraising items) as well as the truthfulness of the project information during on site visits to the organization.	Yes (see answer related to "Accuracy of information obligatory").	Yes (see answer related to "Accuracy of information obligatory").
Canada	CCCC	Yes.	Yes.	Yes.
China	CCIC	No.	No.	No.
France	CC	Donators have an access to the statutes and by-laws of the organisation, the list of board members, last reports, accounts, provisional budget and organisation charts if they are not on the websites The NPO has to answer to donators questions or claims  In a specific publication sent to donors (L'Essentiel), the accounts are presented in a simplified way, that are compared with the accounts of the preceding years. Ratios, graphs and comments are added. Checking the conformity of the Essentiel to the CC rules is one the main focus of the CC volunteer monitors.	The identity of the fundraising organisation has to be clear (complex organisations, international networks...). In case of joint fundraising, the percentage going to each NPO has to be clear.  The fundraising cause must be a substantial part of the activity of the organisation and the information must not be misleading.	Of course, especially with photos (blurred faces...) and examples (names changed...).
Germany	DZI	Yes.	Yes.	Yes.
Italy	IID	Yes.	Yes.	Yes.
Mexico	Confio	Yes, all reports, fundraising and public information must reflect the mission statement, the reality of the organization, and must not induce to error.	Yes.	Yes, published images and messages must respect people's dignity.



Country	Organization	Accuracy of information obligatory	Truthfulness, accuracy and non-misleading fundraising practices required	Respect for people's dignity
Netherlands	CBF	<p>The fundraising institution is to structure external communications in such a way that it offers a clear insight into the objectives of the organization and their realization and that the information is easily accessible. Furthermore the information from different perspectives (fundraising, public information and communication) is to be consistent.</p> <p>b. In fundraising and public information the identity, the objective, the programmes and the financial needs of the fundraising institution are to be clearly described.</p> <p>c. In the external communications the fundraising institution is to refrain from deception and comparison with other fundraising institutions.</p> <p>d. The fundraising activities of the institution are directed at acquiring voluntary contributions and are not allowed to be intimidating. Furthermore, the methods used are also in line with what is considered appropriate in our society.</p> <p>e. In fundraising, the fundraising institution is to clearly and markedly offer the (intended) donor the opportunity to impose restrictions on the methods used to contact the donor.</p> <p>f. Information from the contributor files is not to be made available to third parties without permission from the contributors, except if requested by the competent authorities. The fundraising institution needs to keep a record of information which may reasonably be available on the identity of contributors.</p>	Yes.	Yes.
Norway	IK	Yes.	Yes.	Yes.
Spain	FL	Yes, Standard 4A establishes that all the information material, advertising campaigns, web page, etc. of the NGO should reflect the accurate situation of the NGO and is not misleading.	Yes, Standard 4A mentioned before.	Information about ethical codes subscribed by the monitored charity is included in the organization's report.

Country	Organization	Accuracy of information obligatory	Truthfulness, accuracy and non-misleading fundraising practices required	Respect for people's dignity
Sweden	Svensk Insamlingskontroll	Yes, the information must clearly specify the aim of the fundraising and other circumstances that are important for the contributor.	Yes, the marketing must be ethical and economically defensible, advertisement and other information must be trustworthy etc.	Yes, donors must not feel deceived by what has been written or said about the fundraising on the part of the organisation. The 90-accountholders should comply with the law about protection of personal data.
Switzerland	ZEWO	Yes.	Yes.	Yes.
Taiwan	TWNPOS	Yes.	Yes.	Yes.
USA	BBB	Yes.	Yes.	Yes. The Alliance sometimes receives complaints about charities from the public. Our Standard 20 calls for charities to respond to all such complaints in a timely manner.

Country	Organization	Accuracy of information obligatory	Truthfulness, accuracy and non-misleading fundraising practices required	Respect for people's dignity
USA	ECFA	In securing charitable gifts, all representations of fact, descriptions of the financial condition of the member, or narratives about events must be current, complete, and accurate. References to past activities or events must be appropriately dated. There must be no material omissions or exaggerations of fact, use of misleading photographs or any other communication which would tend to create a false impression or misunderstanding.	Yes, see previous.	When dealing with persons regarding commitments on major gifts, a member's representatives must seek to guide and advise givers to adequately consider their broad interests. A member must make every effort to avoid knowingly accepting a gift from or entering into a contract with a giver that would place a hardship on the giver or place the giver's future well-being in jeopardy.

### 3.13 FUNDRAISING ETHICS: PRESSURE TO DONORS, OTHER RULES

Country	Organization	Rules to avoid unacceptable pressure to donors?	Other specific rules for fundraising (child sponsorship, clothes, telephone etc.)?	Remarks
Belgium	Donorinfo	No.	No.	
Canada	CCCC	Yes.	Yes, donor lists cannot be exchanged; commissions not allowed on fundraising; non-solicitation rules; complaints procedure.	
China	CCIC	No.	No.	
France	CC	Fundraising methods must respect donators and fundraising staff.	For chid sponsorship, or other personal fundraising, the message must be clear if it is a personal destination, or a collective project, or a simple example. In the first case, a direct link has to be created with regular information on the child or person.	The fundraising methods and messages have to be approved by the NPO's board and not left to a marketing specialist or a financial officer decision.

Country	Organization	Rules to avoid unacceptable pressure to donors?	Other specific rules for fundraising (child sponsorship, clothes, telephone etc.)?	Remarks
Germany	DZI	Yes.	<p>Yes:</p> <p>Standard No. 3.e (2):</p> <ul style="list-style-type: none"> <li>- No discriminating contents or wordings.</li> </ul> <p>Standard No. 3.f:</p> <ul style="list-style-type: none"> <li>- The NPO's attitude towards other organizations is fair and respectful. It will not communicate misleading, insulting or comparative information with respect to other organizations.</li> <li>- Statements its own quality will be added by clear, evidential information.</li> </ul> <p>Standard No. 3.g:</p> <ul style="list-style-type: none"> <li>- Systematic oral fundraising communications will be ruled by specific guidelines prepared by the NPO.</li> <li>- Uniform-like clothing will not be used in a misleading way.</li> </ul> <p>Standard No. 3.h:</p> <ul style="list-style-type: none"> <li>- In the context of cause-related marketing campaigns or the collection of used cloths, the kind of cooperation with respective companies will be explained in a clear, comprehensive way. The financial contribution transferred by the company to the NPO will be clearly stated and displayed before the donor makes the donation.</li> </ul> <p>Standard No. 3.i:</p> <ul style="list-style-type: none"> <li>- If a fundraising agency is doing the fundraising on behalf of the NPO, the cooperation will be fixed in writing, and the written agreement will be provided to DZI on request.</li> <li>- If a fundraising agency contacts possible donors orally, it will inform the possible donor about the contract agreement at their first contact.</li> <li>- Donor data raised during a fundraising campaign is the NPO's own</li> </ul>	

			<p>property. The fundraising agency will not be authorized to use the data in any contract relationship to other NPOs.</p> <p>Standard No. 3.k:  - Telemarketing contacts (telephone, Fax, E-Mail, SMS/Texting) will only be done towards private individuals if they have agreed to that before. However, one single “Thank”-call is allowed to private individuals after they have made a donation to the NPO.</p> <p>Standard No. 3.m:  - supporting memberships (i.e. without voting right) can be cancelled at any time. In that case, membership fees paid in advance will be reimbursed subsequently.</p> <p>Standard No. 3.n:  - addresses (data) from donors or members will not be sold, or otherwise transferred to third parties. If they are transferred to service providers on a contract basis, the NPO will ensure that data will only be used for the agreed purpose.  - The NPO will respect their donors’ explicit wishes with respect to the use of their data, i.e. including the question how often to be advertised by the NPO.</p> <p>Standard No. 7.a (9) and (10):  - In the annual report the NPO will describe in a summarized way its main fundraising methods, in order to provide transparency and acceptance.  - In the annual report the NPO will describe in a summarized way its cooperation with fundraising service providers and will publish the names of the most important ones.</p>	
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Country	Organization	Rules to avoid unacceptable pressure to donors?	Other specific rules for fundraising (child sponsorship, clothes, telephone etc.)?	Remarks
Italy	IID	Yes.	<p>Besides the 53 general requirements for NPOs included in the IID Guidelines for Self assessment, IID has developed and applies specific Guidelines for Npos operating in:</p> <ul style="list-style-type: none"> <li>- International cooperation (including Child sponsorship)</li> <li>- Social exclusion</li> <li>- Biomedical research</li> </ul> <p><u>IID common fundamental requirements for accredited NPOs:</u></p> <p>Publication on the web site of:</p> <ol style="list-style-type: none"> <li>1. Statutes</li> <li>2. Financial statement</li> <li>3. Social Report</li> <li>4. Project and activities</li> <li>5. Governance Body</li> </ol> <p>And availability of:</p> <ul style="list-style-type: none"> <li>• Audited Financial Stament</li> <li>• Financial Report on fund raising campaigns</li> <li>• Annual measurement of key performance indicators</li> </ul>	All these items must be managed accordingly to the different guidelines on fundraising issued by the Third Sector Agency TSA (see section II.2), page 28
Mexico	Confío	No.	No.	
Netherlands	CBF	Yes.	Yes. Timetable for collections.	
Norway	IK	Yes.	Yes.	Ethical Guidelines for fundraising.
Spain	FL	No.	No.	

Country	Organization	Rules to avoid unacceptable pressure to donors?	Other specific rules for fundraising (child sponsorship, clothes, telephone etc.)?	Remarks
Sweden	Svensk Insamlingskontroll	Yes, may not use aggressive or misleading marketing. Aggressive marketing includes “demanding immediate or deferred payment for, or the return or storage of, products that the business has supplied, but that the consumer has not ordered (delivery without order)”.	Yes	
Switzerland	ZEWO	Yes.	Yes:  - Child sponsorship with direct contact to the children abroad is not allowed. - It is not allowed to send non-ordered products with a bill to potential donors. - Timetable for collections (see part 7).	
Taiwan	TWNPOS	Yes.	No.	
USA	BBB	Yes.	Yes:  Cause-Related Marketing is a circumstance where a corporation is selling a good or service and claims a charity will benefit from the sale. Standard 19 calls for cause-related marketing promotions to disclose at the point of sale: the actual or anticipated portion of the purchase price that will benefit the charity, the duration of the campaign (if applicable), and any maximum or guaranteed minimum contribution (if applicable).	
USA	ECFA	Yes, see previous and following.	Every member shall provide givers appropriate and timely gift acknowledgments. A member may not base compensation of outside stewardship resource consultants or its own staff directly or indirectly on a percentage of charitable contributions raised.	



### 3.14 FUNDRAISING TIMETABLES, CEILINGS & EFFECTIVENESS, PRIVACY

Country	Organization	Setting of a timetable for collections	Ceiling on collection/fundraising expenses	Other conditions for cost effectiveness of fundraising	Requirements on registration and privacy of donors
Belgium	Donorinfo	No.	No.	No.	No.
Canada	CCCC	No.	No, but should be reasonable and government publishes guidelines.	No.	Yes.
China	CCIC	No.	No.	No.	No.
France	CC	No.	None (see III, 4).	The NPO has to compare competitive offers of fundraising agencies.	Donators can object to the exchanging or sales of donors files with names and addresses.
Germany	DZI	No.	Yes:  Standard No. 4.b (2): - Fundraising expenditure may not exceed 30% of fundraising income. If exceeded, DZI will check whether the efficient use of funds can nevertheless be confirmed.	Yes:  Standard No. 4.b (4) and (5): - The NPO will not accept inappropriate high expenditure, and will not approve agreements which are an economic disadvantage for them. - The NPO will seek comparative and competitive offers before it decides on major expenditures, and will do so in an appropriate way in the context of long-year commercial cooperations.	Yes:  See answer in chapter 6.

Country	Organization	Setting of a timetable for collections	Ceiling on collection/fundraising expenses	Other conditions for cost effectiveness of fundraising	Requirements on registration and privacy of donors
Italy	IID	A "transparency document" should specify the timetable for collections.	Fundraising expenses should not exceed 30% of the fund raised.	No.	Ruled by law: IID verifies compliance.
Mexico	Confio	No.	Not established, although the analysis report provides a rate of return over fundraising expenses.	No.	No.
Netherlands	CBF	Yes.	The fundraising institution is to see to a balanced division of the costs for fundraising and the costs for the realization of the objective. The costs for fundraising of the fundraising institution over a period of three consecutive years, expressed as a percentage of the revenues from its own fundraising in any one year, do not amount to an average of more than 25 % of the revenues from its own fundraising. The calculation of the percentage mentioned in the last sentence is applicable as from the third year of the existence of the fundraising institution.	In contravention to what is stated above, the costs for fundraising in the third financial year after its foundation are not allowed to amount to more than 25 % of the revenues from its own fundraising. Furthermore the adopted budget for the financial year in which the request is made, should show that the costs for fundraising in that year will not amount to more than 25 % of the revenues from its own fundraising. If the CBF Seal is granted, the fundraising institution mentioned here is to comply with what is stated under I below in the fifth financial year after its foundation and with what is stated under g of this paragraph in the sixth financial year after its foundation.	Information from the contributor files is not to be made available to third parties without permission from the contributors, except if requested by the competent authorities. The fundraising institution needs to keep a record of information which may reasonably be available on the identity of contributors.
Norway	IK	No.	Yes, 35% of the collected funds.	No.	Yes, according to the ethical guidelines.

Country	Organization	Setting of a timetable for collections	Ceiling on collection/fundraising expenses	Other conditions for cost effectiveness of fundraising	Requirements on registration and privacy of donors
Spain	FL	No.	No, FL just requires the disclosure of: 1. Income and cost of each fundraising activity or campaign 2. Breakdown of total expenses in fundraising expenses, administrative expenses and mission/programme expenses.	No.	Yes, NGO should comply with Personal Data Protection Law (Standard 5 D).
Sweden	Svensk Insamlingskontroll	No.	No.	Yes, the fundraising operation must not be burdened with unreasonable costs.	Yes, information about donors must not be distributed to or used by another party without the donor's consent.
Switzerland	ZEWO	Yes, NGOs running nationwide fundraising campaigns with more than 4 Million CHF donation income per year need to coordinate their activities in a timetable. The number of such campaigns is limited to 3 per year.	Yes. Fundraising cost as % of total costs: The maximum varies between 14 and 24 % of total costs.  The maximum value for an individual case depends on the share of public subsidies, size, structure and field of activity of the organization.	See answer part 4.	NGOs are not allowed to sell, exchange or deal with addresses and other data of their donors.  The privacy of donors has to be respected.
Taiwan	TWNPOS	Yes.	Yes.	Yes.	Yes.

Country	Organization	Setting of a timetable for collections	Ceiling on collection/fundraising expenses	Other conditions for cost effectiveness of fundraising	Requirements on registration and privacy of donors
USA	BBB	No.	Yes:  Per Standard 9, no more than 35% of contributions received as a result of fund raising efforts should be spent on fund raising.	No.	Yes: Standard 18 calls for fundraising appeals to provide, at least once a year, a way for donors to inform the charity they do not want their name and address shared with others. It also calls for a charity's website to include a privacy policy describing (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 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.
USA	ECFA	No.	No.	No.	No.

### 3.15 FUNDRAISING BY SUBSIDIARIES, COMMISSIONS, SPONSORING

Country	Organization	Particular rules for fundraising by a subsidiary	Is payment of commissions for the collected amount permitted? If so, does it have to be made public?	Requirements regarding sponsoring
Belgium	Donorinfo	No.	No.	No.
Canada	CCCC	No.	No.	No, just best practices.
China	CCIC	No.	No.	No.
France	CC	Not yet, because endowment funds and foundations sheltered by associations are too recent in France, but the question is at the agenda of CC.	No.	None, but a written contract on the counterparts of sponsoring is the rule.
Germany	DZI	Yes: See answers in chapter 7.	Yes. Yes.	Yes: Standard No. 3.h (2): - Cooperations with companies (e.g. sponsoring) will be agreed in writing and by clearly fixing the details of the exchange. The agreement will be provided to DZI on request.
Italy	IID	There must be a written document to regulate the management of collected money between subsidiaries and HQ.	Yes, it is permitted but must be made public.	No, but it must be absolutely clear whether the money is part of a donation or of a sponsorship, due to different fiscal treatment.
Mexico	Confio	No.	No.	No.
Netherlands	CBF	No.	No.	No.
Norway	IK	No.	Yes, but the gross amount shall be accounted as a gift. Commissions will be a collection charge	Yes, but it is often a difficult assessment between what is regarded as a gift and what should be categorized as operational income
Spain	FL	No.	It is permitted and FL makes it public in the report.	NGO should have criteria to select those companies or institutions that want to collaborate with the NGO. These criteria should be approved by governing body. (Standard 5 E) In case the NGO authorises a company to use the NGO logo, this agreement should be formalized in writing contract and be public. (Standard 5F).

Country	Organization	Particular rules for fundraising by a subsidiary	Is payment of commissions for the collected amount permitted? If so, does it have to be made public?	Requirements regarding sponsoring
Sweden	Svensk Insamlingskontroll	Yes, in the case of sales or fundraising that takes place with aid of another party , all income and expenses must be accounted for gross in the income statement on the special form for reporting the income statement.	Yes. No standards about making it public.	No.
Switzerland	ZEWO	No.	Salaries of the employees of fundraising agencies must not mainly be based on commissions.  No.	No.
Taiwan	TWNPOS	No.	There's no related regulation.	There's no related regulation.
USA	BBB	No.	We have no standard addressing this issue. However, the Alliance believes that problems in fund raising (such as excessive pressure and/or misleading appeals) can occur in any type of compensation arrangement with fund raising professionals. Such problems are addressed in other standards.	Our standards require that fund raising agreements be in writing and that the governing board receive information about the financial arrangements with such firms.
USA	ECFA	Covered under the same rules as the parent if they are consolidated/combined in the financial standards. This is governed by U.S. generally accepted accounting practices.	A member may not base compensation of outside stewardship resource consultants or its own staff directly or indirectly on a percentage of charitable contributions raised.	No.

### 3.16 COOPERATION AND CONTRACTS WITH FUNDRAISING AGENCIES

Country	Organization	Requirements regarding outsourcing of fundraising to commercial companies	Do you look at contracts with fundraising actors?	Remarks
Belgium	Donorinfo	No.	No.	
Canada	CCCC	Only that members should ensure outsourced company abides by Standards.	We could, but generally not.	
China	CCIC	No.	No.	
France	CC	Same requirement than for all other service providers (competition, no conflict of interest with the board members...). The fees have to be reasonable. All fundraising actions must rely under the responsibility of the board. Outsourcing is frequent and the general rule is that commissions are forbidden. But in the case of street-fundraising or e-fundraising, the board can decide to pay the provider on the number of donations, new donors... or any success-based payment except the amount of collected money.	Yes very carefully.	The exception to the ban of commission was discussed with the organisations during two years before its vote.
Germany	DZI	Yes: See answers in chapter 7.	Yes.	
Italy	IID	Outsourcing of fundraising must be regulated by a formal contract.	Yes.	For all these item IID follows strictly the TSA guidelines (see table 1.1).
Mexico	Confío	No.	No.	This type of practices (organizations and fundraising actors) are not common in Mexico.
Netherlands	CBF	No.	Yes.	
Norway	IK	No.	It is not required that the agreements are presented at our annual review of the financial statements. However, these factors are considered if we carry out a special investigation.	

Country	Organization	Requirements regarding outsourcing of fundraising to commercial companies	Do you look at contracts with fundraising actors?	Remarks
Spain	FL	No.	Yes, contracts with Face to Face companies are review in the monitoring process.	
Sweden	Svensk Insamlingskontroll	Yes, the same rules as for subsidiary.	Yes, we look at the agreements.	
Switzerland	ZEWO	Yes. The charity remains responsible for the fundraising and the public appearance. The total (gross) costs for the outsourced fundraising must be shown in the financial statement of the charity, not only the income from the fundraising activities after deduction of the costs. The donations must be directly paid to the account of the charity, the agency does not have direct access to the donations, the flow of money is under control of the NGO. Charities must avoid taking too high risks by pre-financing campaigns through the agency. The data of the donors remains property of the charity not of the fundraising agency. The charity is not allowed to sell, pretend or exchange any data of the donor. The main part of the remuneration of an employee fom fundraising agencies must be fixed income. Only a minority of its remuneration can be success based.	Yes.	
Taiwan	TWNPOS	There's no related regulation.	No.	
USA	BBB	Yes, Standard 1 which addresses adequate board oversight calls for the board (a) to ensure that arrangements with outside fund raising firms are made in writing and (b) to receive a written summary about the arrangements with such firms and the anticipated portion of the gross proceeds that goes to the charity.	Sometimes. If we have questions about the way the charity has allocated its expenses or there is a potential conflict of interest, we will request copies of the charity's fundraising agreements. In addition, our Standard 1 calls for the charity's board of directors to be informed about such contracts.	
USA	ECFA	A member may not base compensation of outside stewardship resource consultants or its own staff directly or indirectly on a percentage of charitable contributions raised.	This would fall under the same set of standards and not specifically broken out.	



### 3.17 INFORMATION VIA ANNUAL REPORT AND WEBSITE

Country	Organization	Is the publication of an annual report obligatory?	Rules for information via a website?	Specific requirements on the minimum content of an annual report? Which?
Belgium	Donorinfo	No.	Donorinfo organizations are invited to publish the link to their file on <a href="http://www.donorinfo.be">www.donorinfo.be</a> via their website to provide donors with quality information.	No.
Canada	CCCC	No.	No, just best practices.	n/a
China	CCIC	No.	No.	n/a
France	CC	Yes, by law: moral/activity report and financial report.	Yes, same as mail information: members must give no misleading information to the donor: say what they do and do what they say.	Yes: They have to follow the template CER in the financial report. They have to report on every action done in the last year.
Germany	DZI	Yes.	Yes.	Yes: See answers in other chapters.
Italy	IID	Yes.	NPOs are requested to publish on their website: Statutes, Annual Report, Governance Body, Project and Activity Description.	The annual report should include: history of the NPO, mission / vision, projects description, financial statement.
Mexico	Confio	Yes, it must be available to stakeholders.	Website is not obligatory, but organizations with a website must observe ethical principles of communication.	Yes: Mission statement, description of programs and projects, type of population served, information about funding sources, revenues and expenses, address, telephone number, e mail and contact information.
Netherlands	CBF	Yes.	No.	Specific requirements on the annual report are published in the Directive 650 for Fundraising Institutions (Richtlijn 650 Fondsenwervende Instellingen), published by the Council for Annual Reporting.

Country	Organization	Is the publication of an annual report obligatory?	Rules for information via a website?	Specific requirements on the minimum content of an annual report? Which?
Norway	IK	Yes, for our registered members.	No.	<ul style="list-style-type: none"> <li>• Give a true and fair view of the company's development and performance and the organization's position (statement of accounts);</li> <li>• Clarify the going concern assumption;</li> <li>• Provide information about the working environment;</li> <li>• Clarify gender equality (actual condition and planned / implemented measures);</li> <li>• To advise on matters that may affect the environment;</li> <li>• Inform about the profits, if not stated in the accounts.</li> </ul> <p>Organizations that are not small shall also:</p> <ul style="list-style-type: none"> <li>• Describe the principal risks and uncertainties;</li> <li>• Clarify the organization's future development;</li> <li>• Provide referrals and additional explanations of amounts in the financial statements;</li> <li>• Advise on the management of financial risks.</li> </ul> <p>The annual report must be signed by all the members of the governing board.</p>

Country	Organization	Is the publication of an annual report obligatory?	Rules for information via a website?	Specific requirements on the minimum content of an annual report? Which?
Spain	FL	Yes, the NGO should publish an annual report in their web page (Standard 4D).	The NGO web page should have the following minimum information: Contact data, names of the members of governing board and executive team, information on main activities and programmes, annual report, complete financial statements with auditors report (Standard 4C).	It should be complete and give information about all the areas and activities of the NGO (Standard 4D).
Sweden	Svensk Insamlingskontroll	Yes. See point 3.	Yes. Our rules are not specially for the website, they concern all information. The marketing must be ethical and economically defensible; in particular, controllable fundraising forms must be used and advertisements and other information must be trustworthy. In the event of information to the general public, the 90-accountholder must clearly specify the aim of the fundraising and other circumstances that are important for the contributor. The starting point for assessing the relationship between the 90-accountholder and the donor is that the principles of the Swedish Marketing Act (2008:486) must provide guidance.	Yes: The annual report must follow the law and in the directors report , the organisation must provide information about how the aim has been promoted during the financial year.
Switzerland	ZEWO	Yes.	No.	Yes: Describe in an appropriate manner the effectiveness and efficiency of the organization. The purpose of the organization, the board members, those responsible for the management of the operations, related parties need to be disclosed as well as the objectives and the services rewarded in respect of the objectives and the use of funds.
Taiwan	TWNPOS	Annual report is obligated to authority. Not for public.	No.	No.

Country	Organization	Is the publication of an annual report obligatory?	Rules for information via a website?	Specific requirements on the minimum content of an annual report? Which?
USA	BBB	Yes.	Yes. Standard 17 calls for the same information as in the annual report to be included on the charity's website, with the addition of electronic access to the charity's most recently completed IRS Form 990.	Yes: Our Standard 16 calls for certain information to be included in the annual report: the organization's mission statement, a summary of the past year's program service accomplishments, a roster of the board of directors, and financial information including (i) total income, (ii) expenses broken out by program, fund raising, and administrative categories and (iii) ending net assets.
USA	ECFA	No, only CPA prepared financial statements.	No.	No.

### 3.18 PUBLICATION OF RESULTS AND SALARIES

Country	Organization	Does the monitored organization have to regularly make information available to the public concerning its results or evaluation of projects?	Do salaries of CEO or Board members have to be published?	Do salaries of other employees have to be published?	Remarks
Belgium	Donorinfo	No.	No.	No.	Personnel cost is published in the annual accounts (diagrams imposed by the government) and included in the financial files on <a href="http://www.donorinfo.be">www.donorinfo.be</a> , providing as much detail as available (i.e. number of project staff, number of overhead staff,...)
Canada	CCCC	No, other than board needs to be informed.	CEO-range required by government to public. Board members cannot be paid.	Only ranges as required by government.	
China	CCIC	No.	No.	No.	
France	CC	Yes: a simplified report and accounts called "L'Essentiel" (see before) has to be sent to donors and published on the website.	Salaries of the top 5 or 3 according to the size Board members are volunteers (exception: see before).	No.	
Germany	DZI	Yes.	Yes.	Yes, the highest three salaries.	
Italy	IID	Yes, the data on the NPO's website must be updated immediately after the approval of the financial statement.	No.	No.	

Country	Organization	Does the monitored organization have to regularly make information available to the public concerning its results or evaluation of projects?	Do salaries of CEO or Board members have to be published?	Do salaries of other employees have to be published?	Remarks
Mexico	Confio	No.	No.	No.	Due to safety concerns affecting all kinds of organizations in México, Confio does not require the publication of board members names or any personal information, including salaries.
Netherlands	CBF	Yes.	Yes.	No, only the total cost of salaries of other employees.	
Norway	IK	Yes.	Yes	No.	In accordance with the accounting standard the notes to the financial statements includes information of what is paid in salary and other remuneration to the CEO and the board.
Spain	FL	Yes, the NGO should keep its donors informed at least once a year.	No.	No.	
Sweden	Svensk Insamlingskontroll	Yes, in the directors report.	Yes, according to the law if you make an annual report.	Yes, according to the law if you make an annual report.	
Switzerland	ZEWO	Yes, in the annual report.	Yes. Chairperson individually, if paid Board members as a total.	No.	
Taiwan	TWNPOS	No.	No.	No.	

Country	Organization	Does the monitored organization have to regularly make information available to the public concerning its results or evaluation of projects?	Do salaries of CEO or Board members have to be published?	Do salaries of other employees have to be published?	Remarks
USA	BBB	No, but the Alliance is involved in a project called "Charting Impact" that seeks to encourage charities to make such charity effectiveness information available to donors.	No, however this information is made public on the charity's annual IRS Form 990 and we include CEO compensation in our reports.	No, however some of this information is made public on the charity's annual IRS Form 990. Also, if someone other than the CEO is the highest paid staff member, the Alliance report on the charity will identify this person along with compensation information.	
USA	ECFA	No.	No, unless they are required under U.S. law to be publish on the IRS Form 990.	Same as previous.	

### 3.19 IMPACT ASSESSMENT AND REPORTING

Country	Organization	Requirements on registration and privacy of donors	Is a policy for <i>reporting</i> results or impact or output or effectiveness required?	Is a policy for <i>measuring</i> results or impact of output or effectiveness required?	Remarks
Belgium	Donorinfo	No.	No.	No.	Donorinfo also attaches importance to transparency regarding expenses and publishes expenses according to an imposed Donorinfomodel, transgressing the diagrams imposed by the government: projects/activities, fundraising costs, information, awareness raising and education, overhead cost, personnel and social security cost, depreciations and amortizations, other operating income and financial and exceptional costs.
Canada	CCCC	Yes.	No, but samples and best practice initiatives can be provided.	Yes. Must evaluate outcomes of at least one program and keep governing board informed of results.	
China	CCIC	No.	No.	No.	
France	CC	Yes (see 6).	Yes; reported results/impact must be a substantial part of the activity of the NPO.	No.	
Germany	DZI	Yes.	Yes: See answer in chapter 5.	Yes: See answer in chapter 5.	



Country	Organization	Requirements on registration and privacy of donors	Is a policy for <i>reporting</i> results or impact or output or effectiveness required?	Is a policy for <i>measuring</i> results or impact of output or effectiveness required?	Remarks
Italy	IID	Privacy law standards must be complied with and requests for anonymity accepted.	IID asks both for efficiency measurements (mandatory) and for effectiveness measurements (as much as possible).	IID recommends to document continuous improvement in the measurement of outcomes.	
Mexico	Confío	No.	No. Monitored organizations are not required to reports results, impact, outputs or effectiveness.	No.	
Netherlands	CBF	Yes.	Before the end of the fiscal year the governing board, or the supervisory body, draws up an annual policy plan and budget for the following year, in which the multi-year policy plan will be translated into specific programmes and activities with measurable objectives. The following information should, in any case, be included in the budget and annual plan: the expected revenues, the planned expenditure of funds on the charity and on specific programmes and activities, the planned expenditure of funds on fundraising and on supporting functions, the envisaged results (or in case these cannot be predicted: the reasons for this), as well as how any reserves are to be used.		
Norway	IK	Yes.	Publishing extract of the financial statements and ratios showing percentage of collection costs, programm expenses and administrative expenses. This gives information regarding this matter.	No.	

Country	Organization	Requirements on registration and privacy of donors	Is a policy for <i>reporting</i> results or impact or output or effectiveness required?	Is a policy for <i>measuring</i> results or impact of output or effectiveness required?	Remarks
Spain	FL	Yes, NGO should comply with Personal Data Protection Law (Standard 5 D).	No.	No.	
Sweden	Svensk Insamlingskontroll	No.	No.	No.	During 2013, those rules are going to be established.
Switzerland	ZEWO	See answer part 7.	See remark to part 5 <a href="http://www.zewo.ch/impact/en/impact/good_practice">http://www.zewo.ch/impact/en/impact/good_practice</a>	See remark to part 5 <a href="http://www.zewo.ch/impact/en/impact/good_practice">http://www.zewo.ch/impact/en/impact/good_practice</a>	See also <a href="http://www.zewo.ch/impact/en/impact">http://www.zewo.ch/impact/en/impact</a>
Taiwan	TWNPOS	Yes.	No.	No.	
USA	BBB	Yes, see response to question 7.	Yes. Our Standard 7 calls for the charity to provide a written report of the organization's effectiveness to its board of directors.	Yes. Our Standard 6 calls for 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.	
USA	ECFA	No.	No.	No.	ECFA leaves these matters to the governance policies of the required independent board.

### 3.20 OBLIGATION TO PUBLISH FINANCIAL STATEMENTS

Country	Organization	Does your organization require the monitored charities to publish their financial statements?
Belgium	Donorinfo	Yes, each monitored charity has to publish its financial statements on www.donorinfo.be in a transparent way.
Canada	CCCC	Not necessarily publish, but definitely make them available to anyone who requests them.
China	CCIC	Yes.
France	CC	Yes but they do by law, because they are all over the threshold of 153,000 Euros. Many of them do it on their own website. CC standards recommend to send this statements to every person asking them and a summary of them, with explanation has to be sent to every donor.
Germany	DZI	Referring to the DZI Seal-of-Approval: Yes Referring to the basic monitoring outside the DZI Seal-of-Approval: No
Italy	IID	Yes, they are required to publish their complete financial statements on their website. This is mandatory to apply for accreditation and to maintain the seal of approval.
Mexico	Confío	Yes, to present its financial statements Confío performs a series of documents where the information is published with the approval of the organization analyzed.
Netherlands	CBF	Yes.
Norway	IK	The Norwegian Control Committee for Fundraising in Norway publishes accounts of the organizations that are registered. On our website we also publish an extract of the financial statements and ratios showing percentage of collection costs, objectives expenses and administrative expenses. The Annual report of the Board and the auditor's report are published as well.
Spain	FL	Yes. Standard 4d requires that "The organization will make available upon request both the annual report and financial report. The annual report and the financial statements with its audit report will be available through the organization website".
Sweden	Svensk Insamlingskontroll	Yes, they have to publish the annual reports on the website or if they do not have a website show it if the public is asking for it.
Switzerland	ZEWO	Yes. Publish the annual report or audited financial statement on the website or make the documents easily available to all interested parties without costs upon request to everyone.
Taiwan	TWNPOS	Yes, we will publish them on the website. Being our member, it has to agree to disclose every year its annual income and expenses, as well as provide accurate financial reports.  The organizations are regulated by Article 5 Financial Transparency of NPO Self-Regulation Pledge which states: 5.1 The organization agrees to disclose every year its annual income and expenses, as well as provide accurate financial reports. 5.2 The organization agrees to disclose periodically the use of its funds.
USA	BBB	Yes, the BBB Charity Standards require charities to make available, on request, their latest annual financial statements. If the charity solicits on its website, electronic access should be provided to the organization's latest IRS Form 990.
USA	ECFA	Yes. Every ECFA member organization must provide a copy of its current financial statements upon written request and shall provide other disclosures as the law may require.

### 3.21 STANDARD FORMAT FOR PUBLIC FINANCIAL STATEMENTS

Country	Organization	If your organization requires the monitored charities to publish their financial statement, do they need to be published in any certain given minimum structure?
Belgium	Donorinfo	Yes, the financial statements must be published according to the Donorinfo model, which imposes a certain minimum structure.
Canada	CCCC	They must be made available in their entirety including notes. A summary is not sufficient.
China	CCIC	Yes, they have to disclose their donation, public expense, the draft of balance sheet and the business activities.
France	CC	<p>It is mandatory for fundraising organisations to present the financial statements as an account of use of the resources, especially the resource from giving. This template is called "Compte d'emploi des ressources". On the income side, this account isolates:</p> <ul style="list-style-type: none"> <li>- donations, legacies and other transfers from households</li> <li>- other private funds</li> <li>- subsidies and other public funds</li> <li>- sales and other products</li> </ul> <p>On the expenditure side :</p> <ul style="list-style-type: none"> <li>- expenses regrouped according to the different missions of the organisations</li> <li>- overhead costs</li> <li>- fundraising costs</li> </ul> <p>Moreover they have, as businesses, to publish their financial results account and balance sheets.</p>
Germany	DZI	<p>Yes:</p> <p>The monitored financial statements have to show the following income sources separately: money donations, in-kind donations, allowances (inheritances), endowment contributions, membership fees, income from penalty fees, public subsidies, subsidies from other organizations. Significant cause-restrictions have to be documented.</p> <p>Also, based on the DZI definition on "Fundraising and Administration Costs of Donation Soliciting Organizations", the monitored financial statements have to show the following expenditures separately: direct program expenditure, indirect program support, statutory information / campaigning / advocacy, fundraising and general information, administration.</p>
Italy	IID	<p>IID recommends to abide with the financial statements' format established by the TSA - Third Sector Agency (discontinued at the beginning of 2012). This is not mandatory (as matter of fact, for some kind of mission other format - common to profit enterprises - are more suitable). In any case, main provisions require that the statement of accounts must distinguish and detail between expenditures for:</p> <ul style="list-style-type: none"> <li>- institutional activities</li> <li>- communication and fund raising</li> <li>- administrative &amp; general</li> </ul>

Country	Organization	If your organization requires the monitored charities to publish their financial statement, do they need to be published in any certain given minimum structure?
Mexico	Confío	Yes, the monitored financial and countable statements, they need to show us the income sources: private and public donations, subsidies, income-generating activities (including cost recovery, member dues or earned income activities, such as provision of services in which all profits are reinvested back into the organization).
Netherlands	CBF	Yes. Financial statements need to comply to the RJ650 standards.
Norway	IK	It is required that financial statements are prepared according to the accounting standards applicable to nonprofit organizations. This means that it must be submitted to an activity-based accounting. The accounts shall be audited by an external auditor, who must be registered or chartered.
Spain	FL	Yes. Standard 8b requires that "The organization will prepare the annual accounts according to general accounting plan for non-profit organizations, which will be submitted external auditing and approved by the general assembly or the Governing Board."  The Spanish General Accounting Plan was adapted to Non-profit Organizations by ICAC (The Accounting and Auditing Institute), that is an autonomous body attached to the Ministry of the Economy. The accounting standards were approved by the Spanish Government. More information: <a href="http://www.icac.meh.es">www.icac.meh.es</a>
Sweden	Svensk Insamlingskontroll	For the 90-accountholders accountability must be fulfilled in a way that corresponds with the Swedish Bookkeeping Act (1999: 1078) and generally accepted accounting standards in general.  The 90-accountholder is obliged to prepare an annual report in accordance with the provisions in the Annual Accounts Act (1995: 1554). In the directors' report, the 90-accountholder must also provide information about how the aim has been promoted during the financial year. If the 90-accountholder is a parent company in accordance with the definition in the Annual Accounts Act, the 90-accountholder must also prepare consolidated accounts.
Switzerland	ZEWO	Yes: According to Swiss GAAP FER 21 a local accounting standard for charities showing a true and fair view. In addition, we ask for: <ul style="list-style-type: none"> <li>- Breakdown of income from: Donations, public subsidies and income from services provided;</li> <li>- Breakdown of cost for: Administration and Projects or Services</li> <li>- Breakdown of restricted and unrestricted funds</li> <li>- Disclosure of fundraising costs, payments to the board in total and to the president individually,</li> <li>- transactions with related parties (consolidation, if they are owned or dominated by the charity).</li> </ul>
Taiwan	TWNPOS	No, their financial structures are based on the demand of each governmental agencies-in-charge which they are subject to.
USA	BBB	If the charity has revenues that exceed \$500,000, the financial statements should be audited by an outside certified public accountant and the auditor's cover letter should indicate the statements were prepared in accordance with generally accepted accounting principles.
USA	ECFA	A complete set of financial statements must be provided, including the auditor's report, all financial statements, and notes to the financial statements.

### 3.22 STANDARDS ON THE ENGAGEMENT OF VOLUNTEERS

Country	Organization	Do the standards of your organization include conditions concerning engaging volunteers?
Belgium	Donorinfo	No.
Canada	CCCC	No.
China	CCIC	No.
France	CC	No. Some organisations have many volunteers and some have none but the board members.
Germany	DZI	No.
Italy	IID	Yes. In addition to the legal requirement (volunteers have to be insured against risks), IID asks for the presence of effective training programmes, continuous learning, some sort of recognition programme
Mexico	Confío	No.
Netherlands	CBF	Yes. The Charity is obliged to observe the following general principle: "The Charity strives to maintain the best possible relationships with interested parties, with specific attention to information provision and to accepting and handling wishes, questions and complaints." The members of the governing board (and, if applicable, the supervisory board) endorse the above principle in a statement. The governing board (and, if applicable, the supervisory body) is obliged to draw up an accountability statement regarding the following issues and to include a summary of this statement in the annual report: <ul style="list-style-type: none"> <li>• who the organization's interested parties are;</li> <li>• the content and quality of the information to be supplied to the interested parties;</li> <li>• the way in which the information is provided;</li> <li>• how the communication is arranged, so that the information is relevant, clear and accessible to interested parties;</li> <li>• the way in which the institution deals with the ideas, comments, wishes and complaints of interested parties.</li> </ul>
Norway	IK	No.
Spain	FL	Yes. Standard 9 evaluates the "promotion of volunteering". From Fundacion Lealtad's point of view the number of volunteers an organization has is one of the main indicators of its impact on society. Volunteers are involved in the daily activities of the organization and guarantee that the contributions and donations made to the same are dedicated to its stated mission. Moreover, they give meaning to one of the main reasons underlying the existence of NGOs: education in values. In order to integrate volunteers in the organization, it is necessary to set up the activities to be carried out by volunteers, to elaborate a training program to facilitate their participation, and to take out an insurance policy to cover the risk of the activity they carry out. All these issues are reviewed by standard number 9.
Sweden	Svensk Insamlingskontroll	No.
Switzerland	ZEWO	No.
Taiwan	TWNPOS	No.
USA	BBB	No.
USA	ECFA	No.

### 3.23 STANDARDS ON HUMAN RESOURCES MANAGEMENT

Country	Organization	Do the standards of your organization include conditions concerning human resources management?
Belgium	Donorinfo	No
Canada	CCCC	Indirectly, in that they must comply with employment law.
China	CCIC	No.
France	CC	No standard for the member organisations.
Germany	DZI	No, besides of the conditions concerning the appropriate level of salaries, and the limitations on success-based payments.
Italy	IID	Yes. Employees must be hired with reference to a formal labour contract. IID recommends and controls the application of all HR management procedures applied in for profit organizations.
Mexico	Confio	Yes, when there is a vacancy, curriculums of applicants are collected and an Analysis Coordinator performs an interview. Then the Director makes another interview to check the profile of the respondent. Besides, a psychometric test is performed to detect the person's skills and compatibility with the position being sought.
Netherlands	CBF	Yes. A general principle is defined regarding stakeholders like employees. See answer to question above.
Norway	IK	No.
Spain	FL	No.
Sweden	Svensk Insamlingskontroll	No.
Switzerland	ZEWO	No. Except from the standard that remunerations should be adequate.
Taiwan	TWNPOS	No.
USA	BBB	Yes, this is partly addressed by a requirement that the board regularly schedule (at least every two years) appraisals of the CEO's performance.
USA	ECFA	No, not other than abiding by laws and proper use of resources.

### 3.24 INVOLVEMENT OF BENEFICIARIES

Country	Organization	Do the standards of your organization include conditions concerning the involvement of beneficiaries in the planning and the evaluation of the program activities?
Belgium	Donorinfo	No.
Canada	CCCC	No.
China	CCIC	No.
France	CC	No standard for the member organisations.
Germany	DZI	<p>Not explicitly. However, implicitly, Seal-Standard No. 4.c (1) 2 (effective use of funds) requires an appropriate involvement of beneficiaries:</p> <p>Standard No. 4 (Use of Funds): "The organization operates structures and processes which ensure an appropriate planning, implementation and control of the use of funds ..."</p> <p>Standard No. 4.c (1) 2 (effective use of funds) (" ... In order to analyze the impact of its activities the organization will establish appropriate tools ...".</p> <p>In the sense of both parts of Standard No. 4 and, based on generally accepted planning and evaluation standards, it is essential to properly include beneficiaries in the planning and the evaluation.</p> <p>Also, Seal-Standard No. 2.b (8) requires organizations exceeding 5 million Euros of annual income, to provide a "whistle blowing procedure" that can also be used by project partners or other people being involved in the organizations's activities to submit complaints or sensitive information without having to face negative consequences.</p>
Italy	IID	Involvement of beneficiaries is recommended but not mandatory. Similar requests are included in the audit report's recommendations for improving the quality of management systems. IID controls every year the implementation of these recommendations.
Mexico	Confio	Not explicitly. However, to make the work plan we have some goals, for example: to analyze a specific number of NGOs as well as see the advantages of the organizations that have been previously analyzed.
Netherlands	CBF	No.
Norway	IK	<p>No. However:</p> <p>The Norwegian Control Committee for Fundraising in Norway is a foundation whose purpose is to safeguard the public interest in that collection to humanitarian, cultural and religious purposes, etc. is organized and carried out in a satisfactory manner and that the management of the funds is prudent.</p> <p>According to the statutes, the majority of IK's board members can not be involved in collection activities.</p>



Country	Organization	Do the standards of your organization include conditions concerning the involvement of beneficiaries in the planning and the evaluation of the program activities?
Spain	FL	Although, standard 3d requires that "The organization will have formally defined systems of control and of internal follow-up of the activity and of the beneficiaries. These will be approved by the Governing Board." - it does not refer to the involvement of beneficiaries in the planning and the evaluation of the program activities.
Sweden	Svensk Insamlingskontroll	No.
Switzerland	ZEWO	No. The adequate involvement of beneficiaries is addressed in the guidelines for impact assessment.
Taiwan	TWNPOS	No.
USA	BBB	No.
USA	ECFA	No.

### 3.25 RENEWAL OF GOVERNING BODY

Country	Organization	Do the standards of your organization include conditions concerning the minimum or maximum renewal (rotation) of members of the governing body?
Belgium	Donorinfo	No. Belgian law does not provide any conditions. Donorinfo does not provide any conditions for the governing body of the charities monitored or for its own board
Canada	CCCC	No.
China	CCIC	No.
France	CC	For the monitored organisations: there are no standards yet. A working group has worked on a proposal of a new standard asking for not more than 2 or 3 mandates (according to their length) and a maximum age, but this proposal was rejected. A new workshop will propose a new text, more a recommendation than a standard, to the next annual general meeting (AGM) of CC, with a more diplomatic wording.
Germany	DZI	No.
Italy	IID	No. IID controls only the respect of the statute's prescriptions (e.g. minimum number of three members).
Mexico	Confío	Yes. Board members serve for a term of three years and may be reappointed every three years indefinitely.
Netherlands	CBF	There is no maximum number of renewal of member of the governing body. Our standards mention that the members of the governing body resign periodically. Appointments and any reappointments are tenable for a maximum period of five years.
Norway	IK	No.
Spain	FL	Yes. Standard 1f notes: "The members of the Governing Board will be renewed regularly within a predetermined period of time."
Sweden	Svensk Insamlingskontroll	No.
Switzerland	ZEWO	No.
Taiwan	TWNPOS	No, it's not written in the standards. Because under the law, all the charities need to chart explicitly the regulations of governing body to each governmental agencies-in-charge.
USA	BBB	No.
USA	ECFA	No.

### 3.26 RENEWAL OF SUPERVISORY BODY

Country	Organization	Do the standards of your organization include conditions concerning the minimum or maximum renewal (rotation) of members of a possible supervisory body?
Belgium	Donorinfo	No. Belgian law does not provide any conditions. Donorinfo does not provide any conditions for the supervisory board of the charities monitored. Donorinfo itself does not have a supervisory board (general meeting of members), since Belgian law provides that a foundation (private or public utility) does not have any members or associates.
Canada	CCCC	No.
China	CCIC	No.
France	CC	No.
Germany	DZI	Yes. The majority of the members of the extra supervisory body should not be member of that body for more than 10 years.
Italy	IID	No.
Mexico	Confio	No.
Netherlands	CBF	There is no maximum number of renewal of member of the supervisory body. Our standards mention that the members of the supervisory body resign periodically. Appointments and any reappointments are tenable for a maximum period of five years.
Norway	IK	No.
Spain	FL	No. Because, FL does not evaluate the supervisory body.
Sweden	Svensk Insamlingskontroll	No.
Switzerland	ZEWO	No.
Taiwan	TWNPOS	No, it's not written in the standards. Because under the law, all the charities need to chart explicitly the regulations of governing body to each governmental agencies-in-charge.
USA	BBB	No.
USA	ECFA	No.

### 3.27 CONFLICT OF INTERESTS POLICY IN THE GOVERNING BODY

Country	Organization	Do the standards of your organization include conditions to avoid conflicts of interest in the governing body?
Belgium	Donorinfo	<p>No.</p> <p>Contrary to the Belgian law on companies, the Belgian law on the non profit organizations and the foundations does not provide any conditions for such conflicts of interest. Donorinfo does not provide any conditions for such conflicts of interest in the charities monitored.</p> <p>But with regard to Donorinfo itself, Article 9 of its Memorandum of Association (statutes) provides that in case of matter leading to a conflict of interest, the concerned board member is required to notify the board chairman or the eldest of the board members, and is not allowed to participate in the discussion and in the vote on this matter.</p>
Canada	CCCC	A conflict of interest policy is encouraged as a best practice.
China	CCIC	No.
France	CC	No standard for the member organisations in the governing body, but there are rules to avoid contracts and transactions with the kin of a member of the board or of the staff (or themselves a fortiori). The standards recommend the selection of suppliers and service providers (especially fundraisers) by tenders and no monopoly for a business on the fundraising campaign.
Germany	DZI	<p>Yes. (See Seal-Standard No. 2.a):</p> <ul style="list-style-type: none"> <li>- Members with family links shall not be the majority of members of the governing body.</li> <li>- The DZI Seal-of-Approval Standard No. 2, in general, requires governing and supervisory structures to be strictly separated from each other and to avoid conflicts of interests.</li> <li>- The majority of the Board members shall not be personally related to each other (family links) and not be depending from each other (e.g. employer/employee)</li> <li>- Each member of the board has to disclose any possible conflicts of interests to the other members of the board, to the supervisory body and, if existing, to the separate supervisory body.</li> <li>- If a member of the board is engaged in a decision concerning a cooperation of the organization with another entity that the members or a closely related person owns shares of, the cooperation needs to be agreed ex ante by the supervisory body and, if existing, by the separate supervisory body.</li> </ul>
Italy	IID	Yes. IID requires a written procedure to deal with possible conflicts of interest. IID has developed specific competence on this field, especially in relation to grant making NPOs.
Mexico	Confío	No.

Country	Organization	Do the standards of your organization include conditions to avoid conflicts of interest in the governing body?
Netherlands	CBF	<p>Yes. The governing board and, if applicable, the supervisory body, guards against a conflict of interests between the fundraising institution and members of its governing board and/or its employees and/or, if applicable, the members of the supervisory body, the members of an advisory body and the members of a scientific council. In this respect each board member, member of a supervisory body, member of an advisory body and member of a scientific council is to issue a statement as included in Appendix 12 and give it to the CBF.</p> <ul style="list-style-type: none"> <li>- Close family or other comparable relations between members of the governing board are not allowed.</li> <li>- The members of the governing board of the fundraising institution are not to be board member, founder, shareholder, supervisor or employee of an entity with which the fundraising institution structurally conducts legal acts which are valuable in money.</li> <li>- No more than one third of the number of board members may be appointed (or nominated) by an entity, or an entity – directly or indirectly – connected to the first entity according to its articles of association, to which the fundraising institution donates all or part of the funds it has raised. No more than one third of the number of board members of the fundraising institution may be board members, founders, shareholders, supervisors or employees of the entities referred to in the preceding sentence. The board members mentioned here are - with the exception of representation by participation in acts.</li> </ul>
Norway	IK	No.
Spain	FL	Yes. Standard 1g requires: "There will exist mechanisms approved by the Governing Board to avoid conflict of interest within the Governing Board. These mechanisms will be public."
Sweden	Svensk Insamlingskontroll	Yes. A board member may not handle matters relating to agreements between him/her and the 90-accountholder. In addition, he/she may not handle matters relating to agreements between the organization and a third party, if he/she has a significant interest in the matter that may be in conflict with the organization's interests. Furthermore, he/she may not handle matters relating to agreements between the 90-accountholder and a legal entity that the board member represents, either alone or together with another person, if he/she has a significant interest in the matter that may be in conflict with the organization's interests. Other legal acts, as well as legal proceedings or other actions, are equated with agreements.
Switzerland	ZEWO	<p>Yes.</p> <ul style="list-style-type: none"> <li>- CEO and President should not be the same person (except if both functions are unpaid).</li> <li>- CEO and President should not be personally related with each other.</li> <li>- 5 independent board members are requested. If two members are related at least 7 board members are required.</li> <li>- Members of the board must not vote on issues where they have a conflict of interest.</li> </ul>
Taiwan	TWNPOS	Not mentioned directly. However, based on Article 7 (Avoidance of conflict of interest) of NPO Self-Regulation Pledge, which indicates "7.1 The organization promises to avoid any conflict of interest with other organizations or individuals. " It also refers to the person who conducts/ supervises the organization.

Country	Organization	Do the standards of your organization include conditions to avoid conflicts of interest in the governing body?
USA	BBB	Yes. The standards require a board conflict of interest policy. In addition, the standards prohibit transactions in which board members have material conflicting interests with the charity resulting from any relationship or business affiliation.
USA	ECFA	<p>Yes. Every organization shall avoid conflicts of interest. Transactions with related parties may be undertaken only if all of the following are observed:</p> <ol style="list-style-type: none"> <li>1) a material transaction is fully disclosed in the financial statements of the organization;</li> <li>2) the related party is excluded from the discussion and approval of such transaction;</li> <li>3) a competitive bid or comparable valuation exists; and</li> <li>4) the organization's board has acted upon and demonstrated that the transaction is in the best interest of the organization</li> </ol>

### 3.28 CONFLICT OF INTERESTS POLICY IN THE SUPERVISORY BODY

Country	Organization	Do the standards of your organization include conditions to avoid conflicts of interest in a possible supervisory body?
Belgium	Donorinfo	No.
Canada	CCCC	No. Conditions are set by each organization, but are subject to the law.
China	CCIC	No.
France	CC	No.
Germany	DZI	Yes. (See Seal-Standard No. 2.b): <ul style="list-style-type: none"> <li>- At the meetings of the supervisory body, members of the governing body, participants with family links to members of the governing body, and participants being dependend from members of the governing body or the organization itself (employees) shall not be the majority of the participants of the meeting.</li> <li>- Organizations exceeding 10 million Euros of annual income have an extra (separate) supervisory body that is strictly free of any connections to members of the board.</li> </ul>
Italy	IID	Yes. IID requires a written procedure to deal with possible conflicts of interest. IID has developed specific competence on this field, especially in relation to grant making NPOs.
Mexico	Confío	No.
Netherlands	CBF	Yes. <ul style="list-style-type: none"> <li>- Close family or other comparable relations between members of the supervisory board are not allowed.</li> <li>- The members of the supervisory board of the fundraising institution are not to be board member, founder, shareholder, supervisor or employee of an entity with which the fundraising institution structurally conducts legal acts which are valuable in money.</li> <li>- No more than one third of the number of members of the supervisory body may be appointed (or nominated) by an entity, or an entity – directly or indirectly – connected to the first entity according to its articles of association, to which the fundraising institution donates all or part of the funds it has raised. No more than one third of the number of member of the fundraising institution's supervisory body may be board members, founders, shareholders, supervisors or employees of the entities referred to in the preceding sentence.</li> </ul>
Norway	IK	No, but these are factors that are regulated by the Foundation Act and the consequences of non-statutory law within company law/business law.
Spain	FL	No. Because, Fundación lealtad does not evaluate the supervisory body.
Sweden	Svensk Insamlingskontroll	No.
Switzerland	ZEWO	No.

Country	Organization	Do the standards of your organization include conditions to avoid conflicts of interest in a possible supervisory body?
Taiwan	TWNPOS	Not mentioned directly. However, based on Article 7 (Avoidance of conflict of interest) of NPO Self-Regulation Pledge, which indicates "7.1 The organization promises to avoid any conflict of interest with other organizations or individuals. " It also refers to the person who conducts/ supervises the organization.
USA	BBB	Yes. The standards require a conflict of interest policy for the supervisory body. In addition, the standards prohibit transactions in which members of the body have material conflicting interests with the charity resulting from any relationship or business affiliation.
USA	ECFA	Yes. Every organization shall avoid conflicts of interest. Transactions with related parties may be undertaken only if all of the following are observed: 1) a material transaction is fully disclosed in the financial statements of the organization; 2) the related party is excluded from the discussion and approval of such transaction; 3) a competitive bid or comparable valuation exists; and 4) the organization's board has acted upon and demonstrated that the transaction is in the best interest of the organization



### 3.29 BUDGET AND STRATEGY PLANNING

Country	Organization	Do the standards of your organization include conditions to submit any budget or strategic planning?
Belgium	Donorinfo	No.
Canada	CCCC	Yes. Standards require board to approve budget and get results of evaluation of activities.
China	CCIC	No.
France	CC	Not yet for the members, but the largest ones do it.
Germany	DZI	Yes. (See Seal-Standard No. 7.a (4): "... The organization will explain its main goals and strategies as well as the related chances and risks" in the annual report and / or on the website.
Italy	IID	Yes. IID verifies the existence of a budget (general or at least related to fund raising activities) approved at the level required by the statute (normally both the Board and the General Assembly). In addition IID verifies the strategic planning system and procedure (people involved, timetable, level of final approval, publishing of the plan). The existence and the consistency of these documents are verified during the audit process.
Mexico	Confío	Yes. Every year, Confío will perform a strategic planning, in which it generates a SWOT analysis of the organization to create the work plan and budget, in such planning the governing body and the supervisory body are involved.
Netherlands	CBF	Yes. - With respect to the continuity of the activities, the governing board is to draw up a multi-year policy plan for a period of at least three years with accompanying multiyear financial estimate. The multi-year policy plan contains measurable objectives. In order to draw up the multi-year policy plan a situation analysis is made. In this respect opportunities and threats, among other things, are considered. The evaluation reports on the implementation of the policy plans will also serve as a reference. - The multi-year policy plan and the activities of the fundraising institution are to be in accordance with the objective stated in its articles. - Before the end of the fiscal year the governing board, or the supervisory body, draws up an annual policy plan and budget for the following year, in which the multi-year policy plan will be translated into specific programmes and activities with measurable objectives. The following information should, in any case, be included in the budget and annual plan: the expected revenues, the planned expenditure of funds on the charity and on specific programmes and activities, the planned expenditure of funds on fundraising and on supporting functions, the envisaged results (or in case these cannot be predicted: the reasons for this), as well as how any reserves are to be used.
Norway	IK	We do not impose requirements beyond the accounting standards. In accordance with accounting standard there shall be issued an annual report which shall include a summary of the company's development, results and position. In addition the principal risks and uncertainties shall be described and the organization's future development shall be accounted for.

Country	Organization	Do the standards of your organization include conditions to submit any budget or strategic planning?
Spain	FL	<p>Yes. standard 3 refers to the planning and monitoring of activities: "There will be a strategic or annual plan that encompasses the whole organization and which will include quantifiable objectives, a chronogram and the persons in charge of each objective. The objectives related to the projects will be accessible to the general public" (standard 3a). "The planning will have to be approved by the Governing Board" (standard 3b).</p> <p>Standard 7 refers to the control of spending of the funds: "The organization will prepare an annual budget for the next year with its corresponding Directors' Report and analytical review including variances corresponding to the prior year's budget. The budget and the liquidation will be approved by the Governing Board and will be available to the public" (Standard 7c).</p>
Sweden	Svensk Insamlingskontroll	Yes. When the NGOs apply for a 90-account they must make a budget for at least one year. The 90-account holder is obliged to submit the documents and provide the information requested by the Swedish Fundraising Control. In special cases we often ask for the budget or strategic plans.
Switzerland	ZEWO	No.
Taiwan	TWNPOS	Yes. According to Article 4 (Service Performance) which indicates "4.2 The organization agrees to set clear service objectives and suitable evaluation methods to show its achievements."
USA	BBB	Yes, the charity is required to annually produce a budget. This budget should include a functional expense breakdown that shows the expected total expenditures for each major program service (for example, Program A and Program B), fund raising and administration. In addition, another standard requires that charities produce (at least every two years) a written report that outlines the results of the charity's performance and effectiveness and that this report should be provided to the governing body for their approval.
USA	ECFA	No, but this is frequently reviewed for accredited organizations.

### 3.30 BUSINESS CONTROL SYSTEMS

Country	Organization	Do the standards of your organization include requirements concerning business control systems?
Belgium	Donorinfo	No.
Canada	CCCC	Yes. Standards require audited financial statements. These items are generally dealt with by the auditor and the standards require an appropriate response by an Audit Review Committee.
China	CCIC	No.
France	CC	Not yet. CC advises the members to set up an internal audit and the member organisation has to publish the sum of the five highest salaries.
Germany	DZI	Yes: <ul style="list-style-type: none"> <li>- All sealed organizations have at their disposal a guideline to rule the signature power which considers the security checking principle requiring at least two people ("Four-eyes-principles").</li> <li>- Organizations exceeding 5 million Euros of annual income have at their disposal a travel cost guideline, a procurement guideline, standards for their investment policy, and a concept for the prevention of corruption.</li> <li>- Organizations exceeding 10 million Euros of annual income will add the procedure of monitoring proper business management to the annual audit of their financial statements.</li> </ul>
Italy	IID	Yes. IID asks that business control systems and procedures be made available in writing and with a clear procedure and process owner. IID also asks for something else: for instance that there be safety and security procedures, the respect of privacy according to the law, the regular payment of taxes and social contributions, and so on.
Mexico	Confío	Yes. The standards include a) the elaboration of a strategic plan and a economic budget and its presentation to the governing board; b) the implantation of formal control and following systems of the activities, goals and beneficiaries; c) the elaboration of a registry about the earnings and expenses in fundraising activities; d) the existence of accounting records that shows the cost of each program and project.

Country	Organization	Do the standards of your organization include requirements concerning business control systems?
Netherlands	CBF	<p>Yes.</p> <ul style="list-style-type: none"> <li>- The governing board, or the supervisory body, regularly and demonstrably inspects and evaluates the implementation of policy. Where necessary, the implementation of policy is adjusted.</li> <li>- The governing board, or the supervisory body, establishes that the fundraising institution is adequately organized and equipped to implement the policy.</li> <li>- In the determination of the reserves and the investment strategy the starting points included in Appendix 13* of these Regulations are to be complied with.</li> <li>- The responsibilities regarding the expenditure of funds (including financing and the transfer of funds) are to be described clearly and clear criteria and procedures need to be followed, the compliance of which needs to be monitored.</li> <li>- The expenditure of funds is to be in accordance with the budget. Expenditures which deviate from the budget are to be sanctioned by a board decision to that effect.</li> <li>- Funds that have been given restrictions regarding their expenditure due to the nature of a project or due to third parties, are to be employed for the objective within a reasonable period.</li> <li>- The fundraising institution needs to keep a record of information which may reasonably be available on the identity, background and reliability of implementing organizations and (groups) of beneficiaries.</li> <li>- The progress of expenditures for the objective is to be monitored and reported demonstrably.</li> <li>- The expenditures for the objective are to be evaluated and reported demonstrably on project, programme and organizational level.</li> <li>- The fundraising institution will set a standard with regard to management and administration costs and will describe this in the annual report.</li> </ul>
Norway	IK	<p>We do not impose requirements beyond the accounting standards. In accordance with accounting standards there shall be issued an annual report which shall include a summary of the company's development, results and position. In addition the principal risks and uncertainties shall be described and the organization's future development shall be accounted for.</p>

Country	Organization	Do the standards of your organization include requirements concerning business control systems?
Spain	FL	<p>Yes: The board should approve and “Expenditure policy”, which should specify who, in the organization, has the authority to approve expenses depending on the amount (Standard 7C). Also, the NGO should have criteria to select suppliers.</p> <p>In addition, Fundación Lealtad's standards require organizations to set criteria and selection processes for their projects, counterparts, companies and collaboration entities, and suppliers. The governing body must approve all these criteria and the policy of approval of expenses.</p> <p>Regarding the transparency of funding, Fundacion Lealtad requires that the fundraising activities related to private and public donors, their costs and their annual takings (donations, memberships and other forms of collaboration) will be available to the public (Standard 5a). The allocation to each year's activities of the funds obtained will be adequately documented and available to the public (Standard 5c).</p> <p>Regarding the control of spending of the funds, Fundacion Lealtad requires the monitored charity to classify its operating expenses into the categories of fundraising, programmes-activities and operation-administration. Expenses related to commercial transactions, if any, they must be reflected separately (Standard 6a). The organization must also prepare an annual budget with its corresponding director's report and analytical review including variances corresponding to the prior year's budget. The governing body must approve the budget and the budget liquidation (Standard 7c). The organization's financial investments must comply with the principle of prudence (Standard 7f) and in the case of having financial investments; the charity must have some standards of investment approved by the governing body (7 g). Fundación Lealtad analyses if the organization shows a balanced financial structure (standard 7e) and requires the charity not to accumulate excessive available funds (Standard 7g).</p> <p>FL requires the organization to prepare its annual accounts according to general accounting plan for non-profit organizations (Standard 8b).</p>
Sweden	Svensk Insamlingskontroll	<p>Yes. The 90-accountholder must, without being requested and as soon as possible submit to the Swedish Fundraising Control (no later than six months after the end of the fiscal year):</p> <ul style="list-style-type: none"> <li>• its annual report and, if the 90-accountholder has a parent company, the consolidated accounts,</li> <li>• the auditor's report,</li> <li>• the account auditor's report, in addition to the auditor's report, regarding observations during the recent,</li> <li>• the special forms for reporting income statement and balance sheet, filled in according to Svensk Insamlingskontroll's instructions,</li> <li>• the account auditor's verification report regarding the special forms for reporting the income statement and balance sheet,</li> <li>• the separate account of the operations, where applicable, and</li> <li>• the report from a lay auditor/general examiner, where applicable.</li> </ul>

Country	Organization	Do the standards of your organization include requirements concerning business control systems?
Switzerland	ZEWO	Yes. Internal regulation business activities, functions etc. are required as well as appropriate internal control. Number of board meetings, minutes of board meetings, participation of board members are monitored as well as procedure and knowhow for project planning and control (especial focus on organizations working in international networks).
Taiwan	TWNPOS	Yes. In general, based on the NPO Self-Regulation Pledge, all our members agree to establish decision-making processes and management mechanisms that conform to the organization's development. Furthermore, yearly economic budget and annual project are demanded to present on their Annual Report and Financial Report.
USA	BBB	Yes, if the charity suffers from a very significant management deficiency, the charity will not meet the standard calling for the board of directors to provide adequate oversight of the charity's operations and its staff. In addition, if the audited financial statements of the charity identify a qualification in the auditor's opinion letter, this could result in the charity not meeting the standard addressing financial statements.
USA	ECFA	No. This is reviewed by each organization's independent board.



# THE CHALLENGES OF TRANSPARENCY AND ACCOUNTABILITY

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## INTRODUCTION

A friend told a story about coming home from a business trip and finding a horrible odor in the house. He searched the house, checked the plumbing and bathrooms, but could not find the cause. The closer he got to the master bedroom, the stronger the odor. He finally went to sleep in a chair in his library, but still was bothered by the odor. In the morning he called his son, and together they searched for the source of the smell. They found the cause, a dead possum in the attic. The possum had burst open as a result of the summer California heat in the attic. This occurred during a time in the United States when there were a number of scandals rocking the nonprofit sector.

Too often, the stench of the scandal is present in the air, but we just aren't able to pinpoint its cause, unless it is so obvious, and then the cause we discover, tends to be a symptom of the problem, not the real problem.

Almost invariably, the first thing that happens in these situations is that the State, through its legislature, or regulatory bodies, tries to regulate the sector made up of nonprofit organizations (NPO), nongovernment organizations (NGO), or civil society organizations (CSO). The news media and commentators begin to write and urge governmental action to curb these kinds of scandal, as if the problem is systemic rather than due to some moral or ethical failure on the part of some individual or organization. It is as if some vague sense of accountability would have prevented the problem in the first place.

The proposed statutory scheme or regulation may take the form of prescribing rules that include:

- a. Periodic and regular reviews of the tax exempt status of the charity;
- b. Revocation of tax exempt status for accommodation to tax shelters;
- c. Increased sanctions for self-dealing and for jeopardizing investments;
- d. Established standards for government review of conversions of tax-exempt organizations to for profit organizations;
- e. Providing states or provincial authorities with the authority to pursue federal actions against exempt organizations for violating federal laws;
- f. Improved quality and scope of financial statements and informational tax returns, and which require the signature of the Chief Executive Officer, or equivalent, and other officials of the nonprofit organization, on certifications in which the information in the informational tax return is certified to be accurate, complete, and current under penalty of perjury should that not be the case;
- g. Penalties for failure to file informational tax return, or for failure to prepare the form in accordance with the regulations, or for filing the form late;
- h. A requirement for independent audit of the financial statement that includes reconciliation with the informational tax return;
- i. Required disclosures in the tax return of related party and insider transactions, and the accomplishment of performance goals and activities;
- j. Required disclosure of financial statements, including requirements for posting on the organization's website the application for tax exemption, the determination letter by the tax authorities, and the organization's financial statements for the last specified number of years;
- k. Detailed specification of governance policies, including board make-up, frequency of board meetings, and board member duties; and
- l. Prescribed accreditation policies, procedures, and the like.

And this was all because someone smelled a dead possum in someone's attic. Incidentally, I am not making this up. These listed regulatory proposals were actually considered by a committee of the United



States Senate. While few of them were enacted into law, the danger of this kind of regulatory scheme is still present, perhaps more so today. Indeed, from time-to-time we see elements of these kinds of schemes in countries around the world, especially those in North America and Europe. In many countries, the role of nonprofit, civil society organizations is not well developed, with governments assuming the roles often played by the charity sector in other countries.

The *International Journal of Not-for Profit Law*, contained an article in its January 2006 issue, *The Power Shift and the NGO Credibility Crisis*, that described how world politics has undergone a radical and often-overlooked transformation resulting from the unprecedented growth of non-government organizations around the globe. The scope of the power and influence of NGOs or CSOs, which have moved from backstage to center stage in world politics, affect every aspect of international relations and policymaking. NGOs have been a positive force in domestic and international affairs, working to alleviate poverty, protect human rights, preserved the environment, and provide relief and development worldwide. Clearly, many of these NGOs and CSOs, especially the large international NGOs and CSOs, advocate policies and take actions that would be contrary to the stated policies and programs in many countries, thereby resulting in conflicts between the NGO and the governments of the countries in which they may carry on their most critical programs, such as large scale protests which gain notoriety due to the violence and disruption they cause.

This article continued, pointing out that:

After 9/11, however, the specter of terrorist using NGOs as a front for their operations and some highly publicized cases of abuse have made this a critical issue that needs to be addressed by the NGO community. In addition, the increasing power of NGOs has prompted scholars, governments, and the media to raise questions about the roles and responsibilities of these new global, non-state actors. Fundamental questions include: how many NGOs actually exist, and what are their agendas? Who runs these groups? Who funds them? And, perhaps most significantly, to whom are NGOs accountable, and how and what influence do they actually have on world politics?

As reported in this issue of *The International Journal of Not-for-Profit Law*, and elsewhere, we are unable to accurately gauge the size and range of this sector. There are a number of reasons for this, including the scope of the types of organizations and activities undertaken, the problem of definition, the lack of attention to this sector, the dramatic growth of the sector in the last 20 years, and the fact that many operate in some level of obscurity, just to name a few. Data for the number of national NGOs and locally based and operated NGOs around the world is much more difficult to develop, in part because of the definitional problems and the aims and legal structures recognized for CSOs, such as charities, public benefit associations, voluntary associations, etc.

The changes in technology, and especially the technology of communication and new media, have helped transform the world of NGOs. Improvement in information and telecommunications systems, plus the “near-ubiquity” of electronic facsimile machines in the early 1990s, as well as improved use of the Internet through electronic mail, websites, blogs, and social networks have made it possible to transmit documents almost instantaneously to virtually anywhere in the world, to raise money through Internet portals and mobile phone text messaging, and to effect “instant, inexpensive, and almost entirely unregulated flow of information.”

Moreover, as argued in the article in *The International Journal of Not-for-Profit Law*, “the real story is not the proliferation of NGOs, but how these organizations have effectively networked and mobilized members to reshape world politics.” This may be true, at least with respect to shaping world politics for larger international groups. The networking of charitable organizations can be quite effective in mobilizing NGOs to perform needed services and meet natural disasters and other crises.

But, the real story, it seems to me, is what has been called in the literature, “a crisis of transparency and accountability.” What the authors of the article in *The International Journal of Not-for-Profit Law* argue is that “NGOs as an international community lack transparency and accountability in terms of finances, agenda, and governance necessary to effectively perform their crucial role in democratic civil society.” And here, it is not just a crisis of transparency and accountability that is limited to the third sector, or even is primarily directed to the third sector. I address this in the next section, “SO, HOW THEN SHALL WE LIVE

WITH THESE CHALLENGES?” Nevertheless, for purposes of this paper, my primary interest is limited to transparency and accountability in the third sector, which is the one of the most significant and important agenda matters of the International Committee on Fundraising Organizations (ICFO) and its member organizations.

But, even when the sector has an important place in society, many regulatory schemes imposed by governments tend to work against the very purpose for the sector, or against the effectiveness of particular charities. Administrative expenses increase as these organizations retain the services of accountants, lawyers, and direct mail fundraising or public relations consultants. While the use of experts external to the organization may be useful and appropriate, as legal requirements and accounting practices and disclosure requirements become more complex, nonprofit organizations find that it is necessary to increase the level of outside legal and accounting services in order to assure compliance with these statutory and regulatory requirements and to insure protection from prosecution or the imposition of sanctions. This simply increases the administrative cost pool for nonprofit organizations, thereby adversely affecting the ratios with the potential of limiting the funds available for mission objectives. Yet, few of these statutory and regulatory schemes address the issue of transparency and accountability.

In the inaugural issue of The International Center for Not-for-Profit Law's review of *Global Trends in NGO Law*, the Center provided an overview of five major themes that have emerged with respect to laws affecting NGOs during the period of 2007 – 2009. These include: (1) Restrictions on the formation, operation, and activities of NGOs; (2) Increased restrictions on foreign funding to NGOs (although the *Persche v. Finanzamt Lüdenscheid* decision of the European Court of Justice has some impact on this point within the European Union); (3) International cooperation laws that place prohibition on NGOs exchanges of knowledge, capacity, and expertise across borders; (4) Implications of government funds to support civil society; and (5) Use of tax incentives to support government policy toward civil society. Therefore, the thesis with which I have been working is this: The present model for NPO accountability is not a sustainable model if real transparency and accountability to the public and to potential and actual donors is going to occur or obtain.

The model is this: In the first instance, there may be only minimal accountability through the registration process for nonprofit organizations in connection with obtaining either authority to operate and/or tax exempt status, if granted. Even in countries where registration is voluntary, the process of registration may be difficult and time-consuming, and may impose bureaucratic hurdles that can discourage groups from even applying to the register in the first place. In many countries, some framework laws include provisions requiring NGOs to re-register every year or every other year, giving government officials repeated opportunities to deny disfavored groups the right to operate. Nevertheless, for the most part, this accountability is only to the government which granted the authority to exist, raise funds, and receive a tax exemption status. This is the only requirement for the vast majority of nonprofit or civil society organizations, with no other requirements for any form of accreditation or oversight. The rules in this case are minimal. The only apparent accountability is the accountability to donors or the general public that the tax exempt status has been granted by the government, and some possible disclosure of financial information, which may not be required other than for pragmatic public relations reasons. Most of us would not be consider these minimal disclosures as advancing any idea of transparency or accountability.

However, a model in some countries also provides that some authoritative body, such as the State or an independent monitoring organization, although rarely in existence, establishes rules regarding what type of information must be disclosed. The information required to be disclosed is based on the State's value set and not on any universally binding moral principles. Secondly, accountability requires disclosure of this specified information to designated individuals or entities, such as the State, the public, or some independent monitoring agency or entity. Third, for the most part, accountability is confined to providing information regarding the process of accounting for funds and whether the NPO complied with certain processes or procedures in accumulating and reporting the funds received and expended.

Except with respect to certain tax related information, there is limited accountability, if any, required of any organization. There may be an exception to this conclusion in the case of NPOs, NGOs, or CSOs which agree to submit themselves to accountability and monitoring pursuant to either a state imposed regime

which may not mandatory, or an independent monitoring organization and some form of self-regulation, such as that represented by ICFO members. However, very few charities seek any level of independent accreditation or monitoring, leaving the vast majority of charities without any meaningful monitoring. Moreover, there are few independent or self-regulatory monitoring organizations around the world. As we have discovered in ICFO, the concept of independent monitoring by foundations or similar organizations established for the purpose of promulgating and enforcing Standards of Accountability is for the most part nonexistent in most parts of the world, although there is an emerging interest in this in many countries.

In the United States, the filing requirements for informational tax returns leave many charities exempt from such requirements. And in the case of those which are required to file tax returns, failure to file them in any timely manner, or not at all, may not affect the tax exempt status of the organization, and may not subject that charity to any meaningful sanction. I suspect that this may be the case in many countries.

For reasons which I will explain, I do not think that this model is sustainable if the goal is to have transparency and accountability across the sector. The question is whether there is another model which would more adequately address the weaknesses in the current model, or if in the end, we decide that this is as good as it is going to get and we better just learn to live with its limitations. It may well be that because of the large number of nonprofit organizations and increasing size of the sector worldwide, there will never be an adequate way to monitor transparency and accountability across the sector assuming that these are good goals to obtain. The difficulty of achieving these goals rises to the level of impossibility or near impossibility as the INGOs become larger and more complex in their organizational structures which extend across many countries with subsidiaries and affiliates operating in those countries, either raising funds or actually performing the public benefit purpose for which they are organized.

#### CHALLENGES TO THINKING ABOUT ACCOUNTABILITY

For over the last 30 years, I have been considering this question: Do we need NPO accountability, and if so, is it achievable? It all seems so simple, doesn't it, because everyone thinks we need accountability? So, the first challenge is simply the challenge of language and definition. And, specifically what accountability is all about. Part of my interest has just been in language. We have become careless about language. Language is the means whereby our rationality and relationality are enabled simultaneously. These are the attributes that distinguish us as human persons from other forms of animal life. Language is the means by which we know and name things and we know ourselves and each other by sharing what we know.

German philosopher, Josef Pieper observed that words first convey reality, that something is real, and then, secondly, identify it for someone else which denotes the interpersonal nature of human speech. Since language sustains our engagement with reality and with one another, when words become corrupted, human existence itself will not remain unaffected.

In the sphere of politics, inattentive speaking and listening can have grave consequences. Jargon and cliché, according to author George Orwell, are deadly enemies of healthy political life, and I would add, of the civil society movement. As he pointed out, in 1940s Europe, political language was characterized by "euphemism, question-begging, and sheer cloudy vagueness." Orwell sensed a mechanistic quality to hackneyed language. But, we hear the same thing today, as government leaders talk endlessly of open government, of transparency of, and accountability by government agencies and institutions, and corporations, and charitable organizations.

And yet as reported in *The International Journal of Not-for-Profit Law* article on *The Power Shift and the NGO Credibility Crisis*: In an increasingly interdependent and information-rich world, governments, policy makers, and citizens face the common problem of bringing expert knowledge to bear on decision making. Policy makers need basic information about the societies they govern – about how current policies are working, possible alternatives, and their likely costs and consequences. Citizens increasingly demand the same, and NGOs have grown to be an integral part of the response to this increased demand for information. Both policy makers and the general public, however, are often besieged by more information than they can possible use. The problem is that this information can be unsystematic, unreliable, and/or tainted by the interests of those who are disseminating it.

Even when providing reliable information, however, NGOs are hardly neutral on issues of policy formation. Due to their varied nature, NGOs often play the interesting dual role of providing information and acting as an agent of political pressure on the government, leading to potential conflicts of interest. Transparency and the disclosure of interests and funding sources here are critically important, but there are often few mechanisms to ensure compliance, especially on an international scale.

I sense that the vague use of language with its use of euphemism, jargon, cliché, question-begging, is the case in areas outside of politics, especially when we deal with the NPO and NGO sector. We are unclear just what we mean by our more common euphemisms and cloudy vague terms. When one listens to someone on a platform mechanically repeating a series of hackneyed and vague terms, one may wonder, whether the speaker really knows what he or she is talking about. We keep hearing terms like: “we need charities to be accountable,” “we need to have more monitoring of charities,” without really understanding what we mean by “accountability,” and what we really mean by monitoring, and by whom. Or “we need to give wisely,” “we need to watch our fundraising and administration cost ratios to make sure that they don’t exceed 25 percent.” “We need better attention by our watchdog agencies to make sure our NPOs are transparent.” “We need integrity in the public benefit and civil society sector.” So, it goes. And, all of this is in the midst of the overload of information that can be unsystematic, unreliable, and tainted by the interests of those disseminating it. Can much of this communication be any farther from reality? When words are robbed of any meaning, the possibility of trust between those involved in the communication is lost.

It is interesting that two of the most searched words or phrases on Google are “transparency” and “accountability” either alone or in combination with each other. A recent search on Google of the word, “transparency,” resulted in approximately 24 million hits, and the search for the word, “accountability,” resulted in approximately 27 million hits.

And then comes along some crisis, such as, a massive tsunami in South Central Asia, devastating earthquakes, such as in Pakistan, or China, or Haiti, or Chile, or Japan, together with its own tsunami and nuclear disaster, or the eruption of a volcano in Iceland that disrupts international air travel, with the attendant hardships surrounding that event. We solicit donations to alleviate the impact of these disasters, and as Westerners, feel good about what we think we are doing by our giving. Whether or not we give lip service to transparency or accountability, the fact is that we seldom require it when we give to telethons sponsored by celebrities, or as a result of the appeals that come from the performance of movie and television stars with background pictures from the affected areas. We give by text messages in response to appeals we hear on the radio or television, by online donations to Internet portals when we see an appeal on television or the Internet during web surfing, or on the telephone in response to a telephone solicitation without any thought of what kind of due diligence we might conduct to determine whether our donations are going to a legitimate charity, and will really be used effectively for the cause for which they were solicited and for which we gave.

One could be forgiven for thinking he or she is not watching or hearing a live human being, but some dummy wound up to spit out the familiar phrases. Orwell argued in an essay that many of the words central in a speech have lost their meanings and were, indeed, devoid of any agreed upon meaning. He picked up this theme in his novel, *1984*, when he argued the central importance of language to human thought because it structures and limits the ideas that individuals are capable of formulating and expressing. If control of language is centralized in a political agency, Orwell argued that this could alter the very structure of language to make it impossible to even conceive of disobedience or rebellious thoughts because there would be no words with which to think them. Could this adversely affect the existence and role of CSOs in society, and whether or not we should give our money or volunteer our time to them, or how we should relate to CSOs?

I think the word “accountability” may be one of the words that has become, or is becoming devoid of any meaning. So, for example, “accountability” may have no agreed upon meaning and may simply signify something desirable. Words, such as, “justice” “equality,” “equal opportunity,” “fairness,” may have several meanings, often in conflict with each other and come to mind, but they all sound like characteristics to be desired. The question is why that is the case if there are no moral standards by which the concepts have meaning and application.

For example, in the case of “accountability,” there may not be an agreed upon definition, but there is also a resistance to an attempt to have one. An NPO which we say is accountable, is one to be praised, even though we don’t know by which standards it is to be praised, or indeed, if “accountability” is even a moral virtue.

The second challenge is that of postmodernity. What I am addressing here is the consequences or effect of postmodernity. Postmodernity is a post-traditional order, but not one which replaces the sureties of tradition and habit with the certitude of rational thought and knowledge as suggested by the Enlightenment. Rather, doubt is a pervasive feature of modern critical reason, permeating into everyday life as well as consciousness and forming a general existential dimension of contemporary social order.

To be more specific, postmodernity institutionalizes the principle of radical doubt and skepticism, and insists that all knowledge take the form of hypotheses. Claims, which may be true, are always open to revision and may have to be abandoned at some point. Relationships exist solely for whatever rewards that relationship can deliver. Trust can no longer be anchored in criteria outside the relationship itself, such as criteria of kinship, social duty, or traditional obligation.

How does “accountability” work in the context of radical doubt and tentative hypotheses that can be revised or abandoned at any time? Science, technology, and expertise more generally play fundamental roles in what has been called the sequestration of experience. Systems of accumulated expertise represent multiple sources of authority, frequently internally inconsistent and divergent in their implications. In the information age with instant availability of data and the explosion of knowledge, there is a belief that harnessing the knowledge explosion offers the key to instant, total information. The goal is to know everything in order to predict everything, in order to control everything. But, is that even possible with our limited knowledge and in an existential age of skepticism?

With all of this, there is a growing importance of a “new thinking class,” where everything is segmented and sequestered to a variety of experts who tell us how to run everything, including our nonprofit organizations. Again, how does an organization become accountable to anyone, including the State or an independent monitoring agency, when so much of what is done by that NPO is done by experts plotting mission strategy, communication strategy, fundraising techniques, accounting practices, and reporting policies, financial information, and effectiveness impact on a utilitarian and pragmatic basis, when they may not be communicating with each other or with management or the Board about anything other than information, or analysis of information, from their respective areas of expertise? We basically live and operate in a cultural setting that sets the rules and magnifies the role of administration and management by the experts, sequestered from each other, rather than principled leadership.

Where there is no truth, except the statement that there is no truth, and where ideas of an individual may be in flux, interesting, creative, and important for that individual, they can no longer be rejected on the basis of some exclusive truth. How does accountability square with any sense of reality? What we have here is the existentialism of Søren Kierkegaard, Frederich Nietzsche, and Jean-Paul Sartre, born largely out of the failure of the Enlightenment experience.

There are two trends in postmodernity. The first is privatization, which produces a cleavage between private and public spheres of life, and focuses on the private sphere as a special area for expression of individual freedom and fulfillment. Its benefits include opportunity for individual freedom, to acquire more things, and to travel more, free from the constraints of community, tradition, and geographically based rules. However, privatization is also limiting. For example, concepts of ethics and morality are confined to private, personal preference, and private association, but have no binding affect beyond that. Under these conditions, how can a regime for accountability based on Standards of Accountability be binding on NPOs, NGOs, or CSOs whether or not they subscribe to such a regime of accountability and monitoring?

The second trend is pluralization, that is, the process whereby the number of options in the private sphere multiplies at all levels, especially with regard to worldviews and matters of ethics and morality. This is beneficial because of the richness of life and life experiences, and the openness it offers to different traditions and life experiences. But, because of the increases in choices and change, there is almost an

automatic decrease in commitment, continuity, and conviction in relationships, ideas, worldviews, and morality and ethics. With all the alternatives offered by this pluralization, especially as we discover what goes on in the rest of the world, and over the course of human history, there is a loss of certainty about what is right and wrong, why we should be transparent and accountable, and the focus is placed on what works and what we can do to get away with a particular course of action. Can there be true transparency and real accountability when commitment, continuity, and conviction in relationships, ideas, worldviews, and morality are missing?

How do we define and encourage accountability when concepts of morality and ethics are confined to the private domain of personal preference and opinion, and when decisions and conduct occur far away from the central management authority and the community in which the leadership, including management and board is known? This is especially problematic in the case of the large and major INGOs, and the level of moral control that the headquarters have over the various subsidiaries and affiliates. Moreover, how can accountability be regarded as a virtue, or something good, if there is an absence of agreement on what principles of morality and ethics apply to the sector in every situation, every time, and every place? In other words, why should we even care about accountability?

A third challenge to understanding the idea and consequences of accountability is what I would call the challenge of the appearance of impropriety. Over the last 20 to 30 years, society has been engaged in a far-reaching effort to increase public confidence in institutions through the use of ethical rules. We have rules dealing with legal ethics, judicial ethics, medical ethics, business ethics, and ethics for almost every possible conceivable profession or vocation.

Although many of these kinds of rules and principles have been around for a long time, what is unique in the last 20 to 30 years, has been the fact that these rules stress appearances and procedures, rather than matters of substantive morality and ethics. The main effects derived from this outburst of ethics have been the proliferation of bureaucracies to enforce them, journalists to report on the apparent failure to comply with some principle of ethics, ethics consultants to advise organizations how to comply or circumvent rules imposed externally to the organization, and political operatives focusing on what is now the cottage industry of appearances of impropriety. To an unprecedented degree, ethics legislation and rules focused on appearances – both on the appearance of proper or improper conduct on the part of public officials, professionals, and executives, and on the appearance of enforcement by authorities.

How does accountability thrive in the context where the true facts of ethical or unethical conduct are hidden, but the story relating to ethical conduct can be manipulated by good public relations experts? What we have here is accountability by spin where reality may be hidden and what is disclosed can give a false impression of the true facts.

After all, both as a human being disclosing an account of one's actions or failure to act, and as human beings receiving that information, subject to all the human frailties in human communication, we will never really understand perfectly just what the true facts are or were with respect to decisions made and the conduct which implements those decisions.

The fourth challenge is the assumption that accountability represents some moral virtue. In this respect, my argument is this: contrary to public understanding, including that within the third sector, "accountability is not a moral virtue." Rather, it is simply the language used by certain "experts" to describe and evaluate the process of whether money was treated in accordance with certain specified rules.

Thus, if the government prescribes rules of accounting, governance, fundraising, or some operational practices, accountability may require the NPO to report, explain, or justify its actions as being in compliance with those rules to the government and to the public if the government prescribes laws that require such public disclosure.

The challenge is this: if the ultimate goal is ethical conduct in the raising of funds, the management of those funds for the public benefit purposes that define the particular NPO, the conduct of operations consistent with accepted norms of morality, and ethical and responsible governance, *i.e.*, stewardship, then

accountability does not define the moral virtue. Rather it merely reports what is minimally required to be disclosed by law, regulations, or some “Ethical Standards of Accountability” promulgated by some monitoring agency.

It would seem, therefore, that the concept of true “accountability” cannot exist alone and without some external reference or moral principle other than simply responding to minimal disclosure requirements. Moreover, if there is to be true accountability, then the individual or the organization must be “transparent.” That is, there must be open, frank, honest, and candid communication, so that what is behind the scene, whether agenda, decision making, financial integrity, or responsible governance, can be recognized and detected by those outside the immediate organization. How this is done may be based on how an organization takes the initiative in the publication of its solicitation for funds or reports on its activities on the one hand, or responds to external inquiries on the other.

The fifth challenge is the challenge of understanding the nature and role of government with regard to civil society and accountability, and threats to accountability. One might think that the only threat to “accountability” is the assertion of freedom, the protection of trade or business secrets, or of the importance of success, whether it be in fundraising or beating out the competition in achieving favorable notice in the press, or maybe even on some public benefit basis, such as reducing poverty, alleviating homelessness and hunger, conquering cancer or heart disease, or reducing the incidence of HIV/AIDS.

Were we to look back to Plato and Aristotle for thinking in the political arena, and political philosophers up to the recent past, we would find that they were unanimous in assuming that the quality of government and governance was related to the virtues, manners, and mores of the governing officials and of the people governed. In other words, it was dependent upon citizens who governed their passions.

Consider the warnings of Alexis de Tocqueville as he considered his native France as a growing and centralized state, coddling an increasingly individualistic and undisciplined populous with more emphasis on pleasure and equality than virtue.

I see an enumerable multitude of men, alike and equal, who turn about without repose, in order to procure for themselves, petty and vulgar pleasures with which they fill their souls. Each of them when drawn apart is a virtual stranger, unaware of the fate of others. His children and his particular friends form the entirety of the human race.

As for his fellow citizens, he is beside them, but he sees them not. He touches them and senses them not. He exists only in himself and for himself alone. And if he has a family, one could say at least that he no longer has a fatherland.

Over these is elevated an immense tutelary power which takes sole charge of assuring their enjoyment and of watching over their fate. It is absolute, attentive to detail, regular, provident, and gentle. It would resemble the paternal power if like that that power it had as its object, to prepare men for manhood. But it seeks to the contrary, to keep them irrevocably fixed in childhood. It loves the fact that the citizens enjoy themselves, provided that they dream solely of their own enjoyment and happiness, but it wishes to be their only agent and sole arbiter of that happiness. It provides for their security, foresees and supplies their needs, guides them in the principal affairs, directs their industry, divides their inheritances. Can it not relieve them entirely of the trouble of thinking and of the effort associated with living?

In this fashion, every day it renders the employment of free will less useful and more rare. It confines the action of the will within a smaller space and bit by bit, it steals from each citizen the use of that which is his own. Equality has prepared men for all of these things.

After having taken each individual in this fashion by turns, into its powerful hands, and have having kneaded him in accord with his desires, the sovereign extends its arms about society as a whole. It covers its surface with a network of petty regulations – complicated, minute, and uniform – through which even the most original minds and the most vigorous souls know not how to make their way past the crowd and emerge into the light of day. It does not break wills; it softens them, bends them and directs them. Rarely

does it force one to act, but it constantly opposes itself to one's acting on one's own. It does not destroy, it prevents things from being born, it extinguishes, it stupefies and finally, it will reduce each nation to nothing more than a herd of timid, industrious animals of which the government is the shepherd."

Some of these very themes were picked up by George Orwell in his novel, *1984*. Although the events predicted in 1949 to occur in 1984 did not occur as broadly as described by 1984, the novel remains an important treatise, in part, because it sounds the alarm against the abusive nature of authoritarian governments, but also because it is a penetrating analysis of the psychology of power and the ways that manipulation of language and history can be used as mechanisms of control.

Orwell portrays a state in which government monitors and controls every aspect of human life, even to the extent that a disloyal thought is against the law. The government controls every source of information, managing and rewriting the content of newspapers and television and radio programs and histories for its own ends. Memories become fuzzy and unreliable, and citizens, and by extension, NPOs, become perfectly willing to believe what the government says and requires of them.

By means of technology, the government is able to monitor members and organizations to exert large-scale control over the economic life of the country. Remember, *1984* was written before computers were invented and widely used. Throughout the novel, we are presented with a place in which there is no darkness. Existence is merely a prison cell in which the light is never turned off, symbolizing the main character's approach to the future and extreme fatalism in which no matter what he does, he is faced with trusting the government for everything. This level of intrusive accountability forced on the citizen deprives the citizen of any moral character or act of will.

This extended quote of de Tocqueville, and discussion of Orwell's novel, *1984*, point to an interesting transition in my thinking about civil society and of accountability as it affects the civil society movement. My first concern and interest is the question of roles of government in addressing the public benefit interests of a society and of the civil society concept in addressing the same or similar public benefit issues. Consider de Tocqueville's description of the effects of government provisions for all human needs of a society versus how NPOs address human needs and the nature of its effect on human will and activity.

While this first concern is beyond the scope of this essay, there are a few things that should be said. The definitions of "third sector," "civil society," "public benefit," "charity," and "voluntary associations" tend to be rather broad and vague. Moreover, it is impossible to have a conversation about politics and public policy today, especially in an international context, without talking about civil society and the role of CSOs or NGOs, and the roles of government, the commercial sector, and the third sector.

Probably the most commonly understood idea today is that civil society represents the emergence of non-governmental organizations that are regarded as a third sector apart from government and commerce, or the commercial, business sector. In other words, the public sphere set apart from the State and the market. What Tocqueville was suggesting in the extended quote was that the civil society sector could be in danger and the role of government could grow in its influence, power, and control of so much of society, so that all freedoms, acts of will and charity could be snuffed out.

My second concern is closely related to my first concern, that in the context of accountability, governments could set the terms of accountability by the regulation of the sector in lines with what I described earlier. What I am thinking of here is redefinition of public benefit according to some perceived public policy, frequent and periodic applications for reviews of the tax-exempt status of an organization, establishment of standards for government reviews of organizational functions, operations, and documents describing the decision making process and decisions, demands for increased data in informational tax returns, penalties for failure to file timely returns or minor clerical errors in the returns, detailed policies regarding the make-up and governance practices of the governing board, and delegations of enforcement practices to other authorities, to include increase in exposure to civil and criminal litigation.

Indeed, as reported in *Global Trends in NGO Law* (March 2009), of the International Center for Not-for-Profit Law:



In recent years civil society organizations around the world have had to confront new and serious threats to their survival as a backlash against the spread of democracy has intensified and grown. Many observers have reported on this phenomenon, one that is “characterized by a profound shift from outright repression of democracy, human rights, and civil society activists and groups to more subtle government efforts to restrict the space in which civil society organizations . . . operate.”

NGO framework laws – that is, laws that attempt to address all of the issues that arise over the “lifecycle” of a non-governmental organization – have been considered, adopted, or amended in at least a dozen countries in the last two years, including Bahrain, Cambodia, China, Ecuador, Egypt, Jordan, Kosovo, Rwanda, Sierra Leone, Sri Lanka, Tajikistan, Uganda, and Yemen. NGO framework laws can be an important contributor to the development and sustainability of civil society by providing legal protections for NGOs and their volunteers and employees. However, framework laws can also be misused (as in the case of the Ethiopian *Proclamation*) to reinforce the backlash against civil society.

Despite the increasing attention paid to the backlash against civil society and democracy, many governments continue to use the legislative tools at their disposal to control and restrict NGOs. A number of laws considered or enacted in the past two years have raised serious questions as to their compliance with international norms governing the right to free association as well as the practical obstacles that they raise to NGO operations. Among other issues, some of these laws imposed restrictions on the ability of NGOs to form and become legal entities, and carry out activities without undue government interference. Others provide governments with broad discretion to shut down NGOs.

The real question, it seems to me, is how is a charity, or some other NGO or CSO going to live and function with integrity in a society and in an era in which these challenges drive most of the thinking and acting in the world today? And recognizing that organizations are simply legal entities, how are we as leaders in the sector, including leaders of NGOs and CSOs, as well as of charity monitoring organizations, going to lead with integrity when there is so much that works against us. Moreover, does a focus on transparency and accountability when those terms are devoid of any meaningful substance and understanding, undermine our consideration of what is really important in terms of ethical conduct in how an organization is governed, led, and managed?

#### SO, HOW THEN SHALL WE LIVE WITH THESE CHALLENGES?

There has been a dramatic proliferation in the number of NPOs, NGOs, or CSOs of all types during the last 20-30 years. This has been accompanied with an attendant growth of public and private grants, donations, and contracts flowing to them thereby enabling them to become a powerful force in world politics. Because of the variety of organizations fitting within the broad categories and description of civil society, it is impossible to accurately gauge the size of the sector around the world.

With differing requirements regarding formation, registration, and definition of the NGO, it is difficult, if not impossible to estimate the number of charitable organizations or foundations in various countries. However, with a sample of some trends reflected in this growth, we can get a sense for what we are facing in this sector. There are over 1.5 million nonprofit organizations in the US, and something in excess of one million NGOs in India, are just to cite two examples reflecting the growth of the sector. The UK has approximately 160,500 charities registered with the Charity Commission, plus approximately 23,300 charities registered in Scotland by the Office of Scottish Charity Regulators (OSCR). The Canadian Revenue Agency reports approximately 114,500 charities registered in Canada. Germany has approximately 15,000 foundations that are registered for public benefit purposes. There are approximately 277,000 in Russia. The number of NGOs operating internationally is estimated to be 40,000, with approximately 4500 NGOs working with the UN in a consultative status. Recent reports indicate that there are 160 international NGOs, INGOs, associated with Inter Action alone. These are just a few examples of the scope of the third sector in the world.

In light of these challenges, is there any hope for transparency and accountability? I think on the grand scale, we will never be truly satisfied with the level of transparency and accountability within the sector across the world. First, we really do not know what we mean when we talk about transparency and

accountability, and what the qualities of transparency and accountability would look like. Secondly, as illustrated above, the sector is extremely large and present in so many countries that with the variety of definitions of NPO, NGO, and CSO, and what is required by the State to be established and recognized legally as an NPO, NGO, or CSO, establishing Standards appropriate to the entire sector without regard to their potential application to each type or class of organization could prove to be impossible. For the major INGOs with operations and activities in many different countries, either directly or through subsidiaries and affiliates, and often with many different international governmental or quasi-governmental organizations regulating their status and activities, they are in all likelihood too large to be monitored and required to accept and adhere to Standards of Accountability that they have not written or negotiated with either a governmental agency or with an independent monitoring body. Thirdly, with different national histories, traditions, laws, policy orientations, etc., it is questionable whether Standards requiring certain ethical practices, standards of transparency, and rules of accountability could ever be accepted so that there would be commonly accepted practices of charity monitoring. Fourthly, as reflected in the Corruption Perception Index and the Global Corruption Barometer of Transparency International, the current levels of corruption as defined and indexed in these indexes make the likelihood of broadly accepted practices of transparency and accountability almost impossible to achieve in many societies.

There is an ancient warning that “men are condemned because light came into the world, but that men liked darkness rather than light because their deeds are evil.” Although this warning addresses a different matter, the fact is that it is human nature to hide what one does, and to avoid transparency, especially when what is not disclosed does not represent the highest ethical standard or practice. Moreover, we have heard of ancient times when “everyone did what was right in his own eyes.” Accountability properly understood addresses these basic human problems.

An issue here may be abuses, such as where funds being improperly diverted into private hands, fraud, self-dealing and enrichment, where there are payments of excessive compensation to key employees, and the like. But, it is more, is it not? There may be no improper diversion of funds, no fraud, no self-dealing or enrichment, no excessive compensation, and yet, the funds and in-kind gifts given to charities, or any NGO, for that matter, may never be distributed to the primary mission of the organization, or to the cause for which we made the donation in response to a solicitation. In a world in which we use language carelessly, it is important that we be clear about what we call accountability.

An example of the problem I am addressing was the declaration of the current administration in the U.S. on assuming office. Throughout the campaign for the U.S. Presidency, the campaign promise was made that upon assuming office, this administration would be the most open and transparent and accountable administration in U.S. history. In an effort to achieve this goal and make the federal government more open and transparent, the administration “found a new, technological savvy way to circumvent legal requirement that official correspondence must be archived.”

The change in policy came in early April 2010 at which time the President lessened the requirements of the 1980 Paperwork Reduction Act to ease government agencies’ participation in social media, such as Facebook, Twitter, and the posting of blogs without archiving the data. Although there was the appearance of openness and wide dissemination of information through the new media outlets, as stated in this report, this new policy permitted government officials to communicate in secret without worrying about Freedom of Information Act requests and without leaving a record for the public to view after the information leaves a website. Prior to this change in policy, this kind of information was archived so that the government remained accountable. The further implication of this policy change, as reported in this independent analysis, was that if employees at any government agency were able to engage lobbyists and other outside actors via the Internet without having to archive their conversations, “then the government will be opening the door to more conflicts of interest and corruption with no record of the communications.”

If the word, accountability, just becomes one more useless cliché, euphemism, question-begging term, or a term clouded with vagueness, we accomplish nothing in advancing the cause of ethical standards and responsibility. Merely posting large amounts of data and information on the Internet hardly provides for accountability, especially where potential readers of the website are buried with information that is unsystematically presented, confusing, and where its importance is not adequately disclosed or

demonstrated to be related to the decisions in question. We need to be clear that accountability involves describing something that is real, complete, accurate, current, and open to examination, to someone. That it involves a relationship with someone or some organization that understands what is happening and can say “no” and make it stick. In other words, it involves both rationality and relationality. There must be a disclosure or an accounting of reality that can become understood by all observers. Secondly, that disclosure must be made within the context of a relationship, however that relationship is established and defined. Accountability, if it is to be effective, must be based on the complete and open disclosure of conduct or activity measured against certain standards, with enforcement mechanisms, formal or informal, to ensure compliance with the Standards.

Secondly, in a postmodern world where radical doubt is a pervasive feature of everyday life, where sequestration of public and private spheres of life may limit theories of value from concepts of obligation, where concepts of ethics and morality are confined to private, personal preference and have no universal binding authority and affect beyond that, and where pluralization offers multiple options and choices, a system of accountability must involve rationality, that is, that it conveys reality that is clearly understandable, and relationality, where radical doubt and skepticism are minimized and trust promoted. Notwithstanding the globalization of commerce and civil society, legal jurisdiction is still generally bounded by geographic national borders.

It is virtually impossible to recognize some universal, binding moral principles that would govern decision making and conduct where the postmodern culture denies the existence of such standards. While nation/states may not be able to prescribe standards for accountability with respect to extraterritorial conduct, or provide a monitoring regime to evaluate that conduct external to the State, it would seem that if accountability standards are to provide for the open, candid, honest, complete, accurate, and current disclosure of the agendas, decision making, financial affairs, integrity in all spheres of operation, and governance, they should have some extraterritorial reach. Otherwise, we are only getting part of the picture of the quality and exercise of stewardship, and whatever we think of accountability just is not going to happen.

Too often, our emphasis has been on appearances, and specifically appearance of impropriety. It is so much easier to just look at the surface appearance than to do the hard work of investigating suspected wrong doing, especially when the subject of that investigation does not cooperate with the investigation. Where the State is responsible for regulating and monitoring the sector, the likelihood of any cooperation by the investigated NPO decreases, especially when lawyers, accountants, and other experts are involved in protecting the NGO from possible prosecution. One could hardly expect there to be any transparency in that situation unless there is what lawyers call, a data dump. That is, where all the records that may be directly or indirectly and remotely related to the matter in question are provided whether or not they are relevant to the inquiry, and without any mapping or guidance showing the relationship, if any, to the question raised in the inquiry or investigation. If accountability is to be worth anything, then the standards must be clear, the compliance procedures must be fair and complete, and the disclosure of the results of the investigation must be honest with respect to exoneration or to the failure and the sanction.

The warning of Alexis de Tocqueville is appropriate. If nongovernmental NPO standard setting and monitoring organizations are not in place, my sense is that governments will tend to assert and insert themselves in regulating nonprofit organizations. As noted by a former Commissioner of the US Internal Revenue Service (IRS): “Questions of religion and civil rights are far afield from the more typical tasks of tax administrators – determining taxable income.” Indeed, the U.S. Supreme Court had often expressed concern that the scope of a government agency’s authorization be limited to those areas in which the agency fairly may be said to have expertise, and this concern applies to the asserted authoritative power of an agency that determines the scope of public policy. Historically, in the United States, much of the NPO and charitable activity arose initially and primarily in the church or religious orders. Thus, the comment of the former Commissioner of the IRS.

If the general idea is that transparency is important to prevent unethical or irresponsible conduct as described in the warning I just quoted, then it seems to me that a culture of transparency and accountability is required if the leadership of the NPO, board and management, are to govern and lead the organization

with integrity and wisdom. In other words, internal accountability is absolutely essential to the proper operation of the NPO and to its external accountability. There will never be external transparency and accountability if there is lacking internal transparency and accountability.

The argument has been made that billions of dollars in the US, and I suspect elsewhere, are transferred each year to nonprofits, and there is no market or voter to exercise discipline to assure that they are providing something of value to society. According to this argument, nonprofits are accountable to no one but their boards and few boards make the effort to assure that these groups are being productive so as to merit the support they receive from donors.

I have trouble with this argument, especially when it is the basis for asserting more active government involvement in regulating and monitoring the sector. It seems to me that the basic argument is premised on the idea that ultimately, the government is the owner of all things, including all financial assets in the country, and it is only on the basis of some act of grace or largess that governments allow individuals and organizations to hold some of the assets in trust to accomplish the societal goals governments deems worthy of promoting. Indeed, this thinking regarding the activities and tax exempt status of the nonprofit sector is already discussed in the halls of government. In other words, citizens have no real freedom with regard to what they want to do with the resources that have come into their possession.

Notwithstanding this philosophical difference I have with that argument, transparency and accountability are important to developing and enhancing trust with the donors, donor public, and with the public generally. Most givers do not have either the requisite expertise or time or inclination to engage in appropriate due diligence to ensure that their donations are directed to the charitable purpose that they intend to support. My guess, without the support of reliable statistical data, is that most donors are giving to charity on an emotional or emotive level, rather than on the basis of clear thinking about the how the organization is managed, and how funds are raised, reported, and used for the public benefit for which the organization was established. Accountability to independent monitoring agencies, to the news media, to governments, and to the public generally, serves at least some minimal purpose to provide that assurance of the responsible stewardship on the part of the NPO of its operations and assets.

Finally, I think that we can look to a model that does not depend on increasing the number of organizations required to be accountable as part of a monitoring scheme. Too often we have bought into the idea that big is good, bigger is better, and biggest is best. I am not convinced that a model built on this basis is necessarily the best model.

First, with millions of tax-exempt organizations around the world, governments simply are not going to be able to monitor them, nor will governments be able to assure their accountability either to the government, the general public, or any monitoring organization. An attempt to do so would significantly curtail the number of NGOs, particularly the small and locally based charities that provide social services to the poor and homeless, too often exclude CSOs that have agendas that may not be in accord with what a political authority values or wants to see happen within its control, and would in any event, in all likelihood, increase the administrative costs necessary for that NGO or CSO to operate within the constraints of the law.

Moreover, with an emphasis on growth of monitoring organizations and increased attention by governments to the activities of NPOs, NGOs, and CSOs, there is the tendency to take on a trade association mentality. As stated above, consistent with postmodernity, the tendency is to believe that bigger is better and biggest is best. Unfortunately with that, comes less emphasis on Standards and compliance monitoring since the attempt is made to qualify or accredit as many NGOs as possible, and yet be unable to perform reasonable monitoring to ensure compliance with standards of accountability because of lack of resources.

The scheme for many monitoring organizations is to grow the number of accredited accountable organizations that are being monitored. Perhaps driven by the idea that the larger the monitoring organization is with a large number of accredited organizations, the more influential it becomes. Rather than the force of Standards of Accountability or Ethical Responsibility, the emphasis is on marketing to gain the largest number of "accountable" members possible. What is needed is that the sector, including

monitoring organizations, such as the members of ICFO, prioritize the practice of faithfulness to ethical conduct, transparency, and accountability which is not significant in society through the achievement of growth and presence.

It is my view that the larger the number of NPOs subject to this kind of monitoring, the less accountability there is. What would seem to me to be more effective in achieving some level of accountability would be to follow the model of a number of religious communities and orders. This model has been followed in non-religious small group accountability arrangements, in which each member of the group meets regularly with the other members in transparent disclosure of life as they are experiencing it. Accountability by government compulsion of law and government imposed sanctions may result in an appearance of some kind of strict, but limited accountability. However, it is doubtful that there would ever be real transparency under this model. Accountants, lawyers, and other experts would simply advise the NPO management how to comply with the minimal requirements of the law and regulations or policies, without the moral foundations required for true transparency.

Applied to the NPO sector, what I see happening is where there is a form of “peer” review and accountability. One model employed in the United States is based on a panel of specialists, such as fundraisers, accountants, lawyers, NPO operational leaders, and the like, examining the disclosures of monitored NPOs against set Standards of Responsible Stewardship. However, unlike many independent monitoring schemes, these members of the panels are frequently participants in the sector through their participation on NPO boards or in management positions in a variety of NPOs. They are independent to the extent that they are not employees or staff members of the monitoring organization. Rather, they are volunteers from various disciplines associated with the sector, including staff or board members of NPOs or NGOs. As such, they understand the sector and have already committed themselves to the goals of civil society. They not only have the requisite skills to evaluate financial reports, like those involved in some of the rating monitoring organizations, and the satisfaction of performance objectives, they have actually participated in the governance of organizations within the sector.

Relationships can be established and nourished through transparent communication between the panel and the charities monitored. The expertise is present to interact with the NPO, and bonds of trust are developed where the emphasis is on enabling corrective compliance with the Standards and best practices rather than merely on imposing sanctions, such as termination of the accreditation or withdrawal of the seal.

If transparency involves communication and words, then as Josef Pieper observes, the communication must connect with reality and must involve relationality, that is, it must express the entire relevant reality and include the interpersonal nature of communication. Merely publishing financial information from informational tax returns on the Internet hardly constitutes real accountability, especially since the transparency, to the extent that it exists at all, is limited to what accountants or bookkeepers determine from the array of data available what they must report in the financial statements of the respective charities. Similarly, many charity rating services have different ways of expressing their ratings based on the methodology for determining what numbers are included in the formulas for determining ratings. The larger the base for these ratings or publication of tax return financial information, the less like there is to be transparency and accountability on the part of the individual NPOs, NGOs, or CSOs.

An analysis of the national member organizations of ICFO reveals that no individual member monitoring organization is large in terms of the scope of its monitoring of NPOs, NGOs, or CSOs as a percentage of the total number of NPOs, NGOs, or CSOs operating in that country. Moreover, it is clear from the size of ICFO and its entire membership that monitoring occurs over a very small number of NGOs. This naturally raises the questions about the level of transparency and accountability within the sector at large that can be expected as a result of the work of the members of ICFO and whether we should despair at what to many may be an inadequate monitoring regime for such a large sector.

I think not. While there is no doubt that the current model does not require transparency and accountability across the sector, the model represented by the member organizations of ICFO does promote a certain level of transparency and accountability with respect to those NPOs monitored, or at least has the

potential to do so. Although there is always room for improvement in the articulation of Standards of Accountability, and the level of monitoring to ensure compliance with those Standards, I have become convinced that we have it about right. I have come to this conclusion on the bases of several observations.

The first is that the sector is simply too large and complex to permit adequate monitoring across the sector, including the kind of monitoring which would be required and enforced by governments. Governments are incapable, both on the basis of the lack of knowledge of the sector, expertise in the variety of disciplines involved in the civil society movement, and in the required resources to be able to monitor all the NGOs registered in a given country. Moreover, too often politics, or the suspicion of political pressure or political agenda, would taint any attempted clarification of definitions, the issuance of Standards of Integrity and Accountability, and the monitoring of the sector against those Standards. Even in the case of random sampling and auditing as performed by the government revenue agencies of individual tax returns, there would be no assurance that all NPOs or NGOs are in compliance with Standards.

The second is how often a small minority of individuals or groups can influence culture institutionally well beyond their numerical numbers and weight. So often we see across history and geography, that small groups or individuals, maybe ethnic minorities, individuals in certain professions, whether in the university, in the arts, in finance and banking, law, medicine, or sports, for example, do much to shape the direction of a country, a profession, or sector, and its larger role in society generally.

In the NPO sector, for example, the national media and government authorities frequently consult leaders in organizations, such as BBB Wise Giving Alliance, Charity Navigator, and the Evangelical Council for Financial Accountability, on matters relating to charity transparency, accountability, governance, fundraising, etc. This is the case even though a small percentage of NGOs are accredited, analyzed, or rated by any or all of these three organizations. BBB Wise Giving Alliance has approximately 250 charities in its seal program, and has issued charity evaluation reports on more than 1200 charities. ECFA has approximately 1440 accredited charities in its membership. Charity Navigator, which claims that it is the largest independent charity evaluator, has evaluated and rated more than 5,500 charities. It is important to realize that there is substantial overlap here, where all three monitoring organizations have evaluated, accredited, or rated many of the same charities. While these numbers may seem large, when compared to the total of more than 1.5 million nonprofit organizations in the US, it is obvious that a only a very small minority of charitable organizations are required to comply with Standards of Accountability and are monitored for compliance with those Standards. Admittedly, there are several state organizations that provide similar monitoring of charities against promulgated Standards of Accountability. Nevertheless, the growth of numbers of charities seeking accreditation or ratings by these groups is testimony to the influence these three monitoring organizations wield.

The third is how through modeling excellence and integrity, monitoring organizations and their accredited and rated NPOs have set the standards against which all NGOs are evaluated by the donor public and the media. It is often the case that national and state legislators or legislative committee, and the news media address questions of transparency and accountability regarding particularly NGOs or segments of the sector when there is a scandal or failure of some kind. When there are failures on the part of an NPO, especially those that are covered in the news media, ICFO member organizations are frequently called by the news media or investigative bodies to provide advice concerning the applicable standards of integrity and accountability and the meaning and nature of the failure to comply with such standards on the part of the NPO. This also provides an educational opportunity or teaching moment to address the larger issue, and perhaps to vindicate the NPO where there have been no violations of standards. Incidentally, in an era of radical doubt and skepticism where there is distrust of the sector and the emphasis on finding ethical failures or even possible criminal conduct, vindication of the clean and innocent NPO is an important role for the monitoring organization.

Fourth, with the continuing growth of the sector and the growing importance of CSOs throughout the world, it is my view that there will be increasing need for monitoring organizations, such as those which are members of ICFO. Such organizations not only articulate standards of integrity, transparency, and accountability, through their monitoring and compliance process, contribute to the public trust of the sector, and of particular organizations within the sector. If NPOs and NGOs are to be effective, both in terms

of obtaining private support in the form of donations and volunteer services, there must be a bond of trust between the public and the sector, and between specific donors and specific NPOs. Monitoring organizations contributes to a certain level of trust, and to the potential stability of the sector within civil society, as Burkhard Wilke put it, “bridges of trust.” There is potential for reasonable and effective growth of monitoring organizations, not only in countries around the world, but also for multiple monitoring groups, cooperating and networking within a country without some fear of competition between such organizations. This model might work best where the monitoring is done within the various types of NGOs.

## CONCLUSION

First of all, the very size and variety of organizations in the third sector mitigate against any real possibility of widespread transparency and accountability across the sector, enforced through any monitoring scheme, government or otherwise. In part, this is simply due to the fact that transparency and accountability are against much of what the human condition all of us share. Part of the problem is also the lack of clear understanding about what we mean by transparency and accountability and what these things look like. Communications from the NGO, like much of our public communication, are they filled with common place clichés, slogans, and general statements?

Secondarily, there are inadequate means of monitoring the sector, whether at the government level, independent or self-regulatory monitoring bodies, the news media, or simply public attention to the sector. For all the reasons describe herein, and more, there is little chance of effective regulation and monitoring by the government, even in the case of a totalitarian regime. Moreover, there will never a system of nongovernmental independent or self-regulatory monitoring organizations to enforce transparency across the sector and to whom NGOs would be accountable in addition to some general sense of accountability to the public and to the donor public in particular. This type of general accountability to the general public and to donors just is not going to happen.

Thirdly, the challenges described above, and particularly, those associate with post-modernity simply make any standard of integrity and truthful communication concerning the governance, management, fundraising practices, financial decision making, distribution of goods and services consistent with the mission of the organization, the understandable accounting for the funds received and expended in the mission essential activities, and the effectiveness impact of the activities of the organization difficult, if not impossible. In an era of radical doubt and skepticism, and where there are no objective moral standards accepted in all cultures, by all people, in all times, and in all geographical regions, the likelihood of trust for the sector generally, and for specific NPOs and NGOs is not high. My sense is that for the public advocacy CSO, with the political agendas and political policies exposed and contested, the sense of transparency and accountability is even more remote, particularly if the goal is one of surprise in the exercise of opposition to government policies.

Fourth, while effective transparency and accountability may not be achievable across the sector, either internationally, regionally, or nationally, we should not despair. There will always be a certain number of organizations and individuals that operate with complete integrity and accountability. The question is how to recognize those organizations as models for integrity in their governance and operations, and transparency in all of their dealings with the public, with donors, with monitoring organizations, such as those in ICFO, and with the relevant government authorities. However, with many, if not most charitable organizations dependent upon volunteers and frequently leaders who have not been trained or experienced with organizational management, mistakes will be made. Transparency and accountability to monitoring organizations dedicated to helping charitable organizations would go a long way toward enhancing the level of trust between those particular charities and their donor constituencies.

However, as I have written here, and elsewhere, we should not confuse accountability with moral virtue. Indeed, moral virtue, wisdom, and our value sets seem to conflict with management theory that stresses efficiency, economy, and productivity, where intangibles are in conflict with knowledge and skills based on what the numbers show and how procedures are followed. In other words, too often our civil society understanding and practice fails to take non-quantifiable realities, like wisdom, moral virtue or integrity, and goodness into account, stressing instead data driven decision making.

On the other hand, accountability has become a term used by experts to describe and evaluate the process of whether money was treated in accordance with certain rules. The auditor certified that the accounts were true and fair. But through the application of complex and somewhat arbitrary rules to evaluate the activities of individuals in organizations, accounting and accountability then no longer told an understandable story about what happened to the money and how decisions were made. Thus, if the only criteria to be disclosed with respect to whether an organization is accountable are the financial statements and tax returns or tax information, then a nonprofit organization may be accountable only with respect to those financial matters and whether or not they were accumulated and reported in accordance with the specified rules and standards, and to nothing else.

My vision for the future is one in which the emphasis is on leadership within both the sector and the monitoring regimes, rather than an emphasis which is simply focused on managing the NPO and the portion of the sector that has been approved as meeting certain standards; frequently standards that have little relationship to integrity and value. What most educational programs for NPO leaders stress, and what many monitoring regimes require, are data-driven managers rather than leadership. Leadership focuses strategic vision, the ability to see a world that does not yet exist but that can be realized. The manager is merely concerned about the means and being able to line of the existing means of productivity within the existing rules. The manager fails to have context within decision making as long as the rules describe what he or she is to do.

The vision, then, for ICFO and for the establishment and enforcement of Standards of Integrity, is to see growth in the number of independent and self-regulating monitoring organizations. But, not simply for the sake of growth. There are a number of things our ICFO members do well that we should be able to share with others, and which others should be able to replicate. I am not persuaded that the function of the ICFO monitoring organizations is simply one of providing a regime of accountability within which certain Standards are issued and compliance with those Standards monitored through some kind of enforcement mechanism. This is certainly one of the functions, but not the only one. As I mentioned above, Burkhard Wilke spoke about our monitoring organizations as “bridges of trust” between reliable NGOs and the donors. These monitoring organizations provide an educational function to society generally, by providing the donor public with dependable, independent information regarding the reliability, the effectiveness, and the efficiency of their accredited charities. It does this by both assisting charities in reaching qualities of transparency and accountability which they might not otherwise be able to achieve on their own. While it is true that ICFO members look after the interests of donors, trust is achieved by both providing independent and reliable information about NGOs and by insuring that those same NGOs are performing their public benefit services with integrity and transparency. Since the NGO pool is so large, there will always be room for more monitoring organizations cooperating with those that are experienced and have reputations for fair enforcement of Standards of Integrity.

As one studies the data and the comparative analysis of the monitoring organizations described in this booklet, it is our hope that the vision and challenge of promoting transparency and accountability within the sector will encourage others to pursue these goals notwithstanding the challenges.

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\* The views expressed herein are those of the author and do not purport to represent the positions and views of ICFO, its Board, or its members.





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