



#5: Accountability

From the SDG Guiding Principles Preamble:

"We work to strengthen the field of philanthropy and increase its effectiveness for the well being of the broader community."

September 2008

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Bringing Guiding Principles to Life

Ways To Use this E-Newsletter:

- Quickly scan the list of suggestions below to see if there are some practices your organization might want to consider.
- Use each Guiding Principles newsletter, or the entire list of [SDG Guiding Principles](#) (pdf), to guide a board or staff meeting about your internal practices.

We are working throughout this year to bring our newly-adopted set of Guiding Principles to life, so that they are not just words on a page but rather guidelines for action. Our objective is to provide you with a relevant and powerful framework to help you conduct your philanthropy according to the highest standards of effectiveness and accountability. One means by which we will do this is to focus on each principle in a monthly newsletter. This month, we continue with principle **#5: Accountability**.

[Click here](#) (pdf) for the entire set of Guiding Principles. You can also [click here](#) to see the other Regional Associations of

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Grantmakers that have adopted Guiding Principles.

Several SDG members have let us know that they are bringing the Guiding Principles to their boards and engaging in conversation about how they apply to their organizations. Some members are considering formally adopting the principles themselves as a sign of commitment. [Let us know](#) if you are considering doing so, or if we can provide any additional resources to you as you discuss the principles.

SDG Guiding Principle #5: Accountability

We embrace both the letter and the spirit of the law, taking full responsibility for our actions, communicating truthfully and understanding our responsibility to our colleagues in the field, the nonprofit community and the broader public that we serve.

This statement underscores our understanding of the difference between the letter and the spirit of the law and reinforces our commitment to being held to the higher standard represented by the latter.

Suggestions for Practice

There are different ways to implement each of the Guiding Principles depending on the nature of your grantmaking entity. For example, what works for a corporate giving program may be different than what works for a small family foundation. By adhering to the spirit of these principles in a way that applies to your specific circumstances, you demonstrate your commitment to maintaining the public trust in organized philanthropy. Here, we share some suggestions gathered from our colleagues for implementing **Principle #5: Accountability**.

- Upon incorporation or formation, register and file required documentation for nonprofit corporations or charitable trusts with appropriate state offices.
- Ensure that the governing body and staff are knowledgeable and up-to-date about applicable legal, accounting, audit, investment and tax requirements.
- Encourage staff and trustees to be engaged in the community and to bring diverse perspectives to the foundation deliberations.
- Develop a policy to handle good-faith complaints about violations of foundation policy or the conduct of foundation board and staff.
- Encourage collaboration and sharing of grantmaking best practices.
- Share with the public grantmaking priorities, timeline for requests, application procedure, evaluation and report procedures and grant announcements.
- Advise grantees, applicants and the public in a timely manner, including funding decisions, changes in policy or priorities or other information of general interest.
- If audited, make available to the public, upon request and/or in published annual reports or posted on websites, audit statement or auditor-approved summary of the audit findings.
- Complete and file 990 or 990-PF and other required documents annually.

- Provide the name and contact information of an individual who can provide information as well as ready access to the organization's 990 or 990-PF and related documents.

Thanks to [Donors Forum](#), [Minnesota Council on Foundations](#), and [Northern California Grantmakers](#) for these suggestions.

Related Resources

- [Using Your 990 to Communicate Effectively](#)
- [COF Recommended Principles and Practices for Effective Grantmaking](#)
- [COF Stewardship Principles for Family Foundations](#)
- [COF Stewardship Principles for Corporate Grantmakers](#)
- [COF Stewardship Principles for Independent Foundations](#)
- [Independent Sector Accountability Checklist](#)
- [Foundation Accountability Self-Assessment Tool](#) and [related FAQs](#)
- [DJB Consulting Foundation Accountability Resources](#)
- [Foundation Center Practice Matters: The Improving Philanthropy Project](#)

Upcoming SDG Programs

[Click here](#) for a complete list of SDG programs.

[Making a Difference: Linking Your Core Business to Strategic Corporate Citizenship](#)

September 26, 2008

8:00-8:30am: Registration/Networking

8:30-10:00am: Program

Sponsor and Host:

Amylin Pharmaceuticals, Inc., 9360 Towne Centre Drive, San Diego 92122

[Session on Public Confidence in San Diego Nonprofits](#)

October 2, 2008

9:00-11:00am

Location: The San Diego Foundation, 2508 Historic Decatur Rd, Ste 200, San Diego 92106

[San Diego Grantmakers 2008 Annual Conference: MAPPING THE IMPACT OF SAN DIEGO PHILANTHROPY](#)



October 23, 2008

9:30am-5:30pm

(breakfast, lunch, and reception)

Location: Joe and Vi Jacobs Center, 404 Euclid Avenue, San Diego, CA

\$125 for SDG members, \$175 for nonmember grantmakers

Working Group Meetings

[Workforce Funders](#): **October 8**

[Homelessness Working Group](#): **Date TBD**

[Child Welfare Funders](#): **September 23**

[San Diego Neighborhood Funders](#): **October 3**

[Family Foundation Exchange](#): **November 18**

[Click here](#) for more information about all of these SDG programs. All programs are free for SDG members except where indicated. To RSVP, please call (619) 744-2180 or email programs@sdgrantmakers.org.

FUNDRAISING STIPULATION:

SDG was developed so that grantmakers (staff and trustees) could talk candidly with their peers about the challenges they face. With that in mind, we wish to impress upon members and potential members that fundraising or marketing is not allowed at any of SDG's programs, meetings, or other events.