

How to Use This Resource

The information in ***Principles and Practices*** is for organizations registered as tax exempt under section 501(c)(3) of the Internal Revenue Code. Adherence to ***Principles and Practices*** is not mandatory and will not result in certification or accreditation. This document is also not meant to serve as criteria for rating the effectiveness of nonprofits. Rather, ***Principles and Practices*** is a tool to be used as needed and as appropriate to help nonprofit leaders achieve excellence in the execution of their important work.

The practices articulated here focus on the highest, not minimum, standards. Because of that, it is expected that most nonprofits will not demonstrate adherence to all of the recommended practices. Additionally, nonprofits may be accountable to additional or slightly different standards based on their national affiliations, their responsibility to grant funders, and/or nuances of their subsector work.

Implementing these practices is a *process*, one that will take time. ***Principles and Practices*** will help to enhance your experience and improve your effectiveness as a nonprofit leader. We encourage you to go forth undaunted. Other nonprofits have achieved and maintain excellence – yours can, too!

Steps to Consider

Step One

After staff and board members have reviewed the document, make a commitment to adopting the principles and practices for your organization. The document includes both legal requirements and recommended practices. Legal requirements are denoted as follows: MT = Montana Law, US = federal law.

Step Two

Complete ***The Basic Infrastructure Checklist*** to make sure you have the essentials in order.

Step Three

Review the Lifecycle Stages of Organizational Development featured in this document to determine your organization's stage of development. If you cannot easily identify your organizational stage of development, conduct an assessment. A tool, *The Nonprofit Life Stage Assessment* is available to MNA members at a discounted rate at www.fieldstonealliance.org. This process will help you determine priorities most appropriate to your organization.

Step Four

Use the organizational self-assessment and implementation tool mentioned above to identify strengths as well as areas that need improvement. Staff and board together should review the results of your assessment.

Step Five

Set priorities. Then select a few practices currently most important for your nonprofit. Develop a thoughtful and strategic plan for implementing or strengthening those practices identified as high priority. A simple implementation template is available for this task and is included as part of the self-assessment.