

Sample questions for a development audit

These questions demonstrate the scope of issues you should consider if you want to evaluate your fund development program.

Often a development audit is conducted by an outside evaluator. However, you can also use this survey to conduct your own internal assessment.

Ask your development staff to complete this audit. Go through the questions with your development committee. Or, use this detailed audit to develop your own brief version targeted to the board's role in fund development.

P.S. Remember, these are questions to stimulate discussion. Your organization may decide that it doesn't need to subscribe to all of these statements. However, exceptions should be rare.

Use the scale below to rate your organization's fund development effectiveness.

Below Standard (1): We don't operate this way. *Standard (2):* Usually we operate this way.
Above Standard (3): We regularly operate this way.

	<u>Below (1)</u>	<u>Standard (2)</u>	<u>Above (3)</u>
<u>Organization's purpose</u>			
1. Services and programs are deemed relevant by your organization's constituents and the community at large.	___	___	___
2. Justifiable reason, recognized by the community at large, to raise public and private contributions.	___	___	___
<u>Organizational planning</u>			
3. Mission statement is regularly evaluated for relevance.	___	___	___
4. Organizational values and vision are clear and shared by all staff and key volunteers.	___	___	___
5. Strategic plan, based upon market research, addresses internal strengths and weaknesses and external opportunities and threats, sets corporate goals for a specific time period.	___	___	___
6. Ongoing review and adjustment of the plan.	___	___	___
7. Ongoing evaluation of program effectiveness, client satisfaction, health of infrastructure, and systems to intervene as necessary.	___	___	___
8. Systems for continuous quality improvement.	___	___	___
<u>Constituency development</u>			
9. Clear understanding of who current constituents are and what motivates their participation.	___	___	___
10. Clear vision of new markets (i.e., those predisposed to your cause) to target for relationship building.	___	___	___

Below (1) Standard (2) Above (3)

11. Ongoing mechanisms to gather demographic and lifestyle information about constituents and the predisposed. _____

12. Strategies to cultivate relationships with donors and prospects. _____

Organizational leadership

13. Understanding and acceptance that, together, the board and CEO are responsible for the success or failure of the organization and the fulfillment of its mission. _____

14. Leadership that stimulates organizational learning and, when appropriate, change. _____

15. Effective enabling of volunteers by staff. _____

Marketing and communications

16. A positive image in the community. _____

17. Clear understanding of image you wish to have, image you currently have, and strategies to align the two. _____

18. An effective communications program to reach constituents. _____

Organizational operations

19. Clearly articulated role, responsibilities and relationship between board and staff. _____

20. Comprehensive financial management system that include annual budgeting and revision processes, monthly statement of revenue and expense compared to budget, and fund accounting. _____

21. Financial and program systems that fulfill accountability and reporting requirements to clients, donors, and regulatory agencies. _____

22. Board that represents the community and the organization's constituencies. _____

23. Board includes new and incumbent directors in order to guarantee continuity and new opinions. _____

24. Bylaws that limit tenure and ensure rotation of board members. _____

25. Conflict of interest policy and compliance by board and staff. _____

26. Comprehensive board recruitment process that includes identification of necessary skills, qualifications and performance expectations. _____

27. Clear articulation of roles, responsibilities and performance expectations presented to each candidate before nomination to board. _____

28. Process to annually assesses performance of board members and distinguish between those who should be invited to continue to serve and those who should be thanked and released upon completion of (or prior to completion of) the term of appointment. _____

Below (1) Standard (2) Above (3)

Leadership and fund development

29. Each board member, the CEO and development officer give a gift every year. Yes ____ No ____
30. During a capital campaign, all board members, the CEO and development officer give to both capital and annual. Yes ____ No ____
31. The board understands its role in fund development. ____ ____ ____
32. Each board member does some fund-raising task each year. ____ ____ ____
33. Within the board, there are individuals who effectively solicit gifts face-to-face. ____ ____ ____
34. Within the board, there are individuals who effectively plan and sell tickets to special events. ____ ____ ____
35. Within the board, there are individuals who effectively use their business contacts on behalf of your fund development activities. ____ ____ ____
36. Board members attend special events. ____ ____ ____
37. The board regularly discusses the strategic issues and progress of philanthropy and fund development for the organization. ____ ____ ____
38. The chief development officer has direct access to the board to discuss fund development issues. ____ ____ ____
39. There are board-level committees/task forces which assist in the planning, implementation, and evaluation of fund development activities. ____ ____ ____

Development within the institution

40. The organization's senior management understands and supports a culture of philanthropy. ____ ____ ____
41. Staff understand that they are each fund raisers. ____ ____ ____
42. Fund development ethics and standards have been adopted by the board and the organization acts accordingly. ____ ____ ____
43. The organization understands the four relationships which are critical to fund development (internal relations; relationship with community, constituents and enabling). ____ ____ ____

Volunteers in fund development

44. Fund development activities use both board and non-board members. ____ ____ ____
45. Fund-raising volunteers also give to the organization. ____ ____ ____
46. Volunteer responsibilities and expectations are clearly articulated for each fund-raising project. ____ ____ ____

The development staff

47. The chief development officer reports directly to the organization's CEO. Yes ____ No ____
48. Chief development officer participates along with other senior staff in strategic discussions regarding health, program and markets of organization. ____ ____ ____

	<u>Below (1)</u>	<u>Standard (2)</u>	<u>Above (3)</u>
49. Development staff demonstrates an understanding of the organization’s mission, programs and goals.	___	___	___
50. The chief development officer effectively recruits and enables volunteers and staff.	___	___	___
51. Other development staff effectively recruit and enable volunteers.	___	___	___
52. Development staff (or consultants) are experienced designing and conducting fund development programs.	___	___	___
53. Develop staff (or consultants) are experienced using different kinds of solicitation strategies.	___	___	___
54. Development staff is encouraged to enhance fund development through workshops and conferences.	___	___	___
55. Our development staff (and consultants) are members of a fund-raising professional association and subscribe to a code of ethics.	___	___	___
56. Our development staff (and consultants) are certified by a national fund-raising certification program.	___	___	___
<u>Fund development management</u>			
57. Clerical resources are in place to support fund development.	___	___	___
58. Space and equipment are in place to support fund development.	___	___	___
59. Records are kept of all fund development activities and their effectiveness and productivity.	___	___	___
60. Donor gift histories are maintained which include date and amount of gift, solicitor if applicable, and response.	___	___	___
61. Prospect histories are maintained which include date of solicitation, method, solicitor if applicable, and response.	___	___	___
62. Gift potential is evaluated and request amounts are targeted for each prospect.	___	___	___
63. Standard operating procedures, gift acceptance policies and overall fund development policies exist and are reviewed regularly.	___	___	___
64. Transmittal mechanisms help donors give easily.	___	___	___
65. Appropriate training and support materials exist for prospects and volunteers.	___	___	___
<u>Fund development planning and evaluation</u>			
66. Our chief development officer participates in our organization’s annual budgeting process and helps establish the contributed income figure.	___	___	___
67. Operating budget and contributions goals are set by a thorough analysis and evaluation of current donors and available prospects coupled with an analysis of fund development cost effectiveness, return on investment and agency resources.	___	___	___

Below (1) Standard (2) Above (3)

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| 68. In order to make good decisions, the agency collects and analyzes: solicitation response rates; fund-raising cost effectiveness; return on investment; donor renewal, attrition, acquisition and upgrade rates; average gift size; and solicitor performance. | _____ | _____ | _____ |
| 69. The fund development program is diversified and not dependent upon any one funding source or solicitation strategy. | _____ | _____ | _____ |
| 70. Effective case statement(s) are developed with participation by the CEO and volunteer leadership. | _____ | _____ | _____ |
| 71. A written fund development plan is developed with participation of CEO and volunteer leadership and addresses strategic and financial goals, staff and volunteer resources, solicitation strategies, and timetable. | _____ | _____ | _____ |
| 72. Target markets are segmented for the appropriate solicitation strategy. | _____ | _____ | _____ |
| 73. Prospects are solicited by the right solicitor at the right time for the right project and the right amount. | _____ | _____ | _____ |
| 74. Strategies are developed to renew and upgrade gifts of current donors and acquire new donors. | _____ | _____ | _____ |
| 75. Volunteer and staff leadership outline the criteria to evaluate fund development effectiveness and assess results. | _____ | _____ | _____ |
| 76. Fund development effectiveness and success is not evaluated solely on the dollars raised. | _____ | _____ | _____ |
| 77. Assessment results are used to develop subsequent plans. | _____ | _____ | _____ |
| <u>Acknowledgment and recognition</u> | | | |
| 78. Gifts are acknowledged within 48 hours of receipt, and staff understands why this is important. | _____ | _____ | _____ |
| 79. Mechanisms exist to recognize donors and their contributions. | _____ | _____ | _____ |
| 80. Mechanisms exist to recognize fund development volunteers. | _____ | _____ | _____ |
| <u>Funding fund development</u> | | | |
| 81. There is an adequate budget to support fund development efforts. | _____ | _____ | _____ |
| 82. Fund development compensation is sufficient to ensure top quality staff. | _____ | _____ | _____ |

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