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## **Principles & Practices: "best practices" for nonprofits**

While there is no single definition of leading or “best practices” for nonprofit organizations, there are well-recognized ethical standards and accountability practices that every staff and board member of a charitable nonprofit should be aware of. Specific legal obligations vary state by state, so many [state associations of nonprofits](#) share resources on state-specific legal requirements, as well as promote “best practices” to raise awareness about how ethical, accountable, and transparent practices make nonprofits more effective. Recognizing and adopting these practices not only benefits individual charitable nonprofits, but also donors, and the individuals and communities that charitable nonprofits serve. We encourage you to become familiar with the recommended best practices promoted by our state association network, as well as seek out information on such basics as [conflicts of interest](#), [financial transparency](#), [reasonable compensation](#), [nonpartisan activities](#), and demonstrating your nonprofit's [outcomes and effectiveness](#).

### **State Specific Practices**

Even if your nonprofit is not required by law (or an accrediting body) to adopt particular standards of conduct, you may decide to aspire to practices that will help your nonprofit operate transparently, prudently, and ethically (as well as in

accordance with applicable laws). Many nonprofits seek voluntary accreditation as a way of demonstrating their commitment to excellence. Others may not be as interested in a "seal of approval" but find it helpful to know that trusted experts have identified benchmarks to guide their nonprofits' practices. Grantmakers and the donating public may also look to accountability practices as guideposts for identifying well-run and effective nonprofits. Some state charity officials publish resources online for nonprofits and boards of directors, but in general the expectation is that charitable nonprofits will know how to act appropriately - and legally. That means nonprofits and board members have to do their homework.

The resources below (variously referred to as Guiding Principles, Principles and Practices, and Standards for Excellence<sup>®</sup>) are a compilation of the ethical and accountable practices that state associations of nonprofits have defined for nonprofits in their states. Many state associations also make online self-assessments available, so that nonprofits can "self-audit" how closely their own organization meets expectations. State associations of nonprofits are also a recognized source for in-person educational programs, and in some states for certification programs, that raise awareness about nonprofit "best practices."

The National Council of Nonprofits encourages you to explore the impressive resources listed below that are relevant to charitable nonprofits of any size or mission, and share them with your nonprofit's staff and board members. We hope that practices reflecting accountability and transparency, prudent fiduciary oversight, legal, ethical, and responsible fundraising, and effective governance will be reinforced through sound practices at *every charitable nonprofit*. Voluntary adoption of such practices is a demonstration that your nonprofit deserves the public's trust, is serious about advancing its mission, and is striving towards excellence. Excellence is a journey; being aware of the expectations for excellence is the first step:

- Alabama | [Standards for Excellence<sup>®</sup>](#)
- Colorado | [Principles and Practices for Nonprofit Excellence in Colorado](#)
- Delaware | [Standards for Excellence<sup>®</sup>](#)
- District of Columbia | [Standards for Excellence<sup>®</sup>](#)
- Hawai`i | [Principles for Good Governance and Ethical Practice](#)
- Idaho | [Principles for Good Governance and Ethical Practice](#)
- Illinois | [Illinois Nonprofit Principles and Best Practices](#)

- Iowa | [Iowa Guidelines and Principles for Nonprofits](#)
- Kentucky | [Principles & Practices for Nonprofit Excellence in Kentucky](#)
- Maine | [Guiding Principles & Practices for Nonprofit Excellence in Maine](#)
- Maryland | [Standards for Excellence<sup>®</sup>](#)
- Minnesota | [Principles and Practices for Nonprofit Excellence](#)
- Mississippi | [Principles and Standards for Nonprofit and Philanthropy Excellence](#)
- Montana | [Principles and Practices for Nonprofit Excellence in Montana](#)
- Nebraska | [Guidelines & Principles for Nonprofit Excellence](#)
- New Mexico | [New Mexico Principles & Practices Guide](#)
- North Carolina | [Principles & Practices for Nonprofit Excellence](#)
- North Dakota | [Principles & Practices for Nonprofit Excellence in North Dakota](#)
- Ohio | [Standards for Excellence<sup>®</sup>](#)
- Oklahoma | [Standards for Excellence<sup>®</sup>](#)
- Pennsylvania | [Standards for Excellence<sup>®</sup>](#)
- South Carolina | [Guiding Principles and Best Practices](#)
- Tennessee | [Standards for Excellence](#)
- Utah | [Standards of Ethics](#)
- Virginia | [7 Actionable Principles for a Strong Social Sector](#)
- Washington | [Nonprofit Fundamentals](#)
- West Virginia | [Principles and Practices](#)

Hear more about Principles and Practices from Madeleine McGee of Together SC in the podcast below.

## **Additional State Resources**

- California: [Guide for Charities](#) (California Attorney General)
- New York: [Right From the Start: Responsibilities of directors of not-for-profit corporations](#) (New York Attorney General)