

INTERPRETING A GIVINGMATTERS.COM NONPROFIT PROFILE

Making strategic philanthropic investments in the community is the catalyst for social change. The Community Foundation of Middle Tennessee created a tool to help donors become even better investors. Visit www.GivingMatters.com and click on the nonprofit search page to discover a database of more than 1,000 local nonprofit profiles. Each provides in-depth information to help you determine if a nonprofit is effective.

Applaud the Middle Tennessee nonprofit community for providing detailed quantitative data and narrative information! This data gives donors confidence that their financial contributions are being spent wisely and are truly making a difference.

When viewing GivingMatters.com profiles, look for the Review by Your Community Foundation icon!



This icon indicates that The Community Foundation's staff has reviewed the information and that the profile is up-to-date.



SOME THINGS TO CONSIDER WHEN REVIEWING A NONPROFIT PROFILE

CRITERIA	RECOMMENDED BEST PRACTICE	THINGS TO CONSIDER
Programs	The profile should display measurable, bench-marked performance criteria and favorable program results.	Do I want to fund programs that provide for immediate needs or create sustainable, long-term solutions? Because this organization exists, what needs are being met that otherwise would not be?
Operating budget	Revenue should meet or exceed expenses, and growth in revenue should exceed the rate of inflation.	Do I want to support a large, well-established organization or a small, start-up nonprofit?
Income sources	A balance of three or more income sources is ideal.	Does the organization receive funds from diverse sources, such as individuals, foundations, government, or fee for service?
Rainy day fund (operating reserve)	Best practice is to have three to six months savings reserve.	Is the organization taking necessary steps to build a reserve to remain operational if it were to lose a key component of support?
Administrative and fundraising expense as compared to program expense	$\leq 25\%$ administrative expense is ideal; $\leq 35\%$ may be justifiable based on special circumstances and organization type.	Does the organization have a fundraising or strategic plan? Nondiscrimination or whistleblower policy?
Senior leadership	Retention of senior staff should ideally be $\geq 75\%$.	Is compensation in line with overall performance, budget and staff size of the organization?
Transparency	Current information regarding the organization should be easily accessed. Look for IRS Form 990 documents and audits to be posted on the Financials page.	How current is the financial information from an IRS Form 990? Does the nonprofit have a Reviewed icon its profile?
Board engagement	Board meets in a policy mode with meeting attendance rate $> 67\%$. A high percentage of board members donate financially to the organization.	What percentage of the board contributes financially?