# The Board’s Annual Fundraising Audit

**10 Statements the Board Must Address Annually**

Your board should expect clarity and honesty from the CEO, the Chief Development Officer (CDO), the CFO, staff, and all of the board’s committees. To provide clarity—so board members understand basic fundraising issues and fundraising trends—the information should be presented with a variety of approaches (for the diverse learning styles of your board members) and can include verbal and written reports, dashboards, and graphs. But there’s another important step—an annual checklist.

**TRUE OR FALSE?** Here are 10 statements that can be adapted for your ministry. Ask your CFO and CDO to provide the answers for the question, “How does the board know?” Ultimately, of course, for the board to have faith and trust in the accuracy and veracity of the answers to these statements—the board will be dependent on the honesty and integrity of the CEO and the staff.

Adapt these statements for your ministry—and review the answers at least annually.

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| **The Board’s Annual Fundraising Audit** | **True/ False** | **How does the board know?** |
| 1. The board knows if in securing charitable gifts, all representations of fact, descriptions of the financial condition  of the organization, or narratives about events are current, complete and accurate. |  |  |
| 2. The board understands the ministry’s fundraising program relating to raising restricted donations. |  |  |
| 3. The board knows if statements made about the use of gifts by the ministry in its charitable gift appeals are always honored. |  |  |
| 4. The board is aware of communication being shared with givers concerning the potential of over-funding or under-funding of projects for which funds are being raised. |  |  |
| 5. If the ministry is raising funds using a matching gift approach, the board knows if the initial matching funds were “at risk.” |  |  |

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| **The Board’s Annual Fundraising Audit** | **True/ False** | **How does the board know?** |
| 6. The board knows if staff or external fundraisers are being compensated on the basis of a percentage of funds raised. |  |  |
| 7. The board knows if the ministry always provides givers appropriate and timely charitable gift acknowledgments. |  |  |
| 8. The board knows if the ministry is providing a report, upon written request, including financial information on any specific project for which it has sought or is seeking gifts. |  |  |
| 9. The board is compiling, analyzing, and leveraging giving data to serve and support its giving base. |  |  |
| 10. The board is aware if the ministry provides a copy of the most recent year-end financial statements to anyone upon request. |  |  |