



CREDIBILITY • INTEGRITY • ACHIEVEMENT

## **Administration and Management Standards Purpose and Major Concepts** *8<sup>th</sup> Edition Standards, Private Organizations, November 2006*

### **Ethical Practice (ETH)**

**The organization earns and sustains the public trust through honest, truthful, and responsible transactions, partnerships, and relationships with individuals, communities, providers, businesses, donors, and government entities.** Business is conducted and services are delivered in an open and transparent manner, and the organization uses assets exclusively and effectively to serve the purpose for which it was created. A conflict of interest policy prevents the enrichment of insiders and other abuses. Fundraising by individual solicitation from the general public is conducted in an ethical, fiscally responsible manner. The organization prohibits employment-related retaliation against employees and other affiliates who come forward with information about suspected misconduct or questionable practices; an appropriate and confidential channel is available for reporting such information. The organization operates in an honest, ethical, objective manner, and decision-making is guided by professional responsibility as opposed to personal interest. Organizations that participate in or permit research involving service recipients establish the right to refuse to participate without penalty and guarantee participants confidentiality.

### **Financial Management (FIN)**

**The organization's financial accountability and viability are achieved through the application of sound financial management practices that accord with legal and regulatory requirements.** The governing body, or a designated committee, bears financial responsibility for the budget, financial reviews, fiscal policy, and the executive director's management of fiscal affairs. An internal control environment includes mechanisms for the selection of an audit committee, reviews of audit reports by several persons, and protection of the integrity of the system. The governing body and management assess the organization's financial capacity, risks, and resources needed to provide services. Stable, predictable sources of revenue are reviewed through diversification and balance in funding streams. Planning for the current fiscal cycle is organization-wide and involves key stakeholders. The organization is accountable to its governing body, to the community, and to regulatory bodies for the management of its finances. Positive financial outcomes are achieved through a management system that receives, disburses, and accounts for funds consistent with sound financial practices. Payroll practices comply with federal and state wage and hour laws.

### **Governance (GOV)**

**Sound governance increases the organization's viability and sustainability.** The organization is legally authorized to operate as a nonprofit organization either incorporated in a state or run as a sub-unit of a religious body, a corporation sole, or a for profit organization. The governing body is sufficiently active, capable, and diverse to guide, plan, and support the achievement of the organization's mission and goals. That mission is responsive to the needs and aspirations of the community and guides the administration and delivery of services. The public is aware of the organization's mission, and the organization remains informed about community needs and strengths. The governing body exercises leadership with a functional, effective structure, through which it

carries out distinct leadership responsibilities including policy-making, strategic planning, financial oversight, and the development of community relationships. When investing funds, the organization has controls to ensure the proper management of those investments through a committee set up by the governing body. The executive director effectively collaborates with the governing body, promotes a healthy organizational culture, and oversees and manages the organization's operations.

## **Human Resources Management (HR)**

**A stable, qualified workforce contributes effectively and efficiently to consumer satisfaction and positive service delivery.** The organization provides an equitable work environment that is supportive of organizational productivity, diversity, and stability. Workforce needs are assessed as part of annual planning. Recruitment and hiring plans are developed by the organization to ensure that enough qualified personnel are available to meet the demands for services. Policies are in place to ensure the organization enjoys a high level of employee satisfaction and retention. Human resources practices are equitable and consistently applied. The organization holds personnel accountable for their work performance and maintains personnel records.

## **Performance and Quality Improvement (PQI)**

**An organization-wide Performance and Quality Improvement program advances efficient, effective service delivery and achievement of strategic and program goals.** The organization's leadership promotes a culture that values service quality and continual efforts by the full organization, its partners, and contractors to achieve strong performance, program goals, and positive results for service recipients. The infrastructure that supports performance and quality improvement is sufficient to identify organization-wide issues, implement solutions that improve overall productivity, and promote accessible, effective services in all regions and sites. An inclusive approach to establishing performance goals and client outcomes to be measured, the indicators needed, and sources of data used, ensures broad-based support for useful performance and outcomes measurements. A PQI plan describes how valid, reliable, relevant data will be obtained and used on a regular basis, locally and centrally, to further the monitoring of organization performance. Reports, with findings based on improvement efforts, are issued periodically to personnel throughout the organization and provide information useful for improving programs and practice. Staff and stakeholders receive support in the skills and training in the competencies necessary to conduct, participate in, and sustain performance and quality improvement activities.

## **Risk Prevention and Management (RPM)**

**Comprehensive, systematic, and effective risk prevention and management practices reduce the organization's risk, loss, and liability exposure.** The organization possesses relevant licenses and complies with applicable federal, state, and local laws and regulations. Potential loss and liability are identified and reduced through risk prevention activities and monitoring of potential sources of risk. Medication control and administration is safe and uniform. The organization is adequately insured. The information management system has sufficient capability to support the organization's operations, planning, and evaluation. Electronic and printed information is protected against intentional and unintentional destruction or modification and unauthorized disclosure and use. Case records contain sufficient and accurate information to identify the consumer, support decisions about interventions or services, and document the delivery of services. Service recipients or designated legal representatives can access their case records in a manner consistent with legal requirements. The organization enters into contracts and service agreements with due regard for practices that promote efficient use of resources, and monitors and evaluates the quality of social and human services purchased from another organization.