



Private For-Profit Organizations

Currently, 10% of COA-accredited organizations are privately held for-profit organizations and less than 1% of COA-accredited organizations are publicly traded. To date, 10 % of COA's organizations pursuing accreditation are privately held for-profit organizations.

- ☞ Privately held for-profit organizations do not have a governing body. In responding to the 8th Edition standards that reference the governing body, a for-profit organization should respond from the perspective of its owner or shareholders.

Note: Publicly traded for-profit organizations establish a board of trustees/directors, which is regulated by the Securities and Exchange Commission (SEC).

- ☞ The owner or Chief Executive Officer of a privately held for-profit organization approves policies.
 - ☞ Privately held for-profit organizations establish an advisory board that is comprised of members of the community who regularly provide advice about the organization's service delivery and organizational operations.
 - ☞ Organizations receiving in excess of \$300,000 in federal funds must perform an audit to comply with the requirements of the Single Audit Act, 31 U.S.C. §§ 7501 et. seq. Note that many organizations are required to perform an audit to receive grant monies, lines of credit, or other third-party funding. All organizations accredited for Financial Management and Debt Counseling Services, Adoption Services, and Intercountry Adoption Services must conduct an audit pursuant to COA standards regardless of revenue size. Also, this requirement supplements any federal audit that is required by the government.
 - ☞ Upon request, privately held for-profit organizations need to complete an annual report of fiscal, statistical, and service data that includes summary information regarding their financial positions.
 - ☞ In responding to the 8th Edition Standards, an organization will find that a number of non-applicable options have been added to the Governance and Finance Sections for privately held for-profit organizations.
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The Council on Accreditation partners with human service organizations worldwide to improve service delivery outcomes by developing, applying, and promoting accreditation standards.

To learn more about COA, please call 866-COA-8088 or visit our website at www.coanet.org.