

OUR  
FINANCIAL  
COMMITMENT  
To You



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**We Abide By The Following Standards  
For Membership In  
The Evangelical Council For  
Financial Accountability**

**1 DOCTRINAL STATEMENT**

Every member organization shall subscribe to a written statement of faith clearly affirming its commitment to the evangelical Christian faith, and shall conduct its financial and other operations in a manner which reflects those generally accepted biblical truths and practices.

**2 BOARD OF DIRECTORS AND  
AUDIT REVIEW COMMITTEE**

Every member organization shall be governed by a responsible board of not less than five individuals, a majority of whom shall be other than employees/staff and/or those related by blood or marriage, which shall meet at least semiannually to establish policy and review its accomplishments. The board or a committee consisting of a majority of independent members shall review the annual audit and maintain direct communications between the board and the independent certified public accountants.

**3 AUDITED FINANCIAL  
STATEMENTS**

Every member organization shall obtain an annual audit performed by an independent certified public accounting firm in accordance with generally accepted auditing standards (GAAS), with financial statements prepared in accordance with generally accepted accounting principles (GAAP).

**4 USE OF RESOURCES**

Every member organization shall exercise management and financial controls necessary to provide reasonable assurance that all resources are used (nationally and internationally) to accomplish the exempt purposes for which they are intended.

**5 FINANCIAL DISCLOSURE**

Every member organization shall provide a copy of its current audited financial statements upon written request.

**6 CONFLICTS OF INTEREST**

Every member organization shall avoid conflicts of interest. Transactions with related parties may be undertaken only if all of the following are observed: 1) a material transaction is fully disclosed in the audited financial statements of the organization; 2) the related party is excluded from the discussion and approval of such transaction; 3) a competitive bid or comparable valuation exists; and 4) the organization's board has acted upon and demonstrated that the transaction is in the best interest of the member organization.

**7 FUND-RAISING**

Every member organization shall comply with each of the ECFA Standards for Fund-Raising:

**7.1 Truthfulness in Communication**

All representations of fact, description of financial condition of the organization, or narrative about the events must be current, complete and accurate. References to past activities or events must be appropriately dated. There must be no material omissions or exaggerations of fact or use of misleading photographs or any other communication which would tend to create a false impression or misunderstanding.

**7.2 Communication and Donor Expectations**

Fund-raising appeals must not create unrealistic donor expectations of what a donor's gift will actually accomplish within the limits of the organization's ministry.

**7.3 Communication and Donor Intent**

All statements made by the organization in its fund-raising appeals about the use of the gift must be

honored by the organization. The donor's intent is related to both what was communicated in the appeal and to any donor instructions accompanying the gift. The organization should be aware that communications made in fund-raising appeals may create a legally binding restriction.

#### **7.4 Projects Unrelated to a Ministry's Primary Purpose**

An organization raising or receiving funds for programs that are not part of its present or prospective ministry, but are proper in accordance with its exempt purpose, must either treat them as restricted funds and channel them through an organization that can carry out the donor's intent, or return the funds to the donor.

#### **7.5 Incentives and Premiums**

Organizations making fund-raising appeals which, in exchange for a contribution, offer premiums or incentives (the value of which is not insubstantial, but which is significant in relation to the amount of the donation) must advise the donor of the fair market value of the premium or incentive and that the value is not deductible for tax purposes.

#### **7.6 Reporting**

On request, an organization must provide a report, including financial information, on the project for which it is soliciting gifts.

#### **7.7 Percentage Compensation for Fund-Raisers**

Compensation of outside fund-raising consultants or an organization's own employees based directly or indirectly on a percentage of charitable contributions raised is not allowed.

#### **7.8 Tax-Deductible Gifts for a Named Recipient's Personal Benefit**

Tax-deductible gifts may not be used to pass money or benefits to any named individual for personal use.

#### **7.9 Conflict of Interest on Royalties**

An officer, director, or other principal of the organization must not receive royalties for any product that is used for fund-raising or promotional purposes by his/her own organization.

#### **7.10 Acknowledgment of Gifts-in-Kind**

Property or gifts-in-kind received by an organization should be acknowledged describing the property or gift accurately *without* a statement of the gift's market value. It is the responsibility of the donor to determine the fair market value of the property for tax purposes. The organization should inform the donor of IRS reporting requirements for all gifts in excess of \$5,000.

#### **7.11 Acting in the Interest of the Donor**

An organization must make every effort to avoid accepting a gift from or entering into a contract with a prospective donor which would knowingly place a hardship on the donor, or place the donor's future well-being in jeopardy.

#### **7.12 Financial Advice**

The representative of the organization, when dealing with persons regarding commitments on major estate assets, must seek to guide and advise donors so they have adequately considered the broad interests of the family and the various ministries they are currently supporting before they make a final decision. Donors should be encouraged to use the services of their attorneys, accountants, or other professional advisors.



[www.ecfa.org](http://www.ecfa.org)

*This organization is  
firmly committed to good stewardship  
of funds entrusted to us by our friends and donors.  
We promise to use  
your gifts wisely and effectively  
in Christ's name.*

*To insure our  
financial accountability to you,  
our donor, we are a member of the  
Evangelical Council for  
Financial Accountability.*

*We fully support the  
purpose and goals of ECFA, and display  
its seal proudly to reflect  
compliance with its membership standards.*



*“WE ARE SO GLAD  
WE CAN SAY  
WITH UTTER HONESTY  
THAT IN ALL OUR DEALINGS  
WE HAVE BEEN  
PURE AND SINCERE,  
QUIETLY DEPENDING  
UPON THE LORD FOR HIS HELP,  
AND NOT ON OUR OWN SKILLS.”  
2 COR. 1:12 TLB*