

A woman with dark curly hair, wearing a white sleeveless top, is sitting at a wooden table in a cafe, working on a laptop. She is looking at the screen with a focused expression. On the table, there is a white coffee cup on a saucer, a glass of iced coffee, and some papers. The background is blurred, showing other people and the interior of the cafe.

Inspire Confident Giving

CCCC Standards of Accountability



**Canadian Centre for
Christian Charities**

ACCREDITED MEMBER

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What is the CCCC Accreditation Program?

INTRODUCTION

As public trust in charities continues to decline, a growing number of Canadians are looking for evidence of a charity's credibility before deciding to make a donation. Many ministries struggle to demonstrate their trustworthiness in a compelling way and find it challenging to ensure that they are meeting the highest standards.

CCCC'S ACCREDITATION PROGRAM FOR MINISTRIES

Accredited Membership with the Canadian Centre for Christian Charities (CCCC) helps ministries to demonstrate financial and organizational integrity. Accredited Members agree to abide by CCCC's Standards of Accountability and voluntarily undergo regular external reviews. Accreditation provides tangible evidence of a charity's transparency and desire to exceed the minimum requirements for maintaining charitable status. This pro-active approach builds trust and inspires confident, generous giving.

CCCC'S ACCREDITATION PROGRAM CAN HELP YOU TO...

Inspire confident giving among your donors

As an Accredited Member, you'll earn the right to display your accreditation on all your promotional materials. Accreditation assures donors that you are operating with the highest standards of integrity.

Equip your staff with best practices to improve operations

Regular external reviews will provide your charity with detailed reports containing recommendations and best practices to help you improve your operations.

Demonstrate due diligence to your board

Accreditation assures your board that your charity is taking pro-active steps to improve operations, reduce risks, and obtain a comprehensive review from external professionals.

Connect with new donors who are eager to support Christian charities

As an Accredited Member, you'll have the opportunity to create a customized profile on giveconfidently.ca, which is regularly promoted to potential donors.

What are the Standards of Accountability?

Charities must meet over fifty requirements to comply with all five Standards of Accountability to be approved for Accredited Membership. After obtaining Accreditation, Accredited charities must demonstrate ongoing compliance with the Standards through an annual submission of documentation to CCCC and periodic virtual and/or on-site field reviews. The following list summarizes the five Standards. A detailed explanation of each Standard begins on page 5.



Christian Ministry

The charity is committed to the Christian faith.



Diligent Governance

The charity is governed by an independent, active board that establishes policy and reviews the impact of the organization's activities.



Financial Oversight and Transparency

The charity demonstrates transparency and proper financial oversight through an independent financial audit, an audit review committee, and public disclosure of its financial statements.



Organizational Integrity

The charity upholds the highest standards of integrity, adheres to applicable laws, and operates in accordance with its own governing documents.



Ethical Fundraising

The charity is ethical in its fundraising activities and respects the dignity and interests of the donor.



STANDARD 1 CHRISTIAN MINISTRY

The charity is committed to the Christian faith.

- 1.1** All members of the governing board (the “Board”), officers, and key staff, upon their election or appointment, and at regular intervals thereafter, affirm a written statement of faith that is consistent with the commonly held and historic central tenants of the Christian faith.¹
- 1.2** The organization publicly declares a Christian mission that guides its values and activities.

¹ “Commonly held and historic central tenets of the Christian faith” as are found, for example, in the Apostle’s Creed (https://en.wikipedia.org/wiki/Apostles'_Creed).



STANDARD 2 DILIGENT GOVERNANCE

The charity is governed by an independent, active board that establishes policy and reviews the impact of the organization’s activities.

2.1 Board Composition

- a. The Board has at least five members.
- b. A majority of the Board members reside in Canada.
- c. A majority of the Board members are at arm’s length² to each other and to the CEO/Lead Pastor.
- d. No member of the Board may be an employee of the organization or receive, directly or indirectly, any remuneration from the organization unless,
 - i. the organization is constituted by a Special Act that provides such an exception,
 - ii. the organization is a university accredited with a body that requires a faculty member to be appointed to the board (if permitted by law), or
 - iii. an arrangement with a director for goods or services is permitted by and carried out in accordance with the organization’s bylaws, conflict-of-interest policy, and any relevant legislation. In such situations, at a minimum,
 - the discussion and decision must occur with the director absent,
 - the organization must document its analysis of why the arrangement is in the best interests of the charity,
 - the arrangement is disclosed in accordance with any requirements of the Canadian Accounting Standards for Not-For-Profit Organizations, and
 - the remuneration is not for services provided by a director in their capacity as a director or employee.

Where the spouse of a director is employed by the organization, the remuneration paid to the spouse is an indirect benefit to the director, and therefore, constitutes non compliance.

e. There are at least as many voting members of the organization as members of the Board.

2.2 Board Meetings

- a. The Board holds at least two full agenda meetings each year where the discussion is not restricted to one specific issue (e.g., appointing officers).
- b. Quorum is at least a majority of the authorized number of Board members.
- c. The Board keeps proper written minutes of all meetings.

2.3 Board Responsibilities

- a. The Board ensures that the organization complies with the organization's governing documents.
- b. The Board ensures that new directors receive an orientation that provides adequate information to understand and fulfill their responsibilities including any obligations within these Standards.
- c. Each member of the Board acts in the best interests of the organization and is not controlled or restricted by any external entity or interest. Any real or perceived conflict of interest is declared and is subject to board policy as per Standard 4.2d.
- d. The Board maintains control over the organization.
- e. The Board develops, reviews, and/or approves the organization's policies as appropriate. The Board ensures the organization's policies are regularly reviewed and are maintained in an organized manner.
- f. The Board ensures that all necessary regulatory filings are prepared factually, accurately, and remitted on a timely basis.
- g. Staff who report to the board have a written job description or Terms of Reference. The Board has a process to regularly review their performance based on reasonable criteria.
- h. The Board regularly reviews its director composition and term end dates to ensure it is proactively planning for replacement and/or succession.
- i. The Board regularly reviews its performance.

2.4 Program Evaluation

The Board monitors the effectiveness, efficiency, and impact of the organization's activities by regularly reviewing program evaluations conducted by management. The Board is aware of and considers the impact of these activities on an ongoing basis.

2.5 Annual Meeting of the Members

The organization holds an annual meeting to, among other things,

- > fulfill the requirements as identified in the organization's governing documents or relevant legislation;
- > inform members of its activities, performance, and achievements;
- > provide reasonable opportunity for members to ask questions or seek clarity about matters of legitimate interest.

² "Arm's length" is defined, for example, in Section 251 of the Income Tax Act and generally means not connected by blood relationship, marriage, or adoption (<http://laws-lois.justice.gc.ca/eng/acts/l-3.3/section-251.html>).



STANDARD 3

FINANCIAL OVERSIGHT AND TRANSPARENCY

The charity demonstrates transparency and proper financial oversight through an independent financial audit, an audit review committee, and public disclosure of its financial statements.

3.1 Financial Statement Preparation and Audit/Review

- a. The organization prepares complete and accurate financial statements in accordance with Canadian Accounting Standards for Not-For-Profit Organizations.³ The statements are received and approved by the Board and presented to the members within six months of the fiscal year end.
- b. The financial statements are audited by an independent licensed public accountant (“auditor”). An organization with less than \$1M in total annual revenue as reported on line 4700 of its T3010 Charity Information Return can opt to have an auditor complete a review engagement (if permitted by law in its jurisdiction).

3.2 Audit Review Committee

- a. The Board appoints an audit review committee (“audit committee”) that consists of at least three members of the Board.
- b. The Board may appoint individuals to the audit committee who are not members of the Board, provided that at all times a majority of the audit committee members are members of the Board.
- c. All members of the audit committee are at arm’s length⁴ to management and to all other members of the committee.
- d. The audit committee meets at least annually to review, among other things, the following:
 - > internal controls and financial policies
 - > the response of management to each of the auditor’s recommendations (if any) for the prior year
 - > the audit program of the auditor
 - > the annual financial statements

In addition, the audit committee

 - > discusses the annual financial statements with the auditor;
 - > receives specific feedback from the auditor relating to management and internal policies and processes without management present;
 - > receives specific feedback from management relating to the auditor without the auditor present;
 - > makes written recommendations to the Board with respect to such statements and the fees to be paid for audit services;
 - > presents minutes of its meetings to the Board.

3.3 Board

- a.** The Board approves the organization's annual operating budget and monitors the organization's performance in relation to the annual budget.
- b.** The Board approves the total compensation of each staff member who reports to the board.
- c.** The Board provides for effective and efficient management of the organization by ensuring that adequate resources are directed to administration and fundraising.
- d.** Organizations with over \$100,000 in invested assets have a written investment policy that is regularly reviewed.

3.4 Transparency

- a.** The organization makes readily available and accessible the following information:
 - > a copy of its most recent financial statements, as defined in 3.1, together with the auditor's report
 - > its charity registration number (BN) as assigned by Canada Revenue Agency
 - > any information contained in the public portion of its most recent Charity Information Return (Form T3010)
 - > a list of the names of the current Board members
- b.** The organization participates in regular CCCC compliance reviews in a timely manner.

³ See CPA Canada Handbook - Accounting (<https://www.cpacanada.ca/en/business-and-accounting-resources/cpa-canada-handbook-the-standards-and-guidance-collection/cpa-canada-handbook-accounting>) and CPA Canada's Accounting standards for not-for-profit organizations (ASNPO): Guidance resources (<https://www.cpacanada.ca/en/business-and-accounting-resources/financial-and-non-financial-reporting/not-for-profit-organizations/publications/asnp-guidance-resources>).

⁴ See endnote 2.



STANDARD 4 ORGANIZATIONAL INTEGRITY

The charity upholds the highest standards of integrity, adheres to applicable laws, and operates in accordance with its own governing documents.

4.1 Laws, Regulations, Governing Documents

- a. The organization understands and complies with federal, provincial, and municipal laws and regulations.
- b. The organization operates within the limits of, and in accordance with, the objects in its governing documents.
- c. The organization has appropriate measures in place to ensure any activities carried out with, or by other parties, whether domestically or internationally, comply with the Income Tax Act and CRA guidance and policy.
- d. The organization informs CCCC when CRA reviews or audits its charitable operations for compliance matters related to these Standards, and provides CCCC with CRA's written findings.

4.2 Integrity, Conflicts of Interest, and Privacy

- a. The organization is open and accurate in all of its dealings.
- b. Charitable assets are not used to provide an undue benefit to any officer, member of the Board, or staff member of the organization.⁵
- c. The organization respects the dignity and privacy of the people it serves. All personal information about beneficiaries is treated confidentially.
- d. The organization has a written conflict of interest policy that applies, at minimum, to both staff and Board members.⁶
- e. The organization has a written privacy policy that is readily available.⁷

4.3 Risks and Complaints

- a. The organization regularly undertakes an assessment of its major strategic and operational risks and provides a report of its plan to minimize and mitigate these risks to the Board.
- b. The organization has a process for how it addresses complaints from donors, prospective donors, volunteers and other external stakeholders

4.4 Human Resources (“HR”) Practices

- a. The organization has written HR policies that include, at a minimum, those required by applicable legislation.
- b. The organization conducts a fair, objective and consistent recruitment and hiring process. The organization carries out an appropriate screening process for staff and volunteers.
- c. New employees are provided the terms of their employment in writing.
- d. The organization ensures all employees have a current written job/role description.
- e. The organization has a written process/policy for managing workplace conflicts.

⁵ See for example, CRA Policy CSP-U02 - Undue benefits (<https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/summary-policy-u02-undue-benefits.html>).

⁶ Sample wording for the conflict of interest policy is available in CCCC's Knowledge Base: <https://www.cccc.org/kbm/Content/governance/sample-documents/sd-conflict-of-interest-577992479.html>.

⁷ Sample wording for the privacy policy is available in CCCC's Knowledge Base: <https://www.cccc.org/kbm/Content/communications/privacy/privacy-general-1564872021.html>.



STANDARD 5 ETHICAL FUNDRAISING

The charity is ethical in its fundraising activities and respects the dignity and interests of the donor.

5.1 Fundraising Representatives

- a.** Fundraisers are not paid finder's fees, commission or percentage compensation based on the value of funds raised. This standard does not apply to fees charged by fundraising platforms, credit card processors or similar services that charge fees based on the value of transactions.
- b.** Anyone authorized to solicit or receive funds on behalf of the organization
 - > adheres to the provisions of Standard 5;
 - > acts with fairness and integrity in accordance with all applicable laws;
 - > adheres to the organization's conflict of interest policy;
 - > does not induce a donor to transfer giving from another organization.
- c.** The organization provides appropriate training and controls so that its fundraising representatives can uphold the aforementioned expectations.

5.2 Fundraising Communication

- a.** Donors are encouraged to seek independent professional advice when information provided by the donor suggests that the proposed gift may significantly affect the donor's financial position, income or relationship with other family members.
- b.** Fundraising solicitations
 - > truthfully describe the organization's activities for which the donations will be used;
 - > respect the dignity and privacy of those who benefit from the organization's activities.
- c.** Donors are kept fully informed with comprehensive and current information about the organization and its ministries.
- d.** Donors and prospective donors are made known, upon request, whether an individual soliciting funds on behalf of the organization is a volunteer, an employee, or a fundraising consultant.
- e.** The organization provides to donors, upon request, a copy of their own donation record.

5.3 Donations

- a.** Donations are only accepted for activities that are within the charity's objects and have been approved by the organization.
- b.** All donors, except for registered charities, are entitled to receive an official receipt for income tax purposes for the eligible amount of the donation. The organization may establish a minimum amount for the issuance of official receipts, requiring smaller donations to be receipted only upon request.
- c.** The organization maintains and publishes a *donor restricted gift policy*⁸ on all appropriate fundraising materials, including its website. All donations restricted to a particular approved activity are used for the purpose for which they were given, subject to certain specific situations as identified in the donor restricted gift policy.

5.4 Privacy and Solicitation of Donors

- a.** The privacy of donors is maintained, including the donor's request to remain anonymous, unless the law requires otherwise.
- b.** The donor or prospective donor list is not exchanged, sold, rented, or otherwise shared externally. If an external fundraiser is retained, access to the master donor list is limited and kept under strict control.
- c.** Donors and prospective donors are treated with respect. Every effort is made to honour requests to limit the frequency of solicitations or to not be solicited. The organization ceases solicitation of a prospective donor whenever requested.

⁸ Sample wording for the donor restricted gifts policy is available in CCCC's Knowledge Base: <https://www.cccc.org/kbm/Content/finance/sample-documents/sd-donor-restricted-gift-policy-577992470.html>

How Can We Learn More?

If you'd like to discuss Accreditation, please contact

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“Accreditation is important to us because the next generation of Canadians is looking for accountability and integrity when considering causes to support. CCCC has been an incredible help to us, equipping us with best practices and recommendations that have increased our effectiveness as we interact with donors and regulatory bodies.”

—Rich Birch, Executive Director, Camp Mini-Yo-We



**Canadian Centre for
Christian Charities**

Supporting ministries in a complex world

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