

Form 990 Due Diligence Check List

This checklist is to be used for all NVCF grants, unless a checklist, less than 1 year old, is already on file for the grantee organizations. (form updated 8/2006)



Person completing this checklist: _____

Date: _____

Name of Organization/Event/Fund (as it should appear on file)

Name of Fiscal Sponsor (if applicable)

Where was the 501(c) 3 verification obtained?

Guidestar www. _____
Website
IRS determination letter Tax ID or EIN #: _____
IRS Pub 78

Required for all organizations:

Program description obtained:
Form 990 obtained: What month/year was the 990 filed? _____
Other form of public charity verification: _____

Note: If it is not a form 990, but rather a 990PF or 990 EZ, please consult President for other verification standards. If it is a PF, you must verify it has Private Operating Foundation status (Part VII-A, line 9). If not, contact donor. We cannot make the grant.

Examining the Form 990

Evidence of Public Support (Part I)

- Line 1d: Did the organization receive any gifts or contributions? Yes No
If No, refer to section IV/Public Support Schedule.
- Is Line 21 a positive number? Yes No

Accuracy/honesty in reporting expenses (Part II)

- Are columns C & D less than column B? Yes No
If Line 1D shows more than \$1,000,000 in contributions, agency should record some fundraising expenses under Part II of Column D, Line 44. Call agency if in doubt.

Viability of the organization (Part IV)

- Is Line 59 (Total Assets) greater than Line 66 (Total Liabilities)? Yes No
If No, see the President. He will determine whether there is a need to call the organization to inquire.

Reporting conflicts of interest between board, staff, and independent contractors (Part V-A)

- Did the organization check "Yes" on Line Bor Line C? If Yes, see the President, and he will review the statements attached to the 990. Yes No
- Line D: Does the organization have a written conflict of interest policy? Yes No

Reasonable CEO compensation, avoidance of intermediate sanctions (Schedule A-Part I)

- Does the CEO make less than what was spent in programs? (Refer to Part II Column B) Yes No
- If more than one employee is listed: Does the CEO's compensation seem comparable to other employee compensation? CEO salary should not be three times more than the next highest salary. If No, inform donor. Donor may still recommend the grant if they wish. Yes No

Verification of Public Charity Status (Schedule A-Part IV-A)

- Does Line 26f have a percentage equal to or greater than 33 1/3%? Yes No
If number is below 10%, must be flagged in FIMS in notes under D (Due Diligence) tab.
The President must review future grants. The organization is in danger of becoming a private foundation.

If you answered "no" to any of the questions above, the President needs to review the 990 before making the grant.