



Statement of Accountability

The Statement of Accountability is a special purpose report that describes and accounts for an organization's fundraising efforts and is of specific interest to donors and the giving public at large. Accordingly, the Statement of Accountability should be prepared in scope and design to meet the particular needs of its intended audience. In some instances, a suitably prepared set of audited financial statements or a published annual report may be issued in place of or to supplement the Statement of Accountability.

The Statement of Accountability is intended to portray the activities of the fundraising function of the organization and not the entire range of activities carried out by the organization. Accordingly, the Statement of Accountability reports all resources raised through an organization's fundraising efforts and their use in carrying out the objectives stated in the fundraising material. The usefulness of the Statement of Accountability can be enhanced by including narratives, illustrations, or graphs describing the organization's services and programs. Other activities of an organization, that would be included in the organization's audited financial statements, are not included in the Statement of Accountability.

Therefore, a Statement of Accountability will report the amounts of funds raised, and the application or distribution of such funds for program or supporting functions. It will generally not report the subsequent investment of such funds, the administration of deferred giving instruments, or the actual expenditure of funds by the programs since these activities will be carried out at different organizational levels.

For the most part, the Statement of Accountability is prepared in accordance with generally accepted accounting principles. NCDC believes, however, that the Statement of Accountability does not need to (a) segregate restricted support and revenue between the temporarily and permanently restricted categories, or (b) include the footnote disclosures that would be required by generally accepted accounting principles.

The Statement of Accountability, regardless of scope, sets forth: the amount of funds raised, other revenues generated from the fundraising function, the amount and use of the funds expended for program services, and the amount of funds expended for supporting services.

The funds expended included the proceeds from fundraising drives that are passed on to other departments of the organization or to other organizations that will use them for the intended program purpose.

The responsibility for preparing and distributing the report rests with the member organization and not with the National Catholic Development Conference. As a requirement of Active and Associate membership, all members must file a copy of such a report annually with the NCDC office.

Further information about preparing a Statement of Accountability can be found in NCDC's publication *Accountability, Fundraising Costs and Efficiency*