When and How to Use Accreditation & Certification in Funding Decisions

A Best Practices Toolkit for Donors

Accreditation and certification are widely recognized tools that reflect a nonprofit's commitment to quality, accountability, and continuous improvement—especially in contexts involving vulnerable populations (see Page 4: What Are Vulnerable Populations). Rather than being rigid requirements, they serve as practical tools that many funders use to strengthen decision-making and align with international good practice. Across various jurisdictions, donors have found that integrating these standards into funding strategies can enhance confidence in a nonprofit's governance, operations, and service delivery.

This toolkit offers considerations drawn from established donor practices, helping funders understand when and how these signals of quality can strengthen funding decisions. Two primary pathways—**accreditation** and **certification**—are available, and the appropriate track often depends on the nature of services delivered and the organisation's size.

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Common Donor Practices for Leveraging Accreditation and Certification

For Larger Grants (e.g. $25,000+):

- Donors in multiple settings have used certification and accreditation to help ensure that significant investments are directed toward organisations with robust infrastructure and demonstrated adherence to sector standards.
- In countries like Australia and Canada, philanthropic foundations often reference third-party certifications (such as Imagine Canada Standards or ACFID Code of Conduct) to validate that larger investments are directed to organisations with mature governance and financial systems. These standards are not mandatory but are commonly used as a proxy for organisational readiness and impact potential.
- Locally Centennial Bermuda Foundation (CBF, 2025) and Bermuda Foundation (BF,2025) consider the BNSC designation in decision-making. For Bermuda Foundation and associated funds, grants are evaluated using a point system whereby points are given for evidence of a designation.

For Multiyear Commitments:

- When providing sustained support over time, funders often look for external indicators of an organisation's stability and long-term capacity—roles that accreditation and certification can play effectively.
- In Kenya and India, bilateral and private donors have incorporated accreditation into funding frameworks for multi-year or unrestricted support. For example, some funders working with community-based organisations rely on local accreditation bodies to assess long-term capacity and compliance with national regulations, thereby reducing administrative burden and increasing confidence in organisational sustainability.
- Locally Centennial Bermuda Foundation tracks BNSC designation status and has seen the correlation between multiyear grantees and a designation (CBF, 2025).

While accreditation and certification should not be seen as prerequisites or substitutes for your due diligence, they can serve as useful enhancements in the following scenarios:

- When evaluating **higher-risk** or **higher-value** proposals
- When providing **unrestricted** or **longer-term** support
- When seeking **operational alignment** with local or international standards
- When encouraging **organisational development and accountability** within your grantees

These tools are most impactful when used to **complement**, rather than replace, traditional due diligence. See Page 2: How to Leverage the Nonprofit Alliance's BNSC Designations for more information on the two designation tracks offered by the Nonprofit Alliance of Bermuda: certification and accreditation.

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How to Leverage the Nonprofit Alliance's BNSC Designations

The Nonprofit Alliance offers two tracks for designation by the Bermuda National Standards Committee (BNSC). This section explains these two tracks, and when they are appropriate for consideration

BNSC Certification

Who it's for:
Certification is best suited for nonprofits with annual revenues of **$250,000 or more** that do **not** provide direct human services, or are preparing for future accreditation.

What it reviews:

- Governance & Risk Management
- Financial Controls
- Human Resources
- Client Rights & Administrative Environment
- Performance & Quality Improvement

Why it matters to donors:
Certification confirms that the organisation has the capacity, systems, and accountability practices needed to manage funding responsibly.

BNSC Accreditation

Who it's for:
Accreditation is best suited for nonprofits providing human services (see Page 4: What Are Human Services) with annual revenues of **$450,000 or more**.

What it reviews (in addition to Certification criteria):

- Programme Administration & Behaviour Management
- Training & Supervision
- Standards for specific service types tailored for each programme and service being delivered (e.g. mental health, housing, youth services)

Why it matters to donors:
Accreditation ensures the organisation has been externally evaluated for high standards in service delivery and support for vulnerable populations.

What are Human Services

Human services encompass a broad range of services designed to assist individuals, families, and communities in need. Human services are generally considered to be focused on serving vulnerable populations, which refers to groups of individuals who are at greater risk of experiencing poor physical, mental, social, or economic outcomes. These groups often face barriers to accessing services, protections, or opportunities, making them more susceptible to harm, exploitation, or neglect.

What are Vulnerable Populations

Vulnerable populations are any groups who are more susceptible to harm, exploitation, or neglect, or who experience greater risk of barriers to accessing services, protections, or opportunities. These factors may include (but are not limited to):

- **Age-related vulnerabilities** (e.g., children, adolescents, the elderly)
- **Economic disadvantage** (e.g., low income, unemployment, poverty)
- **Health conditions** (e.g., chronic illness, mental health issues, disabilities)
- **Social marginalisation** (e.g., due to race, ethnicity, gender identity, sexual orientation, immigration status, or language barriers)
- **Situational or environmental challenges** (e.g., homelessness, domestic violence, displacement, incarceration, or lack of education)

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