



March 2006

Greetings!

We are pleased to bring you the March edition of the VANNO Voice – your link to news and resources for Virginia’s nonprofit sector! We encourage you to forward this valuable information to your colleagues, both inside your organization and throughout your community.

Free Tax Help from the VSCPA

Got filing questions about your 2005 federal and Virginia state taxes? It's tax time again and the Virginia Society of Certified Public Accountants (VSCPA) is pleased to offer FREE tax assistance to Virginia taxpayers through a variety of special programs:

VATaxHelp.com E-mail Program

Launched in January 2003, www.VATaxHelp.com is designed to provide consumers and businesses with premier tax and personal financial planning resources, information and services. Anyone filing federal or state tax returns in the state of Virginia can get free online tax advice by submitting e-mail questions through the website to vataxhelp@vscca.com!

Experienced, licensed certified public accountants (CPA) will provide answers to the tax questions within three business days. Tax questions can be submitted online from February 1 to April 10, 2006.

In addition, the Web site contains a wealth of tax resources, including Virginia and federal tax information with links to download forms, financial planning articles for individuals and business professionals, frequently asked tax questions and tips for the 2006 filing season as well as a Nonprofit Resource Center.

Virginia Military Tax Help Program

The VSCPA offers free tax assistance through Virginia Military Tax Help to Virginia-based members of the U.S. armed forces and support personnel serving in a combat zone. This program matches Virginia military families with CPA volunteers in their geographic area who provide free tax advice and assistance with federal and state income tax filings. Virginia CPAs will use their wealth of expertise and insight to answer questions on tax exclusions and deadline extensions for filing tax returns, paying taxes, filing refund claims and taking other actions related to federal and state taxes.

Nonprofit Pro Bono Assistance Program

CPA members of the VSCPA provide pro bono assistance and advice on

financial issues to charitable nonprofits in need in Virginia. Some examples of financial advice include: tax preparation, auditing, financial management, etc. We also send out openings to our CPA members if you're trying to fill a vacancy on your Board of Directors. More information, including how to determine if your nonprofit qualifies for the program, can found at www.VATaxHelp.com.

If you have any questions about these and other community service programs by the Virginia Society of CPAs, please contact Public Relations Coordinator Tracey Zink, tzink@vscpa.com, or Communications Director Tina Lambert, tlambert@vscpa.com, at 804.270.5344.

For more information, please visit the VSCPA Web site. To search for a CPA in your geographic region, visit www.VATaxHelp.com and click on "Find a CPA."

For more information...

QuickBooks Training for Nonprofits

The Rappahannock Nonprofit Center and Lord Fairfax Community College are pleased to announce a 4-day workshop on QuickBooks Training for Nonprofits:

- March 9, 16, 23, and 30, 4:00 pm until 7:00 pm each afternoon
- Rappahannock County Public High School
- Sponsored by the Rappahannock Nonprofit Center

When RNPC conducted a stake holders meeting some time ago, one of the top requests was for a workshop on QuickBooks and how to use its applications at a nonprofit or community organization. After collaborating with Rappahannock County Public High School and Lord Fairfax Community College, RNPC has set the dates for March 9, 16, 23, and 30 from 4:00 pm until 7:00 pm each day. Rappahannock County Public High School will host the training in their business department's computer laboratory, giving students hands-on training. The fee for the workshop is \$180 and covers all material. The Rappahannock Nonprofit Center is underwriting the cost of the workshop to keep the cost under \$200; if you have financial challenges, please contact Bridget Chisholm at 540.987.8011 or info@rnpc.org and ask about a scholarship.

What Does an Accountable Organization Look Like?

A Conversation with Mary Agee, President & CEO, Northern Virginia Family Service

Before Sarbanes-Oxley came into prominence, Northern Virginia Family Service's Board of Directors strongly advocated for it to become a leader as an ethical, accountable, and transparent organization. As scandals and public outcry for greater accountability have grown, so has the Compliance Program of Northern Virginia Family Service.

"We were lucky," explains Mary Agee, President & CEO of Northern Virginia Family Service. "Several key board members with financial background were familiar with the fallout of several financial scandals, and

were familiar with the new post-Enron accounting and legislative actions. Their leadership provided the impetus to get our organization moving towards more transparent accountability.”

“We had several documents already in place, but our compliance plan pulled it all together to ensure our commitment to be an accountable one was a comprehensive effort.” NVFS’ Compliance Plan includes:

- A conflict of interest statement
- A whistleblower policy (including an 800 telephone number to call to safely report such abuses and a non-retaliation clause)
- Establishing a compliance officer
- Code of ethics
- Business practices including finance and human resources

While the commitment on paper was deemed essential, just as important was addressing the “culture” of the organization. Agee tells that “we needed to communicate that everyone has responsibilities for ethical practices (e.g., confidentiality, integrity, high quality services.) All decisions affect those around you.”

Training supervisors and managers on ethics, ethical behavior, business practices, and sound supervisory skills was made a priority. A series of six trainings addressing these subjects was established. The CEO and other senior staff committed themselves to staying in touch with all levels of staff through a series of multi-site visits. This commitment extends to new and old staff. When open lines of communication are established, it reduces isolation and allows people to voice concerns in a safe environment. “Don’t assume that this behavior is known,” explains Agee. “For example, how people view authority is interpreted differently from person-to-person.”

To implement a Compliance Plan, start with the basics. Get a basic conflict of interest and a disclosure statement in place. Draft a strong statement declaring the organization is built on ethics and best practices. Overall, be proactive and minimize the opportunity for things to go wrong. Agee notes that NVFS’ plan has been in place for only 1 year. It is reviewed annually, and revised as new documents are developed. With the staff plan in place, NVFS is currently beefing up its compliance policies for its Board of Directors.

Agee felt that while not directly associated with “accountability,” establishing a Succession Plan gave the organization an important sense of stability. A plan was developed to address what the organization would do if there were a need for a short term, long term or permanent change to suddenly find a new Executive Director. Basic plans of action were established should there be a change in executive leadership. Agee says, “This is a simple document, a best practice. It is essential to ensure our organization remains accountable no matter what.”

This article was prepared in January 2006 for VANNO.

Need Help Understanding the Sarbanes-Oxley Law?

Although it has only limited legal implications for nonprofits, this Act is here to stay and needs to be understood by any organization striving for accountability. BoardSource and Independent Sector created a document on the implications of the law for nonprofits, which has recently been updated. It's worth sharing with both staff and Board members.

[Click here to read the document...](#)

Community Building Workshop

Please join The NonprofitCenters Network, Nonprofit Finance Fund of DC-MD-VA and Nonprofit Roundtable of Greater Washington for **Community Building**, a workshop for DC-MD-VA area nonprofits and potential partners interested in creating and operating Multi-tenant Nonprofit Centers.

Learn the Key Considerations in Creating a Center for multiple nonprofits, as well as Fundraising and Financing Strategies. If you are currently operating a center, we'll lay out the steps toward cost savings and increased effectiveness through Shared Services, and how to inexpensively create a healthier workplace by "Greening" Your Existing Building.

You'll also network with peers interested in developing nonprofit facilities, experts in financing and managing real estate projects, and experienced practitioners running fully operating centers. Leave with comprehensive materials and strategies you can implement today!

Workshop details are as follows:

- March 21, 2006
- Human Rights Campaign, Equality Center
- 1640 Rhode Island Avenue NW, Washington, DC, 20036
- 9:30 am – 4 pm; wine and cheese reception to follow
- \$100 registration fee; \$75 for NCN and NRT Members! (includes meals and materials)

Questions? Contact mkim@tides.org at The NonprofitCenters Network, elizabeth.pickard@nffusa.org at Nonprofit Finance Fund DC-MD-VA, or mknighton@nonprofitroundtable.org of Nonprofit Roundtable of Greater Washington.

[Click here to register...](#)

2006 Standard Mileage Rates

The Internal Revenue Service has announced the 2006 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning Jan. 1, 2006, the standard mileage rates for the use of a car (including vans, pickups or panel trucks) will be:

- 44.5 cents per mile for business miles driven;
- 18 cents per mile driven for medical or moving purposes; and
- 14 cents per mile driven in service of charitable organizations, other

than activities related to Hurricane Katrina relief.

The new rate for business miles compares to a rate of 40.5 cents per mile for the first eight months of 2005. In September, the IRS made a special one-time adjustment for the last four months of 2005, raising the rate for business miles to 48.5 cents per mile in response to a sharp increase in gas prices, which topped \$3 a gallon.

Source: Clifton Gunderson LLP, 9515 Deereco Road, Suite 500, Timonium, MD 21093, 410.453.0900

Rescheduled Workshop on Volunteer Liability Issues

- Sponsored by Greater Williamsburg Association for Volunteer Administration (G.W.A.V.A.)
- Thursday, March 23, 2006, 8:30 am to 2:00 pm
- James City County Library (convenient to I-64)
- Registration is \$30 for the first agency representative, \$25 each for additional person
- Lunch will be served

More and more volunteer administrators and nonprofit professionals are challenged with liability issues, appropriateness concerns and a host of legal questions. Come to this workshop and acquire the tools you need to manage your volunteer program in a responsible yet caring way. Join attorneys Elizabeth Schmidt and James Knicely in exploring the important legal aspects needed to successfully operate your volunteer program. These practical topics will help you and your colleagues in the workplace. For more information, contact Benjamin Goldberg at 757.259.4042.

Governance Committees: Positive Trend on Nonprofit Boards

by Betsy Rosenblatt

The current trend is for boards to reduce the number of standing committees. But at least one new committee is being created more frequently: a Governance Committee or Board Affairs Committee. The Governance Committee replaces the nominating committee or board development committees, but does more than either. The governance committee serves as the "conscience of the board."

The governance committee examines how the board is functioning, how board members communicate, and whether the board is fulfilling its responsibilities and living up to the objectives and aspirations set for itself and the organization. While all board members should understand the organization's mission and goals, the governance committee must consider them with an eye on the board's responsibility to guide the organization and what is required of the board to best accomplish that. The governance committee must be able to articulate the board's vision for the board and find the board members who can put it into action.

Committee responsibilities can be grouped into distinct categories.

Find, keep, and/or get rid of board members

- Develop board member job descriptions.
- Create a board profile of what skills and expertise the board and the organization need.
- Identify potential board members and maintain information about each candidate.
- Cultivate and recruit new members from beyond the board's traditional circles.
- With the board chair, help assess and maintain board members' individual commitment, support, and participation in governance duties.
- Observe and nurture potential leaders within the board.
- Evaluate board members' eligibility for re-election.

Educate board members

- Orient new board members to ensure that they have adequate materials and understand their roles and responsibilities.
- Involve board members in "continuing education." The governance committee can update board members (about new programs, legislative action, and so forth) and continue to improve their skills as board members.
- Establish an effective communications network to keep board members apprised of activities through newsletters, board and committee minutes, media reports, phone calls, and thank you notes.

Evaluate the board's performance

- Annually lead the board in its self-assessment and develop recommendations to the board for self-improvement.
- Discuss with the chief executive staff (and perhaps other staff) their views of the board's performance and ways to strengthen the board in both its governing and supporting role.

These particular tasks are only the skeleton of the governance committee's job. The spirit of the committee is to ensure that the board is doing its job and doing it well, and if not, come up with suggestions to remedy that.

Source: Board Café e-newsletter, March 14, 2003. <http://www.boardcafe.org>. Betsy Rosenblatt is the Communications Officer at the Eugene and Agnes Meyer Foundation in Washington, DC, and former Editor at BoardSource.

A Powerful Tool for Finding Grants and Grantmakers

The [Foundation Center](#) recently introduced a new and significantly advanced version of its database, the Foundation Directory Online Professional. This powerful new resource adds to a database of 80,000 grantmakers and 500,000 grants such features as colorful grant distribution charts, news articles, foundation publications, and 990PF text-searching.

You can use it free of charge at the Foundation Center, 1627 K Street,

NW, Washington, or at a wide variety of sites around Virginia with the new Foundation Center Cooperating Collection. Visit the Fairfax County Public Library (12000 Government Center Parkway in Fairfax) or Washington County Public Library in Abingdon; Hampton Public Library in Hampton; Richmond Public Library in Richmond; and Roanoke City Main Library.

[To learn more about the online database...](#)

Seeking Nominations for Nonprofit Research Award

Nominations are now being accepted for the 2006 Award for Distinguished Achievement and Leadership in Nonprofit and Voluntary Action Research. Sponsored by the ARNOVA, the deadline is April 14, 2006.

[Click here for full details...](#)

New Interactive Children's Book on Philanthropy

Learning to Give has recently published *Make The World A Better Place!*, a new, interactive philanthropy book for children in grades 2 through 6. The book offers full-color pages, worksheets, and activities, teaching children about sharing their time, talent and treasure—about becoming a philanthropist.

Join "Ant Phil", the narrator, as she guides readers through activities, teaching them about philanthropy, community, saving money, making choices, and planning their own actions for the common good. *Make The World A Better Place!* allows children to define philanthropy while offering resources to encourage involvement in philanthropic acts, such as a philanthropy calendar. Together with Ant Phil, children will learn to creatively share their time, talent, and treasure, allowing them to make the world a better place.

Teachers can incorporate the book into their classroom. Also available for home and classroom use is an educational poster, which reinforces the lessons taught in the book.

Only \$19.95, the book offers 48 pages of information, resources and activities for children. Educator discount price is \$17.00 if ordered from the Learning to Give website. Discounts can also be obtained for bulk orders as well.

[For more information on ordering copies and *Learning to Give*...](#)

Fund Development in a Nutshell

The next C3 Think INC* Workshop will be conducted Thursday, March 16, 2006 in Richmond. Don Cuthrell, Fundraising Counseling Associates Principal, will provide practical guidance to help nonprofits better position their organizations for funding success in an ever increasingly competitive fundraising environment. Special emphasis will be placed on the do's and don'ts of fundraising. Board members, executive directors and fund development staff of all levels will find something useful in this session with an individual who has seen nonprofit fundraising from a board, staff and consultant perspective.

Registration begins at 9:30 am and the workshop is from 10:00 -11:30

am. A \$10 donation to C3 for the session is requested. Following the workshop will be our monthly Blue Bag Lunch from noon to 1:00 pm where individuals can talk about general nonprofit-related issues. To register in advance for this session, please send an email to info@c3va.org. For further info about the Think INC* series visit www.npmq_mtsolutions.com or www.c3va.org.

US Treasury Revises Anti-Terrorist Guidelines

The Department of the Treasury has issued a revised set of its 2002 "Anti-Terrorist Financing Guidelines: Voluntary Best Practices for U.S.-based Charities." The guidelines are intended to inform nonprofit compliance with the USA Patriot Act and other rules established since 9/11, and have faced criticism from nonprofit advocates.

[Learn more...](#)

National Volunteer Week: "Inspire By Example" Theme

National Volunteer Week is April 23 - 29. Recognize the volunteers who have helped make your organization a success with a gift from Volunteer Resource. Proceeds benefit Points of Light Foundation and the Volunteer Center National Network.

[Click here to browse for a gift...](#)