THE VANNO VOICE

May 2006

Greetings!
We are pleased to bring you the May 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.

Contents At-A-Glance

May 12 Workshop: Ten Behaviors of Managers Who Excel

Do you feel overwhelmed as a supervisor or manager? Perhaps you have had little or no training in how to be a successful manager. Maybe you want a refresher course on management covering all the latest information on essential management strategies. Without the right kind of training, the role of manager/supervisor can seem overwhelming, requiring you to juggle multiple priorities and demands. Join us and let us help you learn to excel as a manager.

This one-day, fast-paced comprehensive seminar will provide you with the knowledge and, most importantly, the skills to improve the productive work of your staff. Whether you supervise a staff of one or 101, we will provide the basic skills training, was well as build on the skills you already have, to enable you to succeed in the many facets of your job. Here are just a few of the questions we have addressed in recent workshops:

"How do you..."
- manage people you previously worked with or are friends with?
- manage experienced employees when you are new?
- set your priorities when you are busy putting out fires?
- delegate work when you know employees are already overworked?
- motivate with little or no raises possible?
- help diverse members of a team work together and value their differences?

When & Where:
Friday, May 12, 2006 - Richmond, VA
Holiday Inn - Central, 3207 North Boulevard
9:00 AM - 3:30 PM (Lunch is Noon-1:00)

Cost:
$99. This includes morning coffee and rolls as well as training materials. (NOTE: funding restraints and cutbacks have affected us all. To help by offering this program at our 2001 price.)

Instructor:
Penny Altman, HSC WORKSHOPS
pennaron@cox.net
www.hscworkshops.org

To Register:
Contact Penny at pennaron@cox.net

Think INC Series Continues

The following C3 Think INC (Increasing Nonprofit Capacity) sessions will continue to be offered the third Thursday of every month in Richmond.

May 18, 2006 - Business Plans: Workhorses or Shelf Sitters?

June 15, 2006 - Show Me the Money: Strategies for Accessing Maximum Funding Through Grants

July 20, 2006 - Budgeting with Care and Concern, but Without the Chaos

August 17, 2006 - Using Your IRS Form 990 as a Marketing Tool

Workshop registration begins at 9:30 am and sessions run from 10 - 11:30 am. A $10 donation to C3 is requested of program participants. Workshop sessions are followed from noon to 1 pm by a Blue Bag Lunch - an opportunity for individuals to discuss nonprofit-related topics of their choice, mediated by Michele Stuchele, C3 Executive Director, and Gail Merridew, NMS Principal Consultant. To pre-register for any C3 event, please send an email to info@c3va.org. Additional information can be found on the Web at www.c3va.org or www.npmgmtsolutions.com.

Delegate Application Deadline Extended

Do you want to be part of an unprecedented initiative to unite America's diverse nonprofits? Would you like to come to Washington to help create a national platform for the nonprofit sector? Apply to be a delegate for the Nonprofit Congress National Meeting! This is your chance to represent the interests of nonprofits in Virginia and serve as an ambassador for all nonprofits. NEW Application deadline: **May 31, 2006**. Click here to learn more and here to apply now.

ACF Grant Proposals Due JUNE 30, 2006

The Arlington Community Foundation (ACF) is now accepting grant proposals for its general grants program – now known as "Community Enhancement" Grants. In the past 12 years, the ACF has awarded more than $2 million to organizations and other groups serving Arlington, Virginia through its annual competitive grants program.

The ACF offers grants up to $10,000 to assist charitable organizations explore, undertake new work, or continue doing effectively what they already have started. Grants will be made to organizations or programs that offer creative responses to community needs in Arlington, and may support general operating expenses or specific projects for activities that may be "in progress" or commencing on or before January 1, 2007. Grants are funded in numerous areas of community enhancement, including: Arts and Humanities, Children & Families, Community Improvement, Health, Housing/Homeless & Hunger, Legal, Social Services, Senior Enrichment, and other services to Arlington.

There are several new features to this year's grant process. A new deadline of June 30 reflects the desire of the Arlington Community Foundation to support programs and efforts that will commence in Fall 2006 or early 2007. The Senior Adult Recreation Endowment will fund grants from this application cycle as well. All awards will be announced in late September.

A new application form has been developed to streamline and facilitate responses and ensure consistent review of applications. It is available at the ACF website at www.arlcf.org/grants, by clicking "Community Enhancement Grant Application."

To assist potential grant recipients to learn more about the application and to hear from a grant reviewer and ACF Board member as to what makes a good application, you are invited to attend a **Grant Application Workshop on Wednesday, May 17** from 9 -10 am at the Department of Human Services, 3033 Wilson Boulevard, 7th Floor. Please RSVP to grants@arlcf.org if you wish to attend. Space is limited, so only one participant per potential applicant may attend.

Fundraising Tip: Expanding Your Circle of Friends

Philanthropy has taken a page from the home parties generally associated with plastic storage containers and cosmetics in pink compacts with the phenomenon of giving circles.

An article in The New York Times featured a variety of giving circles that were revamping the look of charitable giving. A South Carolina group of women formed "Dining with Women," a monthly get-together featuring food, friends, and philanthropy. At their first meeting, a pot-luck dinner, 25 women raised $750 for Women for Women International, a nonprofit based in Washington D.C. that helps female survivors of war.

Since the first get-together, the club has grown to 115 members with 15 to 20 that show up for each monthly meeting. Donations totaling $19,000 have been sent to various charities including the American Leprosy Mission and Habitat for Humanity.

New Ventures in Philanthropy reports that there are at least 220 giving circles in 40 states. And since 2000, circles have donated more than $44 million.

Source: The New York Times, Oct. 9, 2005.

U.S. Nonprofit Sector is Sixth Largest Economy in the World

The National Council of Nonprofit Associations (NCNA) has released *United States Nonprofit Sector*, a report featuring the most current information and statistics (2003) on America's charitable organizations. Highlights include the following:

- There were 837,027 charitable nonprofits in the United States, excluding foundations and religious congregations in 2003. This is an increase of 68 percent from 1993. 288,150 charitable nonprofits had gross receipts of over $25,000 in 2003 and filed IRS Form 990 in 2003. These organizations, often referred to as "reporting" nonprofits, provide much of the data available on the sector.
- Total assets of all reporting nonprofits were $1.76 trillion in 2003.
- Total expenditures of all reporting nonprofits were $945 billion in 2003. Human services organizations made up the largest group of nonprofits at 34 percent.
- California and New York were home to the largest number of charitable organizations.
- The Bill & Melinda Gates Foundation was the biggest foundation giver in 2003, distributing over $1.1 billion to nonprofits.

According to the The World Factbook, the asset base of the sector would make the "nonprofit economy" the sixth largest in the world – larger than the economies of Brazil, Russia, Canada, Mexico, and South Korea.

The goal of the report is to better inform the public to about the size and scope of the charitable sector in our society.

Click here for the full report...

Life Cycle of a Public Charity

During its existence, a public charity has numerous interactions with the IRS – from filing an application for recognition of tax-exempt status, to filing the required annual information returns, to making changes in its mission and purpose. The IRS provides information, explanations, guides, forms and publications on all of these subjects – they are available through an excellent IRS Web site. There are links to all the documents most charities will need as they proceed though the phases of their "life cycle," plus a graphical depiction of the life cycle that might be a very useful orientation tool for your Board members!

Click here to access these resources...

Orientation: The First Step to Service on a Nonprofit Board

A board orientation is the important first step after the election of new directors. It is important that new directors have a clear understanding of the organization's mission, values, and programs, as well as the role of the nonprofit board and their specific responsibilities. Without this orientation, the new director will not have a clear understanding of what, when and how decisions need to be made and their role in this work.

It is important that all directors come to board meetings with the same knowledge and expectations. Thus, an effective board orientation program contains two important components: the board manual and the orientation training.

The board manual is a collection of materials that describe the organization. A three-ring binder is recommended so each director can continually add to the contents as new materials become available. The board manual is an important reference tool and board members should be encouraged to bring it to every meeting. The following is an outline of the ten critical orientation areas and items to include in the manual.

I. **Welcome Letter** *(printed on agency letterhead and signed by the Board President/Chair)*
II. **Agency History and Programs:** *A concise history of the organization, including client demographics and description of services. Also, include the most recent Annual Report, copies of agency literature, brochures, and newsletters.*
III. **Rosters: Board of Directors** *(including professional affiliations, address, phone number, and e-mail address) and Board Committees (including committee members and contact information).*
IV. **Organizational By-Laws**
V. **Board/Staff Responsibilities:** *Job description for Board of Directors, Board Committee descriptions and job descriptions for Executive Director and key staff. Also include materials describing the general responsibilities of a nonprofit board of directors and the specific expectations of this agency's board members.*
VI. **Informative Materials Related to the Agency's Mission:** *Materials may include articles and reference documents that describe the clients served, the types of services provided, statistics, etc. and a bibliography of additional resource materials.*
VII. **Calendars of Board and Committee Meeting Dates**
VIII. **Strategic Plan**
IX. **Policies:** *Manuals and policy statements that cover all organizational, personnel and financial matters.*

X. **Financial Materials:** *Provide the most recently approved agency budget, audit and IRS form 990*

The second component of a board orientation is the orientation workshop held after the election of new board members and ideally before their first board meeting. The following is a sample agenda that can be adapted for your organization. A complete orientation workshop typically takes 1 ½ to 2 hours. Throughout the session, board members will be directed to the appropriate section of their board manual for information. Here is a sample agenda:

Welcome

- Overview of orientation agenda *(Board Chair)*
- Icebreaker to introduce board members to each other *(Board Chair or other Board member)*

Overview of Agency

- Overview of agency history *(Executive Director)*
- Introductions of key staff and their roles in the agency *(Executive Director)*
- Societal issues addressed by the organization, including a description of the clients served *(Executive Director or key staff)*
- Role play provision of client service, if appropriate *(Executive Director or key staff)*
- Vision and plans for agency *(Board Chair)*

Role of Board of Directors

- Board member core responsibilities *(Board Chair)*
- Expectations of agency board members *(Board Chair or other Board member)*
- Financial overview: budget, sources of revenue and reports *(Board Treasurer)*
- Accountability and evaluation practices *(Board Chair or other Board member)*

Agency Tour

- Visit of agency facilities *(Executive Director or key staff)*

A board orientation can be conducted with a group of new members or one-on-one. We recommend that orientation be conducted annually for the entire board of directors. This annual orientation serves two purposes: (1) to begin to build the team and introduce directors to each other and (2) to provide a refresher for current and returning directors.

Source: Nonprofit Strategies Team e- newsletter, March 21, 2006, info@nonprofitstrategies.com

Federal Nonprofit Policy Updates – April 2006

Lobby Reform
Lobby reform (HR 4975), which contains increased disclosure for lobbyists, is still the subject of heated debate in the House. Certain amendments have been blocked from the bill, including a provision for increasing disclosure of grassroots activities. Disagreements over provisions regarding earmarks stalled progress, but leadership hopes to vote on the bill in early May. The Senate passed its lobby reform bill on March 29.

Tax Reconciliation Stalled
The tax reconciliation act (HR4297) containing charitable incentives and reforms stalled again in conference this week due to procedural hurdles related to the amount of the tax cuts in the package. It is still unclear whether charitable provisions will be included in the final version of the bill as the conference committee works toward a resolution.

IRS News
The public is invited to submit recommendations for items that should be included on the 2006-2007 Guidance Priority List. In addition, user fees for initial applications for exemption, including group exemption requests, will increase on July 1, 2006.

Ethics…Three Roads : Which Is the Right One?

Nonprofit managers may find themselves at a crossroads when facing practical problems of day-to- day operation while striving to adhere to the highest ideals of philanthropy. In their book The Ethics Challenge in Public Service, Carol W. Lewis and Stuart C. Gilman offer three routes that they say are open to nonprofit managers, and they offer their views on choosing the best one.

The routes encourage different behavior, make use of different vehicles, promote different purposes and lead in different directions. According to Lewis and Gilman, the three routes are:

The ***"Low Road"*** of compliance. A largely proscriptive, coercive, punitive and even threatening route, this approach to ethics is designed to spur obedience to minimum standards and legal prohibitions. It is enforced by controls that ordinarily aim at acceptable levels of risk, not flawless purity.

The ***"High Road"*** of integrity. This is ethics in the raw. Relying on moral character, this route counts on ethical managers individually to reflect, decide and act. It is a basic value, not limited to public service by any means. It draws on appropriate values and principles, absorbed from upbringing or philosophy.

The ***"Fusion" Road***. The two previous roads mistakenly reduce the world to two distinct categories - ethical and unethical - whereas managers actually cope in the gray areas of legitimate but competing values, principles and responsibilities. Neither approach alone reaches the goal.

Source: The NonProfit Times Weekly. January 30, 2006 [newsletter@nptimes.com]

New Tool for Volunteer and Service Programs

The Resource Center at the Corporation for National and Community Service has launched its new online training tool - ***My Improvement Plan*** (formerly known as TIPS) - for volunteer and service programs across the nation. The goal is to enrich programs and their participants by offering this easy- to-use tool that helps identify the resources they most need to meet with success in their specific areas of service. Visit The Resource Center website and click on My Improvement Plan.

Top Web Design Mistakes – 2005

By Marc Lee, CFRE

While email is key to driving potential donors to your donations page, your website or your html email can just as quickly drive them away. Jacob Nielson, the grand guru of website usability has published his annual list of Top Web Design Mistakes. (Neilson is author of the classic guide, Designing Web Usability. Be sure your developer has read it!)

Many of Neilson's identified mistakes (click here for the full list) apply directly to nonprofits hoping to raise funds on the Internet. Here is Neilson's list of common mistakes as we apply it to the nonprofit sector:

Legibility Problems

The most prevalent mistake made is the use of bad fonts and/or small font sizes. They tax readers' patience as well as their eye sight. Remember, older donors are a growing web demographic.

Non-Standard Links
Links that don't look like links; pages where its not obvious what's clickable. Never make your visitor puzzle over how to find the next step.

Flash
According to Neilson, "The one bright point is that splash screens and Flash intros are almost extinct. They are so bad that even the most clueless Web designers won't recommend them, even though a few (even more clueless) clients continue to request them."

Content That's Not Written for the Web
Don't lift your brochure or grant request content and paste it into your website. Make content short, scannable, and to the point. Web content should answer users' questions and use common language rather than made-up terms.

Bad Search
A search function on your website should yield accurate, helpful results. When visitors use it, they're looking for specific information.

Browser Incompatibility
Enough people use browsers like Firefox, Opera and Safari that the ROI is worth investing in cross- browser compatibility.

Cumbersome Forms
Forms are used too often on the Web and tend to ask for too much information.

- **Cut questions** that are not needed. For example, do you really need a Mr/Ms/Mrs/Miss?
- **Don't ask for a telephone number** on the web because web donors don't want you to call.
- **Don't make fields mandatory** unless they truly are.
- Support **autofill** by avoiding unusual field labels (just use Name, Address, etc.).
- Allow **flexible input** of phone numbers, credit card numbers, and the like. Make it the user's option to include spaces and dashes and have the software strip them away.
- **Accommodate international** postal codes.

No Contact or Other Organization Information
Having a physical mailing address and telephone on your site is one of the key credibility markers. An organization with no address is not one you want to give money to.

Frozen Layouts with Fixed Page Widths

- On big monitors, websites are difficult to use if they don't resize with the window. Conversely, if users have a small window and a page doesn't use a liquid layout, it triggers insufferable horizontal scrolling.

- The rightmost part of a page is cut off when printing a frozen page.

Source: Affinity Resources, LLC: Fundraising & Internet Communications for A Changing World. Marc@ AffinityResources.com or 877.3320.2299

Raffle Laws

In the United States laws regarding raffles are decided upon by state governments just as other types of games of chance. Some states define charitable raffles as equal to lotteries and therefore have deemed them illegal. Other states allow raffles for charities but do not have lotteries.

Raffle License or Application - The application for the raffle license may be required by the state, county or city government. Sometimes organizations must file with the state and local government so it is always wise to contact all government agencies. Most applications require a fee.

Raffle Requirements - Each state also has different requirements about the organizations that are allowed to hold a raffle and the manner in which it is conducted.

For example, according to the laws of Colorado, the organization must have been in existence for five years before an application for a bingo/raffle license can be made. Some state raffle laws limit the number of raffles that a tax-exempt organization can hold. Other states have other very specific laws about the value of prizes given away, the format of tickets and other aspects of the raffle.

Advance Planning for Raffles - Not for profit organizations should also keep in mind that some registering agencies require that permits be applied for in advance. For example in Iowa the department requests that applicants allow up to 30 days for processing the application.

For specific information on Virginia's raffle laws, contact the VA Department of Charitable Gaming at http://www.dcg.virginia.gov/.

Related Resources:
How to Organize a Raffle Fundraiser
Getting Raffle Tickets Printed
Raffle Ticket Software

Source: Sandra Sims, Fundraising Coach, http://stepbystepfundraising.com/raffle-laws-us-by- state/