



October 2005

Greetings!

We are pleased to bring you the October edition of the VANNO Voice - your link to news and interest to Virginia's nonprofit sector! We encourage you to forward this valuable information to your nonprofit colleagues.

Independent Sector 25th Anniversary Conference

The Center for Nonprofit Advancement is pleased to announce a partnership with INDEPENDENT SECTOR in its **25th Anniversary Conference, "Reshaping the Social Compact," October 23-25, 2005, in Washington, DC**. This conference gives you an opportunity to join 1,000 CEOs and senior-level executives of America's foundations, corporations and national, regional, and local nonprofit organizations, as we focus on the social compact, particularly the charitable community's role in its definition and fulfillment. Theme tracks for 2005 include: Engaging the Community, Shaping Public Sector Responsibilities, and Embracing Ethics and Excellence. In addition, there is a CEO track, including the CEO Summit featuring Senate Finance Committee Chair Charles Grassley (R-IA).

As non-profits we have an opportunity to volunteer at the upcoming Independent Sector Conference in exchange for attending the other portions of that day free. Because of the quality of their programming and speakers, many of you might be interested in signing on. You can check out the preliminary program on the Independent Sector Web page. The electronic sign-up for volunteers should begin by September 1st.

Each volunteer is asked to volunteer a minimum of two shifts. Each shift is approximately 2 hours long. If you break this up to do one shift over two days, you can attend both days free. There is a limit to one meal event each day for free, i.e. you would not be able to attend both the luncheon and dinner on the same day free.

Once they have the volunteer page on-line, you will be able to see some of the responsibilities and benefits. The conference at the discounted rate would cost us each \$695 to attend! Doesn't volunteering sound like a bargain right now?

If you have any questions, please contact VANNO Board Member Mary

Agee at 703.219.2100 or e-mail her at magee@nvfs.org.

[For a list of specific programs, a schedule-at-a-glance and full conference details and registration...](#)

Checklist for Accountability

Independent Sector, a Washington, D.C.-based coalition of nonprofits, foundations, and corporate philanthropy programs, has released a list of steps charitable organizations can take to demonstrate and improve their accountability.

The steps in the **Checklist for Accountability**, which also includes a list of resources available as models, are intended to help charitable organizations reassure their stakeholders of their commitment to uphold the public trust. The checklist, which builds on the work of the IS-convened Panel on the Nonprofit Sector, calls on charitable organizations to develop a culture of accountability and transparency; adopt a statement of values, code of ethics, and conflict of interest policy; ensure that the board of directors understands and can fulfill its financial responsibilities; conduct independent financial reviews, particularly audits; ensure the accuracy of and make public their Forms 990; establish and support a whistleblower protection policy; and remain current with all laws and regulations governing the sector.

"Nonprofit boards and staff want to be sure their organizations meet the highest standards of ethics, transparency, and governance," said IS president and CEO Diana Aviv. "This is an impartial tool to help organizations meet that goal."

[View the complete checklist and other accountability resources...](#)

Training Opportunities in Charlottesville and Richmond

The Grants Connection, Inc. is pleased to again offer effective and current training on a range of Grantsmanship Topics in our one day seminars. Join us October 14 in Charlottesville or December 2 in Richmond.

If you have topics you would like to suggest for future seminars and workshops, please forward them to info@grantsconnection.com.

[Click here for workshop details and registration forms...](#)

Grant Writing Workshop: October 17-18, Washington, VA

In this workshop, hosted by The Rappahannock Nonprofit Center, participants will learn how to write and review proposals including the essential components of a grant proposal package, how to customize a proposal to match a grant maker's interest, how to initially approach a funder, how to discern the differences between government and foundation proposals, how to report on a grant's progress and impact, how to develop working relationships with grant makers, what to do if your proposal is denied and the behind-the-scenes decisions that determine proposal acceptance and denial.

Participants will also learn how to find and track relevant grant opportunities, where to find foundation grant programs that can help you

accomplish your goals, where to find federal and state grant makers that meet your needs, where to find corporate giving programs whose giving goals match your funding needs, and how to stay on top of your targeted opportunities.

The fee for the two-day workshop is \$349 per person and includes all necessary materials: class workbook, a 200+MB resource CD, and one year of support from Grant Writing USA through their Alumni Support Forums.

To register for this workshop, visit the Grant Writing USA website or phone Cathy Rittenhouse, Grant Writing USA Registrar, at 800.814.8191 or 217.935.5886.

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

Build Strong Nonprofits with Technology

Technology infrastructure is critical to building successful nonprofits, but funds for technology products can be prohibitive. Fortunately, TechSoup Stock can help.

At TechSoup Stock, hundreds of technology products are available for fees that compare to as little as 4% of retail, thanks to generous donations and discounts from corporate partners such as Cisco, Microsoft and Symantec. Learn how your nonprofit can benefit from these products and savings at the [TechSoup website](#).

CompuMentor, Home of TechSoup, is pleased to introduce the Healthy and Secure Computing (HSC) campaign for small to medium-sized nonprofit organizations. The HSC campaign seeks to bring together a set of technology standards, recommendations and a guidelines approach towards dealing with your technology.

Whether you're a nonprofit, a technology support provider, philanthropist, or just someone interested in how nonprofits can better use technology - HSC is for you! We've already developed an HSC Workbook, which provides a set of basic guidelines to help nonprofits attain a secure and stable technology framework.

Join the Healthy and Secure Computing campaign and receive a free workbook. To receive your free copy of the HSC workbook go to the HSC website and register today! We'll also keep you informed of the available resources and the latest news throughout the campaign.

[To learn more about HSC and get a free workbook...](#)

Simple Ways to Recognize Your Board Members

Small gestures of appreciation go a long way to keeping busy Board volunteers feeling motivated and supported. Consider these ideas:

- Provide personalized business cards for them to use when representing your organization. You can create small quantities as needed at low cost by printing on your own computer.

- Give Post-It notes or small note pads imprinted with your logo, phone number and website. Ask a local printer to donate some notepads made from left-over paper from large printing jobs.
- Create an ABCD award (Above and Beyond the Call of Duty). Surprise Board members by presenting this whenever one of them makes a special effort or achieves a significant accomplishment on behalf of the agency.
- Start meetings by inviting Board members to share personal news about what's going well in their personal or professional lives. Celebrate together!

Source: Adapted from "15 Ways to Motivate and Reward Board Members" by Carol Weisman, *Board Member*, April/May 2003.

Managing Benefits Ethically

Peter C.
Brinckerhoff

This topic was suggested by a reader a few months ago, and gave me serious pause: why wouldn't a not-for-profit manage its benefits ethically? So, I started asking around, talking to staff, emailing ED/CEO's, phoning board members, as well as some benefit managers for large nonprofits...and I found a number of interesting things, none of which were truly surprises, but are worth recounting as cautionary tales.

First, most employees feel that their employers have more money/resources for benefits than they are spending. Thus, the employees feel that the nonprofit is being "cheap" yet again. "Why should I be surprised?" said one mid-level manager to me. "The pay is pitiful, so the fringe benefits probably should be, too."

Second, employees (for the most part) value their benefits more than their pay. This is not to say that pay is not important; it is. But for many, benefits are the difference between making it and not making it, and this value is a moving target. What I mean by this is that our employees mirror the for-profit world in many ways. Younger employees want cash (in salary) more than retirement or savings, and employees without children or serious medical conditions want retirement more than prescription or medical coverage. Employees with teens want dental/orthodontic coverage. Thus, the mix of employees and their matching to the available benefits really matters in terms of employee satisfaction.

Third, in talking to ED/CEO's and boards, I heard great frustration with benefits, particularly the complexity of the choices and the ever increasing cost. It has been a long-standing maxim that there is more health care cost in the cost of an American car than there is steel. I have no doubt that that is true for many services nonprofits provide. This is NOT a favorite subject for most senior managers. They pay more money every year and employees are less happy.

And none of this discussion brought up the issue of ethics, which I think bears more than a little consideration. If we are in business to do our mission, and help our communities, can and should we do it "on the backs" of our employees? For many organizations who are struggling to make ends meet, paying employees more (whether through salary or

benefits) is simply impossible. I have never met an exec who would not love to pay his or her employees more, and most can't. But some who I know can, and don't. Why? Because they and the board have priorities in terms of expansion (which always sucks up cash) to help more people, or they are in the middle of establishing a cash reserve, or they are funding an endowment, all laudable goals. But often not goals set with the knowledge of line staff.

And what about the entire concept of living wage? Minimum wage is not adequate in many parts of the country--when two people, living together, working 40 hours a week each on minimum wage cannot find ANY place to live, something is wrong, and that's what living wage is about. Should your organization support referendums in your community on this issue?

From all this discussion and my reading, I have a few suggestions for you as you work on this in your organization.

1. Set a policy at the board level about your goals in compensation and benefits. If you believe in living wage, support it and seek it. A policy is a strong message to your employees about how you value them and your long term organizational goals in this area. In setting this policy, of course, include significant staff input from all levels.
2. Seek flexible benefits to the extent allowable. There are a variety of legislative and private options in this area. Simply put, allocate \$X per employee, and then allow employees to choose how that money is spent. Remember, of course, that FICA taxes are NOT something that is a choice! The more control employees have over their own benefits the happier they are--or at least they will be less discontented.
3. Communicate, communicate, communicate. Hold regular meetings about benefits, how to use them, what they mean, what the limits are. Encourage ideas and suggestions. Show what the organization pays per employee and how it has risen. Educate, inform, communicate. If you take the step above and make benefits flexible, make sure you help people avoid making the choices that don't benefit them.
4. Seek advice from peer organizations and state and national trade organizations. Don't reinvent the wheel.
5. Look for non-traditional benefits, such as paternity leave, time off for adoptive parents, work from home, tuition reimbursement, etc. One organization I worked with negotiated with their bank to offer all their employees free checking accounts as a condition of the organization keeping its banking in one place. This is a huge benefit to lower paid employees and costs the agency nothing.
6. Make sure everyone gets the same deal...no higher benefits for senior managers.

I tell nonprofit leaders all the time, we need to "walk the talk." Benefits are a challenging, and expensive, part of our walk--one that really matters to our employees, and thus, it should be of high priority to the management team and board.

Source: The Mission-Based Management Newsletter, by Peter C. Brinckerhoff.

For more free management, marketing and technology ideas...

Maximize Direct Mail Response

Direct mail fundraising remains vital to nonprofits, and a successful campaign not only increases existing donor dollars but also unlocks doors to new dollars.

Brian J. Renda, president and CEO of Brickmill Marketing Services, offers five tips that will improve direct mail fundraising and increase the bottom line.

- Integrate existing channels. Often the investment has already been made, and you can use it for a campaign. See what already exists on your Web site; direct a mail incentive around a planned offering; include positive newspaper clippings in your direct mail.
- Empower your donors by giving them options relating to your premiums. "Young senior" or "young baby boomer" audiences are very interested in mission as well as how you spend their contributions.
- Utilize the power of referral marketing. Provide donors with an easy, convenient way to pass along their feelings about your organization to others.
- Know how much to mail. Mailing with a select strategy rather than mailing blind can pay big dividends. One ingredient for this is understanding statistical information and knowing how to leverage previous select data.
- Spend the extra effort on package design and branding. You have only seconds to stand out among the clutter of mail that donors receive each day. Provide a reason for them to pause.

Source: *The NPT Weekly* e-newsletter

[Read more from the NPT Weekly...](#)

IRS Inflation-Adjusted Thresholds for 2005

Low Cost Articles

Charities sometimes distribute low-cost articles in conjunction with fundraising campaigns. To be considered a low-cost item and keep the IRS from treating the activity as unrelated business income, the items must fall within the following parameters.

Inflation-Adjusted Maximum Value

2004: \$8.20

2005: \$8.30

Insubstantial Benefits

The "benefits" of donating can be ignored if the benefits are deemed "insubstantial," relative to the contribution. If the benefits are distributed to donors who neither requested them nor expressly consented to receiving them, their cost should be no more than the "low-cost articles" value.

Source: Clifton Gunderson LLP, Timonium, MD 410.453.0900

Designing Mission-Driven Roles for Volunteers

Looking to maximize volunteer involvement as a resource in your organization? It's not enough to say "we need more help." Unless work is defined specifically in advance, you run the very real risk of wasting everyone's time – staff and volunteers.

Avoid asking "What can volunteers do to help us?" The answers you hear will most likely be based on the responder's stereotypes or limited experience with the full range of potential volunteer skills. A better question is "What needs to be done around here?" Begin by identifying all of the unmet needs of clients and staff. List both large and small projects, including the things that have been on people's "wish lists" for a long time. While you are not promising that volunteers can be found to do all of these things, it is only by knowing what work is required that you can develop a strategy for involving volunteers in the most appropriate and helpful places.

To get the creative juices flowing, ask your fellow staff and current volunteers some thought-provoking questions such as:

- What are we doing now that we would like to do more of?
- What unmet needs do our clients/customers have that we have been unable to address?
- What would help staff in their own work?
- What might we do differently if we had more skills or time available to us?

Once the potential workload is identified, you can then begin carving out specific roles for volunteers to help. Your goal is to have a menu of volunteer assignments that can attract a variety of people and scheduling availability. As you develop role descriptions, think about:

- continuous, ongoing volunteer assignments, but also short-term and one-time work projects
- tasks individual volunteers can do, but also what teams of 2-3 volunteers (family units?) or larger groups of people can do
- work that can be done by anyone willing to be instructed ("generalist" positions vs. work that requires particular skills ("specialist" positions)
- assignments dealing with people, with things, or with ideas

Lastly, for each volunteer assignment you define, be sure to identify how many hours of coverage will be needed, the approximate number of people you'll need, and the level of priority in terms of the organization's strategic goals. Spending time on these planning steps makes recruitment much easier, and ensures that volunteers are really making a difference toward your mission.

Elect No Strangers!

On November 8, all 100 members of the Virginia House of Delegates will be elected to two year terms. These delegates will help shape the budget for the Commonwealth, and they will vote on other legislation that concerns nonprofits in Virginia. We have the summer and fall to get acquainted -- before the election.



VANNO offers this assistance to our members (and to prospective members): Contact VANNO Administrator, Katie Campbell, and ask for a gift copy of **Elect No Strangers**, a pocket size publication filled with all of the essential contact information.

Then, help all nonprofits by electing people we know and people who know us.

Another easy way to learn more about each of the seven candidates running for statewide office in Virginia is to watch a recent TV telecast by visiting the CapitolConnections.tv Web site and hear Tim Kaine, Jerry Kilgore, Russ Potts, Bill Bolling, Leslie Byrne, Creigh Deeds and Bob McDonnell tell you why they deserve your vote on election day.

(Produced by one of our VANNO Board members as a public service.)

To hear from the candidates...

Are You in the Money?

WE'RE IN THE MONEY: DIFFERENT WAYS OF THINKING ABOUT INCREASING REVENUE

- "ESPECIALLY FOR NONPROFITS" ANNUAL CONFERENCE
- OCTOBER 6, 2005
- 8:30 AM - 2:30 PM
- Virginia Commonwealth University, Richmond

All nonprofits are constantly in search of the next dollar. The day-to-day pressure to raise these funds is ever present and is exacerbated by the challenges of maintaining organizational integrity and delivering high quality programs. This conference will offer the opportunity to step back and think about some of the main sources of nonprofit support from a different perspective and get new practical insights into how to develop revenue strategies ... and get your hands on more revenue.

This year, the Especially for Nonprofits Conference is partnering with the National Center on Nonprofit Enterprise (NCNE) to present a panel of nationally known and eminent thinkers about nonprofit management who will provoke thought and debate about this critical issue. Each of them will explore the essential nature and emerging trends of one type of support, and pinpoint the practical implications of these:

- Michael Ruston from Georgia State University will speak on Government Funding and Incentives

- Patrick Rooney of Indiana University and the Center on Philanthropy, Indiana will examine Charitable Giving by Individuals
- Renee Irvin of the University of Oregon will discuss Barter and Collaborations
- Richard Steinberg from Indiana University will talk about ways to enhance Membership Income
- Dennis R. Young of Georgia State University will explore Fee Incomes and Commercial Ventures
- Richard Brewster, Executive Director of NCNE, will facilitate conference sessions

Virginia Network of Nonprofit Organizations (VANNO) is proud to be a Conference partner. Given the topic and high caliber of speakers being planned this year, the event is being promoted statewide. We strongly encourage you to make the trip to Richmond for a very "rich" day of learning!

There is a registration fee involved; please contact Especially for Nonprofits for more information at 804.827.0246 or nonprofit@vcu.edu.

For more details...

Nonprofits and Legal Issues Workshop

The Greater Williamsburg Association for Volunteer Administration (GWAVA) is sponsoring a Professional Development Workshop on Legal Issues related to Nonprofits and Conflict of Interest. The details are as follows:

- November 3, 2005
- 8:30 am - 2:00 pm
- Jamestown, VA
- Presenters: Elizabeth Schmidt and James J. Knicely, Attorneys

For registration information and workshop details...

Federal Nonprofit Policy Updates

CARE Act Reintroduced in House and Senate

Senators Santorum (R-PA) and Lieberman (D-CT) reintroduced the CARE Act in the Senate and Senator Blunt (R-MO) introduced the CARE Act in the House on September 28, 2005. Both bills contain incentives to promote charitable giving, but the House bill is more limited in scope. More information will be available soon.

IRS Releases Vehicle Donation Reporting Form

The Internal Revenue Service (IRS) has released a new form (Form 1098-C) for charities to use when reporting contributions of qualified vehicles. For more information on the new rules regarding vehicle donations, visit the IRS website.