

VANNO Voice

March 25, 2009

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Dear Virginia Nonprofits,

This year, VANNO celebrates a milestone. In early 2004 VANNO was incorporated and recognized as a federal tax exempt entity. Subsequently, it was officially recognized by what is now the National Council of Nonprofits as the statewide association in serving and representing the collective interests of Virginia's nonprofit sector. Five years later, VANNO has achieved a statewide presence through its growing and diverse membership, delivered costs-savings to its members through a variety of group purchasing opportunities, delivered results-oriented programming, engaged candidates for Virginia's U.S. Senate seat in a discussion about the nonprofit sector, and continues to serve as a resource for information and technical assistance, as well as a voice for Virginia's nonprofits in the state and federal policy arenas.

Since VANNO's inception, it has strived to inform and engage Virginia's nonprofit community through the VANNO Voice, and we are pleased to provide you this latest edition. We know you will find its contents informative and helpful. Please forward this to your colleagues. And join with us as we move forward—building a more powerful, sustainable, and impactful sector here in Virginia!

*Starting next month, VANNO will host free quarterly audio-conferences where you can learn more about who we are, what we do, and what benefits we provide our members. I invite you to join us for the first of these audio-conferences on **April 14, 2009 at Noon**. To RSVP call (804) 565-9871 or email us at info@vanno.org*

In the meantime, join with us in celebrating this milestone and our many achievements, thanks to the support of our members and funders who believe in the power and value of a statewide association!

VANNO 2004-2009: Celebrating 5 Years of Service to Those Who Serve

Deborah Barfield Williamson
Executive Director

VANNO Updates

Special Reports on Economic Stimulus & Recovery Available

- Seminars
- VANNO to Host Free Quarterly Information Audio-Conferences
 - New Member Benefit from UST
 - Save Time, Money...Try Web Conferencing for FREE with ReadyTalk!
 - Shopping for Affordable Health Insurance Coverage for Your Employees
 - Do Employees Need Access to Prescription Drug Coverage
 - You Need It Surplus Property Just Might Have It
 - Virginia Capitol Connections New "Around the Commonwealth" Feature
 - Nonprofit Marketer of the Year Awards Call for Nominations: Due April 1, 2009
 - United Way's Federal Coordinating Committee Seeking Organizations
 - Register as a Nonprofit with the Neighborhood Assistance Program
 - From Principle to Practice
 - Feature Article: Creating A Powerful Fundraising Partnership with Your Board, Part II

To promote better understanding about the intersection between the nonprofit sector and our nation's economic recovery, including the recently-enacted American Recovery and Reinvestment Act of 2009 ("Act"), the National Council of Nonprofits has prepared a series of Special Reports [reports](#) on the stimulus. You can view and/or download them at www.VANNO.org/advocacy/ . Look for VANNO programs coming soon to help you understand what you need to do to access this funding.

VANNO Supports Local Efforts to Oppose Service Fees in Richmond

On March 11, VANNO organized a community meeting to discuss a proposal by the City of Richmond to assess service charges to the city's tax-exempt organizations. The fees would be based on a percentage of property values. [Read more](#) about the proposal in *Style Weekly*. Please let VANNO know at info@vanno.org if your organization has received an assessment letter. VANNO is asking area nonprofits to:

- Contact your city council member and urge them to support Council President Kathy Graziano's measure to repeal the service charges. Go to www.vanno.org for more information and contact information for city council members.
- Attend one-on-one meetings with VANNO and other nonprofit staff with members of the City Council and the Mayor to discuss the impact these fees will have on the nonprofit sector.
- Sign VANNO's letter or support to the Richmond City Council and Mayor's office. Click [HERE](#). (You need a link here.)

Let us know what , if any , service fees are being assessed against nonprofits in your community. Contact us at infor@vanno.org.

VANNO Sets Sights on Convening 2009 Gubernatorial Forum

VANNO is targeting late summer/early fall to convene a 2009 Gubernatorial Forum. The forum will provide an opportunity to engage candidates running for statewide office in a discussion about their knowledge of and experience with nonprofits as well as to learn their positions and policies toward supporting and engaging the nonprofit sector. The event will be modeled from the successful [U.S. Senate Candidates Forum](#) which VANNO convened last September. More details will follow as the program develops.

VANNO Kicks off Town Hall Series With Event in Norfolk

VANNO and VOLUNTEER Hampton Roads co-hosted a Town Hall Meeting March 12th in Norfolk to collaborate and network with fellow nonprofit leaders and representatives from the government and business communities to discuss local and regional challenges and opportunities including: workforce development, infrastructure, nonprofit efficiency and transportation issues. This was the first in

a series of Town Hall Meetings sponsored by VANNO this spring in conjunction with the national [Nonprofit Congress](#) movement. VANNO Kicks off Town Hall Series With Event in Norfolk VANNO and VOLUNTEER Hampton Roads co-hosted a Town Hall Meeting March 12th in Norfolk to collaborate and network with fellow nonprofit leaders and representatives from the government and business communities to discuss local and regional challenges and opportunities including: workforce development, infrastructure, nonprofit efficiency and transportation issues. This was the first in a series of Town Hall Meetings sponsored by VANNO this spring in conjunction with the national [Nonprofit Congress](#) movement.

Just in Time Audioconference Recordings Available

In January and February, VANNO organized a series of audioconferenceworkshops pairing Virginia nonprofit leaders with leading nonprofitconsultants. If you missed the sessions, you can purchase many of the recordings from VANNO with the related handouts and presentation materials! The set can be purchased for \$65 for members, and \$95 for non-members. Contact info@vanno.org or call 804-565-9871 for more information or to purchase your set today.

Recordings Available:

- Creating and Leveraging Corporate Strategic Alliances - by Kristy Hall, Universal Synergy Group
- Strategic Planning in Challenging Times -- by Gail Merridew, Nonprofit Management Solutions
- Successful Fundraising in Tough Economic Times -- by Keith Curtis and Wendy McGrady of The Curtis Group
- Operating Efficiently - How to Make the Most of What You Already Have -- by Deborah Coleman of The Coleman Group.
- Still Money for Good Projects, But You Can't Rush the Process – by Brownie Hamilton, Ph.D, of the Hamilton Group
- Brand: The Single Most Important Word for Every Nonprofit -- by Burton Glass of Hairpin Communications
- Emergency Funding Sources in Times of Economic Crisis -- by Tom Triplett of The Fieldstone Alliance

Legal and Regulatory Compliance

Final 2008 Forms 990 and 990-EZ Available

The 2008 Forms 990 and 990-EZ [information returns for tax-exempt organizations](#) are now finalized, along with schedules and instructions, for filing in 2009. [StayExempt.org](#), which provides online IRS educational resources for tax-exempt organizations, now features five [new online mini-courses](#) on the redesigned Form 990. These mini-courses provide information on preparing to file the new Form 990 as well as a walk-through of the entire form and

frequently used schedules.

Retirement Plans for Exempt Organizations Get Extension on Time to Complete Written Plans

The IRS has issued a notice announcing relief for certain retirement plans that did not have a written plan in place by January 1, 2009, extending the deadline to Dec. 31, 2009. The new guidance is for retirement plans – referred to as 403(b) plans -- covering employees at public schools, colleges and universities, and other tax exempt organizations. The IRS will not treat a 403(b) plan as failing to satisfy the requirements and the final regulations during the 2009 calendar year, provided that: (1) on or before December 31, 2009, the sponsor of the plan has adopted a written § 403(b) plan that is intended to satisfy the requirements of § 403(b) (including the final regulations) effective as of January 1, 2009; (2) during 2009, the sponsor operates the plan in accordance with a reasonable interpretation of § 403(b), taking into account the final regulations; and (3) before the end of 2009, the sponsor makes its best efforts to retroactively correct any operational failure during the 2009 calendar year to conform to the terms of the written § 403(b) plan. This extension will give plan sponsors additional time to put their plan documents in place. Read more by downloading this [IRS notice](#).

Public Policy Impacting Nonprofits

USPS Smacks Nonprofit Mailers Again By Mark Hrywna

Charities that use premiums to fundraise have again taken it on the chin from the United States Postal Service. Nonprofit parcels and Nonflat Machinables (NFM) will again bear the brunt of postal rate increases, with percentage increases ranging from almost 10 percent to 50 percent, according to analysis from the Direct Marketing Association (DMA). The United States Postal Service (USPS) Board of Governors released new postage increases that are set to take effect May 11. The new rates will be reviewed by the Postal Regulatory Commission (PRC) to ensure they are within the provisions of the Postal Act of 2006, namely checking that they are within the price cap for each class of mail. To read the complete article go here <http://ga0.org/ct/Rp28AYn1kL2Z/>.

Training and Networking Opportunities

SCORE Workshops Available Statewide

SCORE, a program of the Small Business Association to help mentor and counsel America's small businesses – including nonprofit organizations -- has several chapters and affordable workshops statewide. [Click here](#) to learn more about SCORE programs, and find a local chapter.

Upcoming Idealware Seminars

Turn your attention to learning about the software that can help you raise money- maybe even in time for this year's appeal. Idealware has a great spring line up of online seminars about the software that can help your organization. VANNO members receive a discount for Idealware seminars (usually \$40 each). Learn more and register for the below seminars by [clicking here](#). Upcoming seminars:

[How to Build or Edit a Website without Technical Skills](#) – March 18 at 1pm

[Optimizing Your Website for Search Engines](#) – March 19 at 1pm

[Choosing a Low Cost Constituent Database](#) – March 26 at 1pm

VANNO Services and Benefits

Free Audio-Conference Let's You Learn More about VANNO's Services and Benefits!

Join us on April 14, 2009, Noon – 1:00 pm, to learn who we are, what we do, and how your organization can become more informed and connected, as well as save money, through a formal membership with VANNO. Dial 1-866-740-1260 and, when prompted, enter access code 7948689. We look forward to talking with you! Please RSVP at info@vanno.org or call (804) 565-9871. As members of VANNO, you can receive discounted benefits and services through our partnership with the National Council of Nonprofits and the Society of Nonprofit Organizations. If you haven't already done so, join today at www.vanno.org.

New Member Benefit from UST

Save up 60% on unemployment costs with UST. UST helps nonprofit organizations save money on their unemployment costs through lower rates and expert claims monitoring. 501(c)(3) organizations have an exclusive advantage over their for-profit counterparts: Did you know that as a nonprofit you can opt out of the state tax-rated unemployment system and only pay dollar for dollar for the unemployment claims paid out to former employees. When you directly reimburse the state dollar for dollar for your former employees' unemployment claims you are not subsidizing other employers that have higher unemployment claims. Unlike state unemployment taxes, your contributions to UST remain as an asset on your organization's books. For more information on UST please visit www.ChooseUST.org, or call toll-free 1-888-249-4788, or visit www.VANNO.org for more information on this and other member benefits.

Save Time, Money... Try Web Conferencing for Free with ReadyTalk!

How do you meet with your colleagues, partners, and donors who are located remotely? Why not meet on the phone? VANNO Initiative offers its members a conference calling solution to help

you cut the costs associated with driving or flying to collaborate with folks that are located miles away. ReadyTalk isn't just for conference calling – VANNO and its Members use ReadyTalk to hold webinars, train new volunteers, and conduct Board meetings. The discounted price for web conferencing is just 8 cents per participant per minute. Even better, VANNO has negotiated a FREE web conferencing trial for any Members who have not yet used ReadyTalk's web conferencing service. Try web conferencing free for the next 90 days. Visit www.readytalk.com/vanno today to request more information, or contact Betsy Wells at betsy.wells@readytalk.com or 303.209.1553. *Trial is only available for active members and Partners of VANNO, and applies only to organizations that have not used ReadyTalk web conferencing previously. Audio conferencing will bill at \$.04 per participant per minute during the free web trial. VANNO's discounted web conferencing rate of \$.08 per participant per minute will apply after 90 days. Sign up before April 30th in order to be eligible for this free trial.

Shopping for Affordable Health Insurance Coverage for Your Employees

Contact VANNO at 804-565-9871 or info@vanno.org to learn about the providers and plans in its group health insurance program. For those already enrolled, open enrollment is May-June, 2009. VANNO will be hosting an open enrollment meeting via audio-conference for all current participants in May. Details to follow.

Do Employees Need Access to Prescription Drug Coverage

Through your VANNO membership, you, your staff, your members, and their families can save 15% to 75% on prescription medication costs through SunRX. Getting started is simple. There is no signup process. All that anyone needs to do is visit [SunRx](#), select VANNO from the drop down menu, and print out their card

Resources and Opportunities

You Need It Surplus Property Just Might Have It

Is your organization in desperate need of office furniture, chairs for a meeting or office equipment Or how about a vehicle, refrigerator or storage shelves You may be eligible to access these items and other surplus property through the **Virginia Office of Surplus Property Management**. The **Federal Surplus Property Program** is available to "donee members" only. A donee member includes some **qualified (tax-exempt) nonprofit organizations** . The only cost to your organization is a service and handling fee. The cost for property is generally 10-35% of its original cost. A complete list of available property, including some with color pictures and descriptions, can be found on the [Surplus website](#). The website also has downloadable application forms.

Once your application is approved, most property can be viewed in person at 2 convenient distribution centers located in Richmond or Wytheville (Southwest Virginia).

To find out if your organization is eligible to become a "donee", submit an application or contact our offices at statesurplus@dgs.virginia.gov or call 804-236-3662. Applications and other information are available online at <http://surplus.dgs.virginia.gov>.

Announcements

Virginia Capitol Connections New "Around the Commonwealth" Feature

Virginia Capitol Connections Quarterly Magazine is pleased to provide you these great opportunities to be included in our upcoming issues. Beginning with the Spring 2009 issue, we will be featuring a page of businesses/associations/organizations entitled Around the Commonwealth. For only \$99 you may place a two line listing in the next four magazines. For only \$500 (\$125 an issue) you can place a business card size ad in the next four magazines. With either choice you will be placed on our mailing list to receive the magazine and a copy of the summer directory entitled Elect No Strangers.

The online edition of the magazine is found here: <http://www.dbava.com/vccqm.html>. Write to Christie@capitolsquare.com for more information.

Nonprofit Marketer of the Year Awards Call for Nominations: Due April 1, 2009

The American Marketing Association (AMA) and the American Marketing Association Foundation (AMAF), along with presenting sponsor The Nonprofit Times, announce the call for nominations for the 2009 AMA/AMAF Nonprofit Marketer of the Year Award. In addition to designating the Nonprofit Marketer of the Year, we will also recognize two additional nonprofit marketers who have done extraordinary work for their organization with 1) social media, or 2) are helping their organization thrive during tough economic times, as a result of outstanding marketing. The awards honor nonprofit marketing professionals who have demonstrated exceptional leadership and achievement in the field of nonprofit marketing. Nominations are due on April 1, 2009.

To read additional information and nominations criteria about or to nominate a nonprofit marketer for an award, please visit: <http://ga0.org/ct/Dp28AYn10Lwx/>

United Way's Federal Coordinating Committee Seeking

Organizations

The Central Virginia Area Local Federal Coordinating Committee (LFCC) is seeking non-profit 501 c3 charitable organizations wishing to participate in the 2009 Central Virginia Area Combined Federal Campaign (CFC).

This workplace fundraising campaign is conducted each fall under federal regulations and guidelines promulgated by the U.S. Office of Personnel Management. It solicits voluntary pledges and contributions of financial support from federal civilian, military and USPS personnel working in the Central Virginia Area, for a number of worthy causes. Organizations that apply will be evaluated regarding their inclusion in the CFC by a committee of federal volunteers.

The application deadline for this year's Central Virginia Area CFC is 5:00 pm Eastern Time, Tuesday, March 31st, 2009. All applications must be received by that date by the United Way of Greater Richmond, which administers the campaign in behalf of the LFCC. Representatives of charitable organizations wishing to receive additional information regarding this program, including instructions and application materials, should contact me by phone at (804) 771-5835 or by e-mail at kisickij@yourunitedway.org.

Register as a Nonprofit with the Neighborhood Assistance Program

The [Neighborhood Assistance Program](#) administered by the Virginia Department of Social Services emphasizes partnerships between the private and public sector to assist the economically deprived. State tax credits are provided as an incentive for businesses and individuals to contribute directly to an approved nonprofit organization designed to benefit impoverished people. Business contributions may be in the form of cash, goods, stock, real estate, professional services, contracting services and rent or lease of the participating nonprofits' facilities. Individual contributions are limited to cash or marketable securities. In return for their contributions, businesses and individuals receive credits that may be applied against their state income tax liability.

Eligibility for NAP is limited to nonprofit organizations whose primary function is providing assistance for impoverished people. Several of the activities sponsored under the program include education, job training, housing assistance, health care clinics and community services. Organizations wishing to participate in NAP must submit an [application](#) to the Office of Community Services no later than the first business day of May. NAP applications are available in March of each year.

Are you paying your share of taxes Federal tax exempt status (501(c)) does not result in automatic exemption from federal and state payroll tax, state sales and use tax, or local property tax. Plus, nonprofits may be responsible for a host of user fees at the federal, state, and local level. To obtain an exemption from the state sales and use tax, you must register with the Virginia Department of Taxation and meet certain exemption criteria. Also, unless your organization is otherwise exempted by state statute, you must petition the local jurisdiction where your real property is located for an exemption from local property tax. Across Virginia, nonprofits are generating \$8 billion in taxable wages and generating \$461 million to the Commonwealth in income, sales, and use taxes.

Feature Article

Creating A Powerful Fundraising Partnership with Your Board, Part II

by: Katherine L. Morrison, President, Morrison Nonprofit Transitions

Every Board meeting should include a development report which has information that a Board member may connect with or repeat to someone else when talking about your organization. New programs or expansion of programs, increases in giving, board member involvement in development could all be reported. The resource committee must set specific goals, set timeframes and measure how well your plan is working.

Also the resource committee can help train other board members by visiting prospects together, role play, and shared experiences such as phonathons. Often board members are not fundraising because they are not fully engaged in the organization. They don't know what fundraising really is, thinking it's only asking for money. Board members who aren't comfortable asking for money still have plenty to do to affect the bottom line.

Board members can thank donors, make advice visits, host small socials and lead mission-focused tours. This is "friend-raising," a role for board members who don't like to ask for money. Word of mouth from friends is by far the most trusted information source we have. "Friend-raising" builds influence that helps get community recognition for an organization.

The full board fundraising menu is: **give, get, thank, speak, host, participate, set policies and evaluate** . These options can take the following form:

- Strategic recruitment of new board members(that is, not avoiding the “f” word)
- Conduction an annual board appeal - every Board member should make a **personal financial commitment** to the organization. There does not have to be a specific amount.
- Uncovering the sphere of influence of each board member
- Orienting new board members to help them understand their responsibilities
- Assessing the board and individual members regularly
- Asking friends
- Acquiring mailing lists
- Hosting a house party
- Soliciting business, civic clubs, faith group associates
- Asking an employer to match a contribution
- Getting a celebrity to do a special event
- Asking your friends to save their change for six months
- Loaning the organization money and allow them to keep the interest on the investment
- Inviting friends to celebrate your birthday and give a donation
- Leaving a bequest
- Asking a store to give a percentage of sales
- Giving an in-kind gift that the organization needs
- Selling frequent flyer miles and giving the funds to the nonprofit
- Send an email (viral) appeal

About the Current Economy

Historically, giving during recessions increases less year-over-year but there is still only a 1% drop when adjusted for inflation

Currently nonprofit professionals report the lowest level of confidence in the fundraising climate in more than a decade, as reported in the latest edition of the Philanthropic Giving Index (PGI) from the Center on Philanthropy at Indiana University (<http://www.philanthropy.iupui.edu/>) finds. Human services and public benefit, environment/animals, and international organizations reported the toughest fundraising climate.

According to *The Washington Post* , 100, 000 charities across the U.S. will go under within the next six months, and charities that rely on government aid are likely to face harder times along with smaller, local charities without a national or strong regional brand.

Remember, though, that individual donors continued to give after 9/11, and during the recession. 85% of all donations in the U.S. come from individuals. While there is often a decline in first-time donors loyal donors continue to give. In fact, during the Great Depression bequest giving increased to 70% of all substantial gifts, well above its usual level of 10-20%

What to do

- Keep asking
- Consider carefully before launching a capital campaign; consider slowing current campaigns, particularly if they haven't gone public
- Enhance your relationships with current donors, especially volunteers
- Diversify revenue streams
- Talk honestly with major funders – foundations may change grants from restricted to unrestricted, or increase support for existing grantees
- Special-event ticket sales and sponsorships may decrease, especially for high-end events.
- Online fundraising continues to grow, attracting newer, younger donors and increasing gifts through other channel

Good luck!

All you can eat: The board fundraising menu
Wednesday, November 29, 2006 - Andy Robinson

Before You Ask for Money, Know Your Organization, Tony Poderis 1997-2008

Board Fundraising: Members Shouldn't Have An Option - Mark Hrywna

The Board and Fundraising -- from Fantasy to Reality
Wednesday, May 16, 2007 - Marion Conway