

Can an Organization with No Members Charge Dues?

Can you call your donors “members” for fundraising purposes?

Q Can a nonprofit organization that has no members (according to its articles of incorporation and bylaws) charge “membership dues” as a fundraising activity?

A Yes. It’s done all the time by public radio and television stations, art museums, zoos, and other organizations.

It’s a good idea to make clear in the fine print of your membership literature that:

1. The donors are “contributing members.”
2. The contributions don’t convey any voting rights with the organization.

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Is It OK for Directors to Write a Reference for the CEO? If so, can you ask them to keep it confidential?

Q I’m an executive director who has been in my position for a while. Each December as the year draws to a close and the new year approaches, I make time to reflect on my leadership and career. I develop a vision for the future. I ask myself about my career plan and where I want to be in 3 years, 5 years, and 10 years.

One tool that’s helpful in this regard is simply updating my resume and references and outlining professional development goals for the coming year. In chatting with a colleague about this process, a question was posed on which I would appreciate your thoughts and insights.

In many businesses, it’s customary to ask colleagues, the boss, or a fellow board member to serve as a reference. These are people who can attest to your qualifications and skills. If I were to ask for a recommendation from one or two of the directors that sit on the board of our organization, would they have an obligation to tell their fellow board members of this request, given their duty of loyalty?

A If you do this every year and are truly doing it only as an exercise, why not cut off all potential for talk or concern by telling the entire board that you’ve made this an annual practice and would like to ask one or two of them each year to write “the recommendation they would write if you were actually looking for a job.” I suggest you be clear that while at this time you’re not intending to leave, you like to keep a running record of how your accomplishments are perceived by those who know your work best.

You might also choose to point out that you’re sure they can appreciate that one never knows when circumstances will make it advantageous or necessary to make a change, perhaps suddenly. This would keep everything above board.

Certainly you take a chance that the board could react negatively. However, it’s more likely that discussing this with them will enhance

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communication, trust, and respect. It will give you an idea of what the board sees as your strengths.

And, if they want to be sure you stay, it will keep them on their toes. With an annual reminder that you are marketable, they will be more likely to schedule that annual review, respond to your requests for salary and/or benefit increases as best they can, and be respectful of your time and needs. If they’re smart, they’ll also ask you specifically if there are any aspects of your job with which you are dissatisfied and whether there’s anything they can do to partner with you more effectively.

But of course, this doesn’t address the question you raised about board members’ duty of loyalty. I could find nothing that spoke to this issue, so I consulted a colleague, Jane Garthson of the Garthson Leadership Centre, who specializes in ethics. She felt that since you’re asking board members as individuals to provide the reference, rather than to comment as representatives of the board, they wouldn’t risk dereliction of their duty of loyalty either by responding to your request or keeping it confidential. But, Jane adds, if you want to be sure they don’t run to feed the rumor mill, you should clarify upfront that you wish your request and their response remain confidential.

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