

NONPROFIT

Volume 26, Number 5
September/October 2008

Advancement Through Sharing

World

Never Enough Time

Wishing you could keep what's important and deep-six the rest? Use these tips.

**Make Holiday Magic with
Your Direct Mail**

How to Be Successfully Small

**Three Simple Steps to
Activate Your Strategic Plan**

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Purpose

The Society for Nonprofit Organizations is a 501 (c) (3) nonprofit organization. Through Nonprofit World and other communications with its members, the Society is dedicated to bringing together those who serve the nonprofit world in order to build a strong network of professionals throughout the country.

feature story



We all wish we had more of it, but it's one thing we all possess in exactly the same amount. Time is both precious and finite. The only way to gain an advantage is to learn more about time and our relationship to it. Read about how to do so on page 10.



This logo symbolizes the goal of the Society, which is to unify diverse segments of the nonprofit world, to draw them together, and to create a dynamic whole without losing their individuality.

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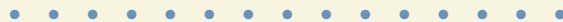
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Unsolicited manuscripts and letters to the editor are welcomed. They should be addressed to **Jill Muehrcke, Editor, Nonprofit World, P.O. Box 44173, Madison, WI 53744-4173** or muehrcke@charter.net or jill@snpo.org.

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It's About Time



Carve out a piece of empty time every day.

Have you noticed that the standard response to “How are you?” is no longer “Fine, thank you” but “Busy”?

Being busy has become a sign of success. Our need to be busy and productive deprives us of time for reflection, which is crucial to our well-being.

The real problem isn't managing our time but keeping our focus and balance. As Paul Lemberg argues in “Never Enough Time” (page 10), we need to put away those jam-packed to-do lists and concentrate our energy on what's truly important. Having a firm sense of priorities is the

best way to take charge of our time.

Don Wetmore underlines that point in “Time Keepers” (page 17), noting that you can leverage your time by using the Pareto Principle. This rule states that concentrating 20% of your effort will produce 80% of your results. It's vital, then, to figure out what things in your life have the potential for delivering 80% of what you need.

One way to make sure you and everyone else in your organization are focusing on the right things is to prepare a strategic plan – and then actually *use* that plan. “Three Simple Steps to Activate Your Strategic Plan” (page 14) explains how to be sure your plan is a living document that informs your daily work, while “Do You Know Where Your Goals Are?” (page 15) describes how to eliminate barriers to efficiency. “How to Do Strategic Planning in 15 Hours Or Less” (page 13) offers a blueprint for creating a plan when time is of the essence.

In today's world, there's always more to do and never enough time to do it. With all the time-saving devices available, we waste just as much time as ever. And although we're desperate for more time, we become anxious when confronted with too much leisure, unsure what to do with it.

Don't be afraid of blank time. When you're delayed in traffic, at the airport, or in a long line while shopping,

consider it a blessing rather than a frustration. Use that time in some of the ways suggested in “Defeating Delays” (page 17). And be sure to carve out a piece of empty time for yourself every day.

You can't create more hours, but you can create balance in your life, which will give you a sense of control over your time. You need to develop symmetry among all the important parts of your life, Wetmore insists — not just your professional life but your health, family, financial, intellectual, social, and spiritual lives.

Help your employees find balance in their lives, too, and you'll be rewarded with loyalty, high morale, and greater productivity. People do better work when offered flexible scheduling and work-life programs. (See “Absenteeism and Presenteeism Are Costly Problems” on page 6 and “Reclaiming Workers' Lives” on page 26.)

We often feel stressed because we're no longer in concert with natural time. It's as if our time is no longer our own. “Stress Busters” (page 27) provides tips for reducing stress, reclaiming our time, and regaining a sense of ownership over our lives.

We need to rethink the aphorism that “time is money.” When we structure work around the assumption of a tight link between time and money, we devalue those who work for low wages or for no wages at all, as our volunteers do. In “Why Be Boring When You Can Celebrate in So Many Ways?” (page 18), Susan Ellis offers some creative ways to recognize volunteers. These ideas make the pivotal point that the impact of what a person does is more important than the amount of money earned.

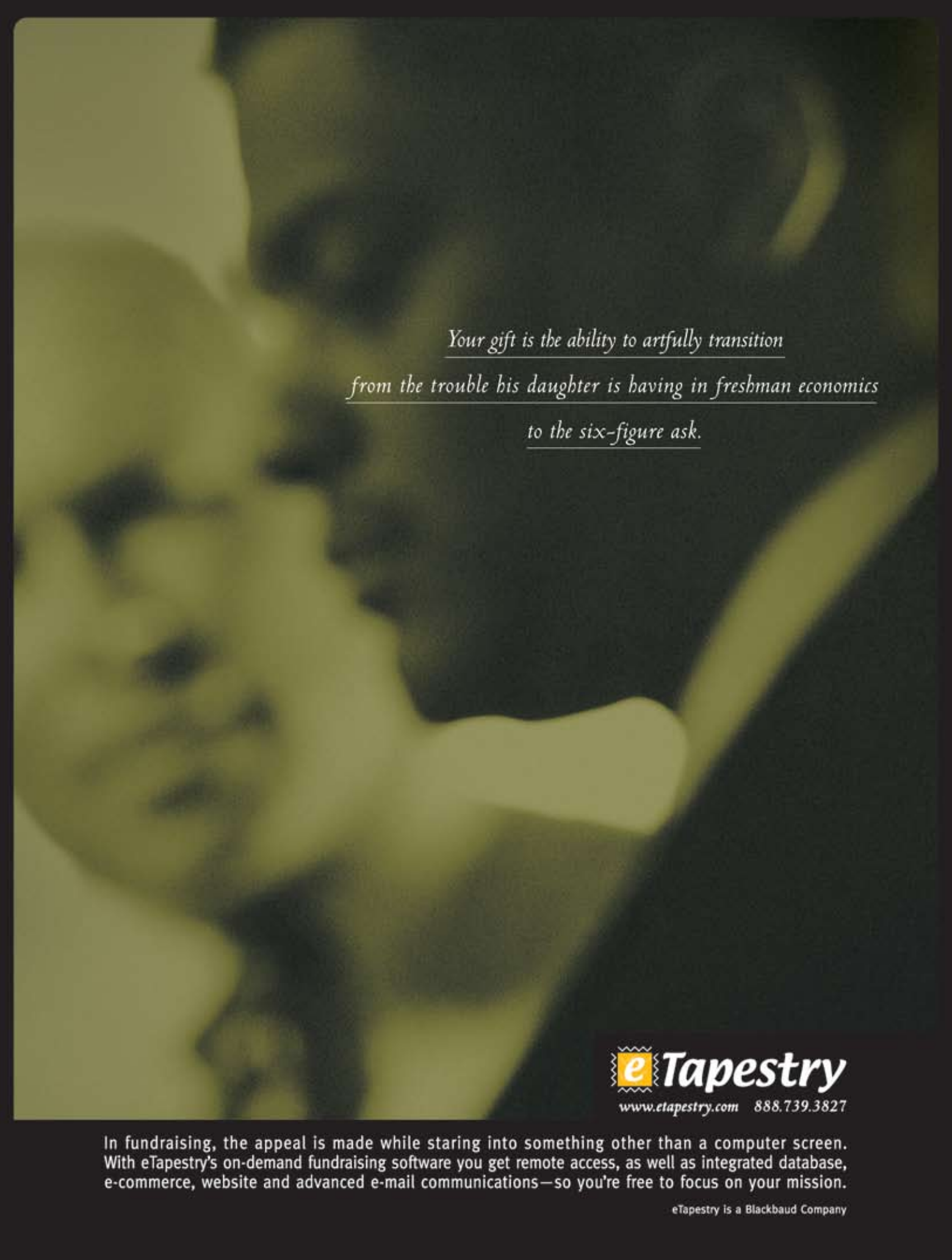
The time-is-money mindset distorts our relation to time, making it something separate from us rather than intrinsic to who we are. It's time to turn back toward the earth's natural rhythms, to stop confusing “busyness” with a meaningful life, and to change the values that shape our experience of time. Only then will the work we do claim its proper place in our lives.

Jill Muehrcke
Editor, *Nonprofit World*

FIVE THINGS TO DO NEXT MONDAY

Here are a few concrete things you can do right now to begin transforming your organization.

- 1. Add spice to your holiday fundraising** with the suggestions on pages 8-9.
- 2. Plan a recognition event** that will clearly show your volunteers how much you value them and give them new pride in your organization. For some creative ideas, take a look at pages 18-19.
- 3. Toss your to-do list, and make a new one** based on the principles outlined on page 10.
- 4. Be sure you aren't making any fatal mistakes** that could derail your organization. See “Watch for hidden time bombs that might go off in your face” on pages 11-12.
- 5. Make a plan** for the next time you run into unexpected delays. Use the ideas on page 17 to make sure such delays enhance your life rather than detract from it.



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Honoring Our Dreaming Brains

As a mission-driven person, I'm sure it was destiny that I ended up spending most of my career in the nonprofit sector. I love the purposeful work, the synergy of collaboration, and even the seeming lack of resources. All these things make the perfect environment for creativity and developing an abundance mentality.

Thank you, *Nonprofit World*, for supporting the creative and intuitive parts of our important work along with providing the necessary business and factual information. Too often we're asked to "be more like a business" and don't appropriately honor the thinking and dreaming aspects that make the business practices even necessary.

Thanks, too, for supporting my creative work by sharing my books *Three Good Things: Happiness Every Day, No Matter What!* and *Three Good Things: A Coloring Book for Everyone!* with our nonprofit family. The fact that you mentioned my books on the "Editor's Page" — my favorite part of the magazine — is awesome!

While I always love your "Editor's Page" and find it the perfect springboard to generate new ideas, I especially enjoyed the one in your 25th-anniversary issue (Vol. 26, No. 3), titled "Just Thinking." Your descriptions of mind mapping and other tools to help unleash imagination open so many opportunities to reframe old issues, make new connections, and envision boundless futures.

For your readers' information, both my books have just been published in revised editions. They can be found many places, starting with my Web site, www.erikaoliver.org. Using the gratitude tactics in these books, many nonprofit organizations have achieved and exceeded their goals, creating abundance where they first thought was scarcity. ■

Erika Oliver
www.erikaoliver.com

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See You Online?

Do you provide an RSS feed for your articles? If so, I would love to subscribe! Thank you.
Elizabeth, eamccolm@comcast.net

Because membership is required for viewing articles (except for a few samples), an RSS feed isn't a good fit. We have, however, come up with another way for Nonprofit World readers to connect online.

We've created an online discussion group, broken into a number of different departments, just like Nonprofit World (Fundraising Forum, Legal Counsel, the Board Room, and so on). In these departments, members can chat about the latest articles or other ideas of interest. We also have authors, consultants, and other experts to provide knowledgeable input to discussion-group participants.

We would love feedback from all our readers about this new discussion forum. Check it out by logging in to <http://www.snpo.org/members>, then clicking on the link to the "Nonprofit Forum." Then send an e-mail to jill@snpo.org with your reactions, ideas, and suggestions for ways to make this online gathering place as useful as possible for your needs. We look forward to hearing from all of you! ■

Please Get in Touch

We would love to hear your response to anything in *Nonprofit World*, your comments about any aspect of the nonprofit sector, and your concerns about your daily work. Please get in touch in any of the following ways:



Drop us a note at:

Letters to the Editor, *Nonprofit World*, P. O. Box 44173, Madison, Wisconsin 53744-4173.

E-mail to:

muehrcke@charter.net or jill@snpo.org

Please include your name, organization, address, phone number, and e-mail address. If you'd like your comments to appear anonymously, please let us know. We look forward to hearing from you!





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Absenteeism and Presenteeism Are Costly Problems

With the cost of last-minute employee no-shows climbing, nonprofit employers are struggling to find programs that keep workers on the job, according to a survey by CCH, a provider of employment information. The survey finds that two of three workers who don't show up aren't physically sick. Illness accounts for only 34% of unscheduled absences, while 66% are due to other reasons, including family issues (22%), personal needs (18%), stress (13%), and entitlement mentality (13%).

Employers are increasingly offering work-life programs to help people manage the issues that take them away from work. Such programs include alternative work arrangements, employee assistance plans, access to fitness facilities, telecommuting, flu shot programs, on-site childcare, compressed work weeks, leave for school functions, and wellness plans.

Another problem is presenteeism – employees coming to work when they're sick, infecting others and lowering productivity. Organizations that adhere to traditional sick-day policies and take disciplinary action to enforce them may inadvertently encourage presenteeism. Having a Paid Time Off (PTO) program is an effective way to manage the problem. With PTO, employees have more discretion as to how to use an entire bank of days, so if they're sick, they can take a day from the bank and stay home without the fear of being reprimanded or running out of sick days.

For more details on the survey, visit hr.cch.com. Also see "Don't Let 'Sick' Workers Undermine Your Organization," *Nonprofit World*, Vol. 23, No. 1, www.snpo.org/members. ■

Dangerous Gaps in Volunteer Screening Discovered

One in three nonprofit organizations doesn't conduct background checks on their volunteers, and more than one in 10 nonprofits does no screening at all, exposing their organizations to tremendous liability, according to a report by the National Center for Victims of Crime (www.nvc.org). At the same time, one in 20 applicants for volunteer or paid-staff positions with nonprofit organizations has a criminal background, as revealed in a study by ChoicePoint (www.choicepoint.com). Of those nonprofits that do conduct background checks, two in three don't consult fingerprint databases, which the Center for Victims of Crime notes is the best way to check criminal histories.

Such screening is especially vital if your organization serves a vulnerable group, such as children, the elderly, or people who are disabled. For steps to reduce your organization's liability from improper screening, see these *Nonprofit World* articles at www.snpo.org: "Volunteers: Resource or Risk?" (Vol. 15, No. 5), "Are You Obeying Child Protection Laws?" (Vol. 15, No. 6), and "Don't Let Volunteers Put Your Organization at Risk" (Vol. 10, No. 1). ■

Are You Ready for Changes in Your Retirement Plan?

New IRS rules affecting 403(b) plans go into effect on January 1, 2009. These regulations will give nonprofit workers more oversight of their retirement savings plans. The new 403(b) plans will be more like for-profit 401(k) plans.

Before January 1, 2009, your organization must develop a written document explaining how you'll implement the new rules. Your document should outline withdrawal procedures, contribution limits, and your organization's retirement-savings-plan provider. You should also list all employees eligible to participate in the plan.

The IRS is providing model language you can use when creating your document (www.irs.gov). Attorneys, 403(b) providers, and organizations such as the National Tax Sheltered Accounts Association (www.nt saa.org) also have models you can follow. For more details, see "New IRS 403(b) Rules Place Burden on Employer," *Nonprofit World*, Vol. 26, No. 1, p. 6. ■



First alert

Nonprofit Ethical & Fraud-Prevention Lapses Found

Nonprofit ethical standards are declining, while fraud in nonprofit organizations is escalating, according to surveys by the Ethics Resource Center (www.ethics.org) and the Association of Certified Fraud Examiners (www.acfe.com). Survey results show:

- **Ethical misconduct in nonprofits** is at the highest level ever. The number of employees in nonprofits witnessing misdeeds is now 55%, nearly level with incidents by business (56%) and government (57%) workers.

The survey results suggest that most cases of fraud and unethical behavior can be prevented.

- **More than half** (55%) of nonprofit employees saw at least one ethical lapse in the previous year.

- **The top ethics violation** (cited by 24% of nonprofit staff) was putting one's own interests ahead of those of the organization, followed by lying to other employees (21%), abusive behavior (19%), and misreporting the number of hours worked (19%).

- **Organizations that hadn't seen a rise in misconduct** had well-implemented ethics policies.

The survey results suggest that most cases of fraud and unethical behavior can be prevented. The results also point to ways you can curb such problems in your organization:

- **Create** a strong ethics policy. Review it regularly with employees, and enforce it diligently.

- **Educate** board members about their responsibility to set clear ethical standards.

- **Make sure** you have good internal controls and a fraud-prevention policy.

- **Be aggressive** in preventing and prosecuting fraud.

- **Read** these and other articles on fraud and ethics at www.snpo.org: "Fraud: How to Prevent It in Your Organization" (Vol. 26, No. 3), "Framework for Ethical Decision-Making in Philanthropy" (Vol. 12, No. 6), and "Setting Up a Control System for Your Organization" (Vol. 16, No. 3). ■

True or False?

I'm getting the most out of my donation processing

I only need one account to process all my donations.

TRUE FALSE

I find my merchant account(s) easy to manage and keep track of.

TRUE FALSE

My donation processing is fully integrated into my donor database.

TRUE FALSE

My donation processing is secure, reliable and available to me whenever I need it.

TRUE FALSE

My organization's name is printed on the credit card statements of my donors.

TRUE FALSE

My organization receives its funds promptly after a donation has been processed.

TRUE FALSE

I know exactly what my processing fees are.

TRUE FALSE

I have access to up to the minute, real-time statements 24/7.

TRUE FALSE

I am not locked into a contract and can switch my processor at any time.

TRUE FALSE

I can rely on a real person to respond to my questions or concerns in a timely manner.

TRUE FALSE

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Make Holiday Magic with Your Direct Mail



Use these tips for the holiday season and throughout the year

By Ted Gaillard

It's the season for holiday direct mail as nonprofits target donors with their annual appeals. This is an important time of year, and most nonprofits understand the impact well-timed campaigns can have on their annual fundraising efforts. Although donors and prospective donors are often in a giving mood during this season, nonprofits still have to think of clever ways to stand out in the mailbox. Here are a few tips.

Get Creative

First and foremost, be creative, and always try to create a relationship between your cause and the prospective donor. Share a story with them, and make it as personal as possible. Use a real person who has been positively affected by your services and can articulate why making a donation will have an impact on a larger population. During the holidays in particular, people tend to reflect on their families and other reasons why they're grateful. Perhaps this is why children and animal themed appeals tend to resonate with donors, prompting them to make

Nonprofits have to think of clever ways to stand out in the mailbox.

larger contributions during this time than they normally would.

Wrap It Up

By using oversized, highly personalized, engaging graphics and multiple colors, you'll increase the number of recipients who will open and read your mailing. Pieces should look like they're worth reading and setting aside to take action.

Consider using envelopes that promote enclosures like name stickers or gift tags. Incorporate handwritten fonts printed in various colors and placed in the margins of the mailing for a personalized look.

Also, be inventive with special giveaways. Include premiums such as advent calendars, pop-ups, and paper tree ornaments to give donors something they can use, which also serves as a reminder to

donate. Die-cut shapes that evoke the holidays — like candles, gift boxes, and trees — are especially effective to generate interest in your request and play up the holiday connection.

Tease Them

Once you've decided on the packaging, use colorful teasers that are appropriate for the season. Envelope teasers such as "Your holiday gift is enclosed" or "You'll find your new calendar inside" are very effective in getting recipients to open mailings. Gift inserts have proven to elicit successful donation responses from recipients. Try sending pumpkin seeds around Thanksgiving or mistletoe in December.

Timing is Everything

For holiday themed campaigns, timing is all-important. The best time to drop name sticker mailings is in September. For gift tags, gift wrap, and ornaments, the optimal time is October to early November. The cost of postage will be greater than production costs, so make sure you're mailing the best

CREATIVE FUNDRAISING IDEAS

Hold an Ornament Auction

Put a holiday twist on the silent auction idea. Ask local artists to donate their time and talents to create ornaments. Display the pieces on a tree for a few weeks to gather silent bids, with the ornaments going to the highest bidders. For more ideas, see www.stevensoninc.com.

Light a Virtual Christmas Tree

Tell people that, for a donation, they can illuminate a virtual Christmas-tree light on your Web site in memory of someone. Trinity of Hope Dog Rescue (Richmond, Ontario) used the idea as a successful fundraiser. "The blinking lights and rollovers that showed the names of loved ones was not only informative but entertaining as well," says co-founder Kryss Prichard.

Replicate the North Pole

Transform your office (or other space) into the North Pole, and invite area children to have their pictures taken with Santa. Find volunteer photographers and Santas to donate their services. Put photos on a CD, and sell it for an additional charge so that people can e-mail the photos to friends or use them to create screen savers or Web pages.

message to the people most likely to donate. Take time to refine your distribution list.

More Direct-Mail Magic

To delve deeper into successful direct-mail practices, check out these *Nonprofit World* articles at www.snpo.org:

- **The Key to Direct-Mail Fundraising: Market Segmentation** (Vol. 10, No. 1)
- **How to Send Less Mail and Increase Results** (Vol. 23, No. 4)
- **Fundraising for 44 Cents** (Vol. 23, No. 3)
- **55 Direct-Mail Secrets** (Vol. 25, No. 1)
- **Tips for Testing & Analysis of Acquisition Mailings** (Vol. 3, No. 4)
- **Beyond Common Sense: Proven Tactics for Direct-Mail Fundraising** (Vol. 25, No. 5)
- **How to Start a Giving Club** (Vol. 10, No. 3)
- **The Dirty Dozen: 12 Questions Nonprofit Leaders Ask about Direct-Mail Fundraising** (Vol. 19, No. 3)
- **How Big a Gift Should You Ask For?** (Vol. 17, No. 2)

Also see Learning Institute programs on-line: Resource Development (www.snpo.org/li).

Pieces should look like they're worth reading and setting aside to take action.

Select the Right Partner

It's important to choose the right partner to develop your marketing program. Partner with a service provider who can assist with creative concepts and advise you on high impact formats, messaging, data management, and the most advanced technologies available.

For instance, many people are unaware that the four-color inline printing process delivers the highest quality, flexibility, efficiency, and speed. A package with a simple involvement device can be printed in one pass, providing dramatic cost savings while resulting in a necessary lift. This process allows for customization, unique fonts, eye-catching graphics at various angles, and local chapter personalization. Premiums, such as pop-ups, 3-D devices, stickers, and CD inserts can be done quickly and efficiently.

Think Beyond the Year-End Ask

Keep in mind that these strategies can extend beyond the traditional year-end ask. Consider using them for other holidays. An Easter mailing by the Omaha Home for Boys,

for example, contained a bunny cutout and a four-color photo of a boy, along with his heart-wrenching story. Donor renewal increased 53% following the mailing.

Use the same thinking for campaigns in conjunction with patriotic holidays such as Memorial Day, Veterans' Day, and Independence Day. Campaigns using uplifting stories will generate results around these days as well.

Be inventive with special giveaways.

Creative direct-mail campaigns that are appropriately timed and contain the right message can have a great impact on your appeals not only during the holidays but throughout the year. By planning ahead and thinking of ways to integrate these tips into your direct mail campaigns on an ongoing basis, you'll connect with your donors, build affinity to your cause, and maximize contributions. ■

Ted Gaillard (tgaillard@vertisinc.com) is Senior Vice President, National Sales for Vertis Communications, a premier provider of targeted marketing services for nonprofit organizations. Its comprehensive services range from member recruitment, retention, education, and foundation fundraising programs to full service direct marketing.

Never Enough Time

What if there were an alternative to to-do lists, one which focuses you on what's important and lets you dump the rest?

By Paul Lemberg

It's a cliché of executive life: You don't have time to do everything. Whether you use little slips of paper, a planner, scheduling software, or a palm pilot, all attempts at time management fail. Rather than throwing in the towel, you need a new frame of reference. Change your focus from time management to priority management.

Create a List of Priorities

Your strategic plan should highlight your priorities. The word *priority* is derived from *prior*, meaning before, and related to the Latin *primus*, meaning first. Your list of priorities should contain all the items of first importance — only the items critical to developing your organization, and nothing else. Answer the question, “What's most important to accomplish in this time frame?” Make those priorities explicit; write them out. Keep your list prominently posted by your desk.

Rethink Your To-Do List

If you're like most people, your to-do list is a hodgepodge of everything you've thought about doing now and in the future, ordered simply by when you thought it. Perhaps you write little letters or numbers next to each “task” and cross out what's done. Your list grows and grows — you re-write it only when it becomes unreadable. Throw it away!

Focus on the List of Seven

Start fresh every day. Today's list, written today for today, should contain no more than seven items. Based on your priorities, list today's most important item first, and so on. Each item on the list must advance a critical issue in your



Change your focus from time management to priority management.

organization. If it doesn't, remove it from your list. If you still think it's important, but not that important, delegate it to someone else.

Put your energies into doing the first task on your list until it's complete. Only then, move on to the second item. You may not complete today's list today — you may not even complete item one — but if you've spent the day advancing your highest priority, you've been productive.

Tomorrow, make a fresh list on a fresh sheet of paper or its computer equivalent. Don't automatically carry anything over. Starting a new list will force you to freshly evaluate what's important. If you have multiple “highest priority” tracks to follow, break up the available time into fixed time slots, and advance several priorities at once.

Re-think Meetings and Rituals

Each day brings scheduled and ad-hoc meetings, walk-ins, sit-downs, and emergencies. Plus, you have daily rituals — answering e-mail, your half-hour reading, or making

calls. Evaluate each meeting and ritual against your highest priorities. If it doesn't address your priorities, don't do it. Don't participate. Give it up. Delegate it away. The time remaining after meetings and rituals is available for your most precious priorities. Don't squander it!

Evaluate Your Progress

At the end of each week, match your accomplishments against your list of strategic priorities. Check to see that you're making progress with all your objectives — that all your priorities are moving forward. Don't let key areas languish.

There may still not be enough time for everything, but the things that are critical to your organization will get done. Everything else can wait. ■

It's All About Balance

Use these *Nonprofit World* articles (www.snpo.org/members) to help set the right priorities and make the best use of time in your organization:

- **A New Way to Evaluate Your Organization's Performance: Measure Your Use of Time** (Vol. 19, No. 4)
- **What to Do Next** (Vol. 24, No. 1)
- **In Search of the Balanced Leader** (Vol. 16, No. 6)
- **Eight Ways to Improve Leadership Team Meetings** (Vol. 23, No. 3)

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Managing the Small Nonprofit

How to be successfully small

By Mary Quirk & Bonnie Watkins

As the manager of a small nonprofit, you're frequently given advice more appropriate to a big nonprofit. If you're following that advice, trying to be a small-scale version of a large organization, you're likely wasting resources and losing focus on your mission. You may even be entering a downward spiral that can destroy your organization. Modeling your organization after a mega-nonprofit won't work when you yourself are the fundraiser, secretary, newsletter editor, program director, volunteer manager, and personnel department as well as the executive director.

There is an alternative. Success lies in understanding how small nonprofits are different from larger ones, and in translating standard practices into something doable for an organization your size.

Not a Miniature

"Small" is a relative term. Here, we'll define a small or "micro-nonprofit" as one with a budget of under \$250,000 or with five or fewer staff.

Small nonprofits aren't just miniatures of larger ones. Most directors of micro-nonprofits soon notice critical differences in managing a small organization:

- **You are it:** All the management knowledge must be in your head.
- **Time is scarce:** There are only a few hours a week to spend on management functions that larger nonprofits have many staff doing full-time.

Take Advantage of Your Assets

You're not alone if you're managing a small nonprofit. In the United States, 86% of registered nonprofits have revenues under \$250,000. In fact, close to 80% of registered nonprofits have revenues under \$100,000. Of the nonprofits large enough to file tax returns (revenues over \$25,000 a year), about two-

Although over half of nonprofits are small, the vast majority of management advice is geared towards larger nonprofits.

thirds have revenues under \$250,000.¹ A study in Indiana found that only 52% of nonprofits had any paid staff, and of those, 41% had two or fewer full-time equivalent staff.²

Don't be ashamed to be running a small organization. Be sure your organization really wants to grow before you commit to growth. You don't have to model yourself on larger organizations, on the theory that every good nonprofit is destined to have a gigantic staff and budget – or doomed to failure and disintegration. On the contrary, the great asset of a micro-nonprofit is its focus on mission. If you aren't distracted by "building your empire" or maintaining a bloated infrastructure, you'll find you can move mountains – as many small nonprofits are proving every day. Additional assets of micro-nonprofits include:

- **You're likely to be closer** to your community and your customers and, therefore, more effective and credible.
- **You're likely to serve** a smaller geographic area, thereby understanding it better and responding more quickly to changes.
- **You can dispense with** many formalities and conventions, since your aim is to get the job done, not impress the world with your sheer size.
- **You can attract** staff, board, and volunteers who will go the extra mile, because you keep the focus on your mission.

Have You Been Frustrated with Traditional Management Advice?

"It happened to me again just a couple of months ago. I sat in a training session with 150 others, hoping to acquire vital information that would solve key problems for my organization. The advance flyer sounded so great, and at least this one didn't cost an arm and a leg. BUT, the dynamic presenters and their beautiful PowerPoint slides were completely worthless to me. At least I've learned this much over the years: I snuck out the side door after only an hour and a half, instead of wasting the entire day."

Have you been annoyed to discover and rediscover that many training programs and other "resources" for nonprofits aren't helpful? Don't think there's something wrong with you. The program (or network or book) is designed for a larger, wealthier organization than yours.

Although over half of nonprofits are small, the vast majority of management advice is geared towards larger nonprofits and takes more staff time than you have. This advice has to be translated to be useful to you, and much can be ignored altogether. There are many other passionate, talented leaders of micro-nonprofits out there. They forge ahead, making up new rules and strategies as they go. Here are some of their secrets.

Four Keys to Being Successfully Small

1. Watch for hidden time bombs that might go off in your face.

- Treat part-time positions as career positions if you depend on them for important responsibilities.

continued on page 12

- Have a succession plan for key staff, volunteers, and board members. When there are just a few of you, the loss of one person is much greater than in a large organization.

- Nip in the bud staff conflict, poor work performance, or tensions on the board. There is no extra time to waste.

- Stay aware of cash flow and any potential loss of a funding source. When the budget is small, finances are critical.

- Have in mind a dollar amount that a fundraising project must generate to justify the time it will take away from programmatic work.

- Be stubborn with your time management and everything else. Keep on top of the big picture, no matter how much you're pulled in other directions.

Be sure your organization really wants to grow before your commit to growth.

2. Learn the tricks of the trade.

No matter how small you are, key functions still have to be performed. Many small start-ups miss the deadline for filing their first 990 or neglect some other key piece as they're starting up. A few things that have taken some by surprise:

- Raffles have rules.
- Payroll taxes must be paid.
- There's a difference between exempt and non-exempt employees.
- When hiring, there are questions not to ask and equal-opportunity rules to follow.
- Check references, and screen volunteers working with vulnerable clients.
- Avoid board micro-management. Know staff versus board roles.
- File a 990 return if income is over \$25,000. Be sure you know state filing rules.
- Use internal controls when

"The dynamic presenters and their beautiful PowerPoint slides were completely worthless to me."

handling money.

- Bank statements and other financial records need to be kept for specific amounts of time.

- Remember the 70/30 rule on program expenses versus fundraising/administration (70% of your funds should be spent on your programs and only 30% on raising funds and dealing with other administrative tasks).

- The sales tax exemption in many states applies to phone bills and other items you might not think of — but you may need to pay sales tax on items you sell.

- There are documents, such as bylaws and articles of incorporation, that you must have in place. Other documents, such as personnel policies, are wise to have.

- Few funding sources will automatically renew their commitments every year, so you need to meet their goals and submit the required reports.

3. Develop "quick and dirty" approaches.

Use shortcuts to perform functions in less time than the big guys with big budgets do. Quality board

Don't Be Taken by Surprise

You can find details on important tricks of the trade in *Nonprofit World* articles (www.snpo.org/members), including the following: "Should You Hold a Raffle?" (Vol. 13, No. 1), "Hire the Best But Hire with Care" (Vol. 21, No. 1), "Don't Let Volunteers Put Your Organization at Risk" (Vol. 10, No. 1), "Who's in Charge Here?" (Vol. 4, No. 4), "Setting Up a Control System" (Vol. 16, No. 3), and "To Write Or Not to Write: Do You Need a Personnel Handbook?" (Vol. 11, No. 3).

training can be done in two hours. Strategic planning can be accomplished in 15 hours or less (as explained in the box on page 13). Think in terms of the needed outcome — a committed board, a clear work plan for yourself — rather than the standard process. It's better to do a shortened version of a good management practice (or possibly not do it at all) — than get part way through an unworkable process and then drop it.

4. Figure out how to hang in there for the long haul.

Once the flurry of start-up is over:

- Address with your board whether the organization should grow. Develop criteria for deciding whether to grow and, if so, when and how. View growth as a conscious decision, not an inevitable outcome.

Modeling your organization after a mega-nonprofit won't work.

- Be aware of many thoughtful perspectives on how to be a small, high-quality, mature nonprofit. Learn how to evolve without growth, avoid stagnation, and help the board transition from the excitement of growth to ongoing service.³

Avoid the temptation to go back to how things were done in the early days, or to stay stuck in those early methods, as many organizations do when they want to recapture the excitement. The reality is that change and adaptation are always needed. Challenge assumptions, make peace with the organization's current status, and plan where the organization wants to go. Finding rewards in managing change, while staying committed to your purpose, can keep you motivated and renewed on a personal level as well as keeping the organization strong. You can do great work if you understand and take advantage of the benefits of being small.

HOW TO DO STRATEGIC PLANNING IN 15 HOURS OR LESS

Many small nonprofits never quite get to strategic planning — scared away by the time commitment and cost of a consultant. The following strategic planning process is an adaptation that can be done without a consultant and with 15 hours of staff time or less, spread out over three board meetings. While a more complete process may be critical in times of transition, this is satisfactory when time is short.

1. Preliminaries – 1 staff hour

- Obtain board buy-in to doing strategic planning.
- Determine the number of years your plan will cover. A three-year planning cycle is often fine.
- Decide what the plan will look like. One page of main goals? More detailed objectives?

2. Identify strategic issues – 3 staff hours

- Set aside a half-hour at a board meeting for visioning. Ask, “What are your hopes and dreams for what this organization will be like five years from now?” Go around the room so everyone gets to talk. Keep it a brainstorming session where ideas are raised but not discussed.
- Give board members and staff a short survey to fill out: What are our major strengths? What are our major weaknesses? What critical issues do we face over the next three years?
- From the visioning process and the survey, identify four to seven strategic issues the organization is facing. Look for themes (challenges, opportunities, uncertainties, options) that reoccur.

3. Hold a planning session – 6 staff hours

- Prepare a planning packet. Include: list of strategic issues, results of visioning and survey, and whatever other information you can easily put together (trends in service growth, financial trends, needs assessment information, etc.)
- In place of a board meeting, hold a two to three hour planning session. Facilitate the session yourself, or ask a board member or volunteer to facilitate.
- Begin the planning session by asking, “What in the planning packet stood out as critical?” Then discuss each strategic issue (with a time limit for each one). Don’t try to resolve the issues, just discuss each one enough to see if a direction emerges.
- Conclude by asking, “What else is important for the future?”

4. Draft a plan – 5 staff hours

- Design a plan that addresses the strategic issues. If a strategic issue (like fundraising) has a related committee, involve them in drafting that aspect of the plan. Have staff and board leadership review and adjust the draft.
- Bring the plan to the board for a vote.
- Make a commitment that no idea will be pursued unless it fits into the plan or the board approves a revision to the plan.

5. Follow the plan and revise as needed.

Put the plan up where it can be seen. Refer to it regularly. Once a year, have the board review it to see if revisions are needed. In three years (or whatever your designated time frame), start over. ■

Footnotes

¹National Center for Charitable Statistics, www.nccsdataweb.urban.org.

²Gronbjerg, Kirsten A. and Linda Allen, “The Indiana Sector: A Profile,” www.indiana.edu.

³See Connolly and Klein in “Resources.”

Resources

*Connolly, Paul and L.C. Klein, “Good Growth, Bad Growth and How to Tell the Difference,” *Nonprofit World*, Vol. 17, No. 3

*Klein, Laura and Paul Connolly, “Getting in Shape: Fitness Tips for Established Nonprofits,” *Nonprofit World*, Vol. 18, No. 1

Henley, Michael and Diane Hodiak, *Fund Raising and Marketing in the One-Person Shop*, Minneapolis: Development Resource Center (www.di-good.biz).

*“Seven Easy Ways to Get into Legal Trouble,” *Nonprofit World*, Vol. 18, No. 6.

*Starred resources are available at www.snpo.org/members. Also see Learning Institute programs on-line: Strategic Planning (www.snpo.org/li).

Close to 80% of registered nonprofits have revenues under \$100,000.

Mary Quirk (maryquirk@usfamily.net) spent seven years directing a medium-sized nonprofit and then 11 years directing a micro-nonprofit. After several years of trying to model her small nonprofit on the larger one, she realized there weren't enough hours in the day and began creating shortcuts. She has master's degrees in public affairs and public health.

Bonnie Watkins (BonniePWatkins@cs.com) has directed micro-nonprofits for 10 years, managing initiatives for state government before that. She is currently the executive director of the Minnesota Women's Consortium, a statewide coalition of 160 organizations. Many of them are micro-nonprofits, and Bonnie thanks them for sharing their wisdom. She is author of In the Company of Women (Minnesota Historical Society Press (www.mnhs.org/market/mhspress)). Bonnie has a master's degree in liberal studies.

Three Simple Steps to Activate Your Strategic Plan



Creating your plan is just the first step. Here's how to put that plan to good use.

By Michele V. Gee

You've read the articles explaining that you need a strategic plan to guide your organization. You know your planning process should involve a broad range of stakeholders and clarify your organization's mission statement, internal capabilities, external conditions, goals, objectives, and strategies.

Most likely you've engaged in such a process. But, if you're like many nonprofit leaders, your next step was to file the plan away.

Nonprofit leaders often shelve the strategic plan – sometimes for years! They may dust it off if a potential funding source asks to see it. But they don't give copies to board or staff members who later join the organization. They don't use the plan as a basis for major decisions or refer to it in important meetings.

Not using the strategic plan is one of the most common mistakes nonprofit organizations make. Don't let it happen to you! Here are three steps to assure that you use your plan well:

1. Be sure to develop an action plan (sometimes referred to as an operating plan or implementation plan) as part of the strategic planning process. The action plan should do the following:

- Describe major goals, objectives,

The environment in which you operate is constantly shifting.

and strategies, both long-term and short-term.

- Pinpoint who is responsible for completing each task.
- Provide deadline dates for completion.

2. Have the executive management team review the results of the action plan every six to 12 months and report these results to the board. This step serves two purposes:

- It ensures greater accountability for results.
- It keeps the attention of board members and executives focused on the strategic plan.

3. Monitor progress in reaching goals and objectives. At regular intervals, review the assumptions used in developing the strategic plan. The environment in which you operate is constantly shifting. For example, there may be changes in laws and regulations, funders' policies, or the demographic composition of your clients. As a result, you may need to adjust your plan's goals, objectives, strategies, and deadline dates. Be sure to communicate such changes to the board immediately.

Implementing these three recommendations will enhance your organization's effectiveness. Your strategic plan provides a sound framework to guide your decisions, meet challenges, and fulfill your mission, so activate it! ■

Resources

Brinckerhoff, Peter, "Three Reasons Not to Plan," *Nonprofit World*, Vol. 26, No. 1.

Craft, Ralph & Ronald Benson, "Needed: A Better Grasp of Strategic Planning," *Nonprofit World*, Vol. 24, No. 5.

Mittenthal, Richard, "Don't Give Up on Strategic Planning: Ten Keys to Success," *Nonprofit World*, Vol. 22, No. 3.

These resources are available at www.snpo.org/members. Also see Learning Institute programs online: Strategic Planning (www.snpo.org/li).

Michele V. Gee, Ph.D. (michele.gee@uwp.edu), has been selected as an American Council on Education (ACE) Fellow due to academic and leadership achievements, including an appointment as assistant to the provost and associate professor of management in the School of Business and Technology at the University of Wisconsin - Parkside. She facilitates nonprofits' strategic planning efforts and conducts strategic planning workshops for individual organizations and at conferences.



Do You Know Where Your Goals Are?

How can you be sure you're on track? Check and update your goals.

By Michelle LaBrosse

Remember that strategic plan you wrote in December or January? Or even your New Year's resolutions? Did you write them down and file them somewhere, or are they hidden in one of those infamous piles we all have?

If you filed them and there's some dust on them, not to worry. We're going to give you five keys to rejuvenating your goals at any step of the way. Remember, successful people don't always get it right the first time. They keep trying. As renowned coach Vince Lombardi said: "It's not whether you get knocked down; it's whether you get back up." Project management is a life skill that shows you how to get back up and stay on the road to success.

Five Keys to Give Your Goals Some Get Up & Go

1. Know Your Top Priority

Look back at your goals or resolutions. What's changed since you wrote them? Are your priorities different now? This is where a project agreement is an invaluable tool. When life changes, as it often does, document the changes in your project agreement and adjust your timeline and tactics accordingly.

2. Identify What's in the Way of Success

What's getting in your way? See the chart below for some common project blockages and how to remove them and get back on the road to success.

3. Be a Bureaucracy Buster

Envision yourself as a business ninja who breaks down time-consuming bureaucracy at every turn. When you identify bureaucratic time wasters and get rid of them, the entire team will operate more effectively.

4. Create Calm instead of Chaotic Work Environments

How long does it take you to find the information you need to get your job done? Clutter, on your desk and on your computer, slows down project work. It's also distracting and causes multi-tasking. A calm work environment helps people focus and use their energy constructively. Ask your team members what you can do in your office to make the environment more effective for them. The changes are often small but can reap big rewards.

5. Give Your Project Heart

Is your project like the Tin Man

looking for a heart? Here are some ideas to infuse some humanity into your project:

Passion. Give people a reason to be passionate about their work. What's the outcome going to be? What will success look like, and how will it feel when they've finished?

Pause. Celebrate successes along the way as you reach key milestones. Give people time to pause, realize what they've accomplished, and gain the fuel to keep going.

Recognition. "Thank you" are two words that go a long way. Show your gratitude to your team members regularly and in front of others. Do it with authenticity. When you let others shine, the light reflects on you, too. ■

Your Blueprint for Setting the Right Goals

To help focus your employees on cutting-edge goals, see these *Nonprofit World* articles at www.snpo.org:

Build the Latest Trends into Your Planning (Vol. 17, No. 6)

How to Reduce Employee Stress (Vol. 24, No. 3)

Five Project-Management Myths (Vol. 26, No. 2)

Master Change Or Change Will Master You (Vol. 14, No. 4)

Strategic Planning on a Budget (Vol. 23, No. 4)

Overcome Organizational Indifference (Vol. 14, No. 2)

Common Blockages to Project Success & Ways to Remove Them

BLOCKAGE	REMOVAL
Feature Creep. You keep adding new features, trying to make the end result better, but time is running out and your team is restless.	Use a change impact matrix. Plan to freeze the project at a specified time. The earlier this is done, the faster your project will move.
A Broken Team. Is your team dysfunctional, not communicating, or no longer working from the same set of goals?	An inability to work together toward a common goal comes from lack of commitment, lack of interaction, and lack of interest in constructively resolving conflict.
Lack of Focus. Is there too much multi-tasking going on, or are people overscheduled?	It's best if people plan their work so that they focus on one task at a time. If they're too overscheduled, they become less effective. Let team members create a schedule that gives them time to breathe and live their lives outside of work.

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Cultural Competence: What Does It Mean for You?

It's a skill your employees need to learn. Make sure you're up to speed.

By Julia Epstein

What spurs success in a nonprofit organization? The way you achieve full inclusion for all members of your constituency is one critical element. To include everyone, no matter their race, ethnicity, native language, sexual or gender orientation and expression, disability, age, class, or religion requires that all staffers, from the executive director to the receptionist, be able to interact comfortably and appropriately with every person in your community. Nonprofit organizations should be *of* their communities, not just *in* them.

What is cultural competence?

Put simply, to be culturally competent means to understand your own worldview in such a way that you can share and understand the ethos and mores of others. It means accepting difference, seeing everyone as unique and valuable, and respecting everyone's beliefs and traditions without judgment. It means recognizing when misunderstanding or conflict relates to cultural miscommunication.

What skills do you and your employees need?

Having the right skills can mean speaking your clients' language, whether that's Vietnamese or American Sign Language. Or it can mean understanding that getting your constituents to community meetings entails ensuring bus service and childcare and planning your budget accordingly. It can mean knowing it's offensive to refer to a person with quadriplegia as "wheelchair-bound," and it can mean appreciating what foods will appeal to your Filipino audience at a reception.

Depending on your clients and the ways you serve them, your staff needs different kinds — and degrees — of cultural competence. If you coach English-language learners in a recreation program, sensitivity to their immigrant backgrounds, home life, language usage, and cultural beliefs is paramount. If you run a soup kitchen serving seniors, your staff must take the time to assist them and empathize with their concerns. If you provide vocational training for people with intellectual disabilities, your staff must treat each client with dignity and know how to communicate appropriately. If you offer medical care for people with HIV/AIDS, being judgmental about sexual practices or substance use won't win your constituents' trust.

Cultural competence is a process that evolves over time and must be nurtured and rewarded. It's a crucial feature of your organization's capacity to carry out its mission. Training your staff in areas that affect your constituency can build greater capacity in your organization and establish community trust.

Take as an example a less commonly thought of group, the disability community. Many able-bodied people lack experience with those who use mobility devices, sign language, white canes, or service animals, or who have cognitive or psychiatric disabilities, and feel uneasy interacting with a person who has a disability. Beyond being told "don't stare" as children, most people have never thought about disability as a culture. And because disability is an equal-opportunity minority group, and the largest one at that, it frightens people.

So here are some basic and by no means exhaustive tenets of disability cultural competency:

- **Be respectful by using "person first" language:** a "person who has epilepsy," not an "epileptic."
- **Avoid negative terms:** handicapped, cripple, victim, sufferer, invalid, special, defective.
- **Don't talk about people with disabilities as "brave," "courageous," or "inspiring."** They're just living their lives, not being superheroes.
- **Make eye contact** when you speak to a person with a disability.
- **Introduce yourself by name and role** to people who are blind or visually impaired, and don't distract or pet their service animal.
- **Remember** that people who use wheelchairs, scooters, or other mobility devices aren't "confined" or "bound"; their devices enable them to travel independently.

Who needs the most training?

The receptionist who greets everyone at the door is on the front lines of client communication, whereas back-office staff focused on keeping your server humming or the books balanced may interact with clients less frequently. But in the long run, if you're to be successful, everyone at your organization should share your mission and values, respect the community they're part of, and understand the cultural complexities of the work they do. Social change is attitude change, and it pays to begin at home. ■

Articles in this department are written by the staff and members of the Alliance for Nonprofit Management (www.allianceonline.org).

Julia Epstein is Director of Communications and Development at the Disability Rights Education and Defense Fund (www.dredf.org).



Defeating Delays

You can't always avoid delays, but you can make them constructive.

By Donald E. Wetmore

Life is often what happens to you along the way when you're planning otherwise. You will frequently encounter delays that keep you from doing what you planned to do.

In our hurry-up world we have little time to think about our lives.

You can be delayed in traffic, waiting for the dentist, in an airport, or in a line at the bank. You can't always control what happens to you out there, but you can exercise control over how it will impact you. You don't have to let delays defeat you. Here are six ways to conquer those delays:

1. Don't get frazzled. Being upset about the delay, telling yourself that it shouldn't be happening, only makes a bad situation worse. Your unhappiness won't make the delay shorter.

2. Bring important projects with you. Always have stuff with you

that you can work on if you experience an unexpected delay.

3. Carry an unread book or two. Studies show that 95% of the books people purchase are never completed. Why? Because we don't have time to read. If your flight is delayed for three hours, you can finish a lot of pages in that book you bought but never seemed to have time to read.

4. Bring your telephone contact list. Think ahead and ask yourself what telephone numbers would be useful if you were delayed. If you have these telephone numbers with you, you give yourself more choices to be productive.

5. Bring some entertainment. What do you like? Are you into crossword puzzles? Crafts? Game Boy video games? If you're prepared, delay time can be playtime. You need to spend some time playing to keep your mind sharp and flexible, and delays give you a chance to do so.

6. Sit and think. In our hurry-up world we have little time just to think about our lives, where we've been, where we are now, and where we're going. Use delay time to reflect upon your life. celebrate the good things that are happening, and commit to changing what needs to be improved. ■

Time Keepers

Use these tips to help you gain control of your time and your life:

- **Maintain balance.** Your life consists of seven vital areas: health, family, financial, intellectual, social, professional, and spiritual. Ignore any one of these areas and you'll sabotage your success.

- **Before attending a meeting,** make certain you need to be there. If you must attend, be sure there's a written agenda beforehand, with clear starting and ending times and an amount of time assigned for each agenda item.

- **Use the 20/80 rule.** Also known as the Pareto Principle, the rule is that 20% of an effort accomplishes 80% of the result. Give special attention to the 20% of people with potential to deliver 80% of what you need.

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Why Be Boring

When You Can Celebrate in So Many Ways?

Here's why to get rid of those formal volunteer banquets – and what to do instead.

By Susan J. Ellis

Does anyone actually like sit-down banquets? Dull speeches, poor food, boring table talk? Ever wonder why attendance at these things is so low? To add insult to injury, these meals are also expensive. More important, they miss the point.

Paid staff, volunteers, and administrators see only their part of the larger picture. The recognition event is your chance to enlighten, amaze, surprise, and educate them. They ought to leave the event with new understanding and pride.

Enough formal banquets! Let's transform recognition events. Here are some ideas:

Money doesn't matter.

It's a red herring to complain that your organization has no money for volunteer recognition. A recognition event needn't be costly. You can (and many do) hold a potluck meal in which volunteers happily contribute the food themselves. What's important is what happens when you get together. You want to let volunteers meet each other, recommit them for another year, and celebrate. Create buzz, laughter, and passion.

Plan the event *with* volunteers, not just *for* them.

Ask volunteers to evaluate past recognition events honestly. Even more important, contact volunteers who didn't attend the event and find out why. Then ask what they might like to do as a celebration. (Note: Most volunteers will tell you they don't "need" recognition and don't want the organization to spend money on it. So don't call it

Ever wonder why attendance at these things is so low?

a recognition event. Refer to it as a "celebration of our efforts" and then ask volunteers what they're most proud to have contributed.)

Let volunteers speak.

Where is it written that the way to thank people is to call out their names and hand them a certificate while they silently come forward to shake some dignitary's hand?

Why not let volunteers prepare a presentation of their own about their work in the past year? You can ask them a month in advance to create a five-minute report, skit, song and dance, whatever. Or use the first 30 minutes of the event to let volunteers share ideas on the spot and come up with a performance (such as one titled "The Six Best Things that Happened This Year") to put on for everyone assembled.

Make volunteers feel individually appreciated, not just thanked as a corps.

Certificates of recognition that have nothing more than the organization's logo and volunteer's name may just as well be birdcage liners. If you must hand out certificates, at a minimum include the assignment the volunteer filled that year. Even better, add a sentence or two about what the person actually did: "Our thanks for how you always go above and beyond the call of duty to make sure our residents have a good time at the bingo game." "For scanning our paper files into digital storage."

"For your role in making sure your assigned child passed grade 4." (Sound like too much work? Ask staff who supervise the volunteers to give you these sentences or ask volunteers to recommend sentences about each other.)

Don't worry about capturing every single volunteer's name if you have a large group. In fact, the real danger is that you'll leave someone out – the true opposite of recognition! Instead, act as if everyone there is worthy of thanks, and ask them questions about themselves which they can answer by standing up. Ask, for example:

- Who fills more than one assignment here as a volunteer?
- Who has applied something they learned at orientation?
- Who has hunted more than 15 minutes for a parking spot?
- Who has met the executive director before tonight?
- Who is working at a paying job in addition to their volunteer job?
- Who recruited a friend or relative to become a volunteer here?
- Who speaks more than one language?

This is like an instant "poll." Once people rise several times, they feel quite included.

Use the time you have.

• Create a mix and mingle opening. Don't assume that people will meet each other without your help. First, take a little extra time with nametags. Write first names boldly so they can be read. Add identifying information such as the volunteer's job and length of time with your organization. Do this for any paid staff or board members who attend the event, too. You can get creative and ask everyone to answer one or two funny or unusual questions on

their nametags as discussion starters. (For a terrific resource about nametags, go to www.hellomynameisscott.com.)

- **Have something interactive for early arrivals to do.** Post newsprint sheets and have them write down their best memory of the year as a volunteer, or the funniest thing that happened during volunteering, or anything that makes them think back. Not only will more and more people arrive to add things to the sheets, but they'll all enjoy reading everyone else's comments. The next day, you can transfer these sheets to the hall outside your office and keep them up for a week for others to enjoy. Be sure to transcribe them for future use.

- **Project a self-running slide show with photos of people doing their volunteer work.** People love these, and you'll also have pictures to use later in recruitment and orientation. Photographs clearly state, "We saw you" – the best kind of recognition.

- **Designate a leader for each table in advance.** These can be staff members, board members, or volunteers. Prepare this group to make the event memorable for their table by introducing people to one another, seeding the conversation with fun questions, and so on.

Remember who the special guests are.

Don't put "dignitaries" — whether they're administrators, board members, or politicians — together at an honored front table. Scatter these folks around the room to prompt them to interact with the volunteers casually, or place their table in the back, and explain why to everybody. This is a volunteer recognition event: The most important people in the room are the volunteers. ■

Resources

Ellis, Susan, "How to Create a Staff-Volunteer Team," *Nonprofit World*, Vol. 18, No. 4.

Forsyth, Janice, "Volunteer Management Strategies: Balancing Risk and Reward," *Nonprofit World*, Vol. 17, No. 3.

Govekar, Paul, "Are You Making It Hard to Volunteer?," *Nonprofit World*, Vol. 22, No. 5.

These resources are available at www.snpo.org/members. Also see Learning Institute programs online: Volunteer Management (www.snpo.org/li).

Susan J. Ellis (susan@energizeinc.com) is president of Energize, Inc., an international training, consulting, and publishing firm specializing in volunteerism. This article was adapted from one of her monthly "Hot Topics" available online – with a wealth of other resources on volunteer program management – at www.energizeinc.com. Sign up for a free monthly tip and update, and learn about Energize's new online training program, Everyone Ready®.

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Ten Questions to Ask When Invited to Join a Board

Every board member – and potential board member – should know the answers to these queries.



By Miriam Carver

It was a year ago that my friend Charlotte was interviewed for the CEO position at a nonprofit. At that time we discussed the questions she should ask during her interview, and those questions were published in *Nonprofit World* (Volume 25, No. 3). Incidentally, she was offered the job and turned it down. Now Charlotte has been asked to serve on the board of a nonprofit: It's a medium-sized organization with a CEO, staff, and committed and energetic board.

Charlotte is a busy woman, active not only in her professional and family life but also as a volunteer with a number of nonprofit organizations in the area. She wonders about accepting the invitation to join the board. In particular she wonders what makes board work different from the volunteer work she already does. So once again she and I reviewed some helpful questions. This time we focused on what to ask board members when she meets with them to discuss the possibility of joining their board.

It's extraordinary that many organizations have no clearly stated answers to a question about the organization's impact.

Here's the list, along with commentary drawn from the perspective of John Carver's Policy Governance® model.¹

1. Without telling me what the organization does, describe the impact it has. What's different, for which consumers, because of the organization? What are the highest priority impacts?

Readers familiar with Policy Governance will recognize the “ends concept” in this question.² Since organizations are formed with the purpose of making a designated difference for designated target populations with a designated priority, it's useful to know if the board

has actually identified what that purpose is. It's extraordinary that many organizations have no clearly stated answers to this question.

2. Why do you want me to join the board? What skills am I being asked to contribute?

In the case of very small organizations without a CEO, it's usual for board members to be expected to do staff-like work: It's just a practical necessity. But in the case of an organization with a CEO, board members doing staff-like work confuses the issue of the CEO's accountability for the organization's success, unless that work is done at the request (and under the authority) of the CEO. If Charlotte is told that she's being invited to be on the board because she's so good at, for example, marketing or human-resource management, she would do well to wonder why the CEO isn't responsible for those matters. Board members must have governance — not management — skills.

3. Does the board see itself as accountable for being sure the organization's work is done, or accountable for doing the work?

This question is closely related to question 2. Policy Governance boards know that when there's a CEO position, the CEO is accountable to the board for organizational success. If board members insert themselves into operations, they contaminate the results for which they need to hold the CEO accountable. So the board is accountable not for doing the work but for seeing to it that it's done.

4. Does the board use any particular approach to governance? If so, what is it and where can I read about it?

It's not unusual for a governing board to have an ad hoc approach to its own job. But although it's common, it's not a good idea. Having few rules or principles to follow can cause confusion, strife,

The "one voice" principle requires that board members understand that they have no individual authority.

wasted time, and under-performance. Policy Governance boards know that their role is to be accountable for organizational success, not for helping the staff or being involved in operational details, no matter how interesting or absorbing.

5. What has the board told the CEO he or she is accountable for accomplishing or doing?

The board should understand that if the CEO is accountable to the board for meeting board expectations, then it's essential to be clear about what those expectations are. Policy Governance boards express

these expectations as ends policies and executive limitations policies.³ If board expectations are hard to find or incomplete, how does the CEO know what's expected and on what he/she will be evaluated? And if the CEO isn't sure what to accomplish, doesn't this reduce the likelihood of that accomplishment, and accordingly compromise the board's ultimate accountability?

6. What does the board hold itself and its members accountable for accomplishing or doing?

People join boards hoping to make a contribution, but many aren't sure what that contribution should be. They're uncertain what issues are for board discussion and what should be left to the CEO. They're unclear about expectations for board-meeting attendance, preparation for meetings, financial contributions, and the code of ethical conduct. If these issues aren't clear, board members can
continued on page 22

The advertisement is for the American Association of Grant Professionals (AAGP) 10th Annual National Conference. It features the AAGP logo at the top left, with the text "AMERICAN ASSOCIATION of GRANT PROFESSIONALS™" to its right. Below the logo, a red box contains the date "October 22-25, 2008". To the right of the date, the text "10th Annual National Conference" is displayed in a large, bold font. Below the date, the conference theme "Setting Your Sails for Success - Navigating the Tides of the Grant Profession" is written. To the right of the theme, the venue "Hyatt Regency Long Beach, CA" is listed. The main body of the advertisement contains a paragraph stating that the conference is for anyone involved in the grants profession, followed by a list of conference features. At the bottom, there is a call to action to visit the website www.grantprofessionals.org or call 913-788-3000, and a note that hotel space is filling up fast. The footer of the advertisement provides the contact information for the American Association of Grant Professionals (AAGP) at 1333 Meadowlark Lane, Suite 105, Kansas City, KS 66102.

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inadvertently behave in ways not conducive to good governance. In the absence of clear expectations, how do the board and individual members know what they're supposed to do and on what they will be evaluated?

7. In board meetings, what proportion of the board's time is spent on (a) listening to and receiving reports, (b) approving staff proposals, and (c) learning about the future needs and challenges to which the organization must respond?

The answer to this question will help Charlotte decide if the board is a proactive decision-making body or one that simply reacts to staff and other initiatives. Leadership at the board level is hard to accomplish if the board's time is spent listening and reacting to stories about what has happened. Rather, the board should be taking a long-term perspective about what the organization will be accomplishing in the future.

8. As an individual board member, will I have any authority over the organization? Does any individual board member have authority over the organization?

This is an important question. The governing board has a great deal of authority. Indeed, no one in the organization has authority that doesn't come from the board. But the authority is owned by the board, not its members. In Policy Governance, the "one voice" principle requires that board members understand that they have no individual authority, and that the CEO works under the authority of the board, not its members. Individual board members who instruct the staff undermine the board's authority and make it impossible to be clear about what constitutes an instruction as opposed to, say, an opinion. No board member, including the chair or any other officer, should be permitted to instruct operations.

Board members must have governance — not management — skills.

9. Would I be a part of every decision made about the organization's CEO?

Joining a governing board means becoming part of a group that is morally and legally accountable for the organization's success. It makes no sense to accept a share in this accountability if decisions are made in which a board member has no part. Boards with committees that evaluate the CEO (or decide on expectations for the CEO) have fragmented themselves badly. This fragmentation results in board members being accountable for decisions in which they made no contribution.

10. To whom is the board accountable?

Corporate boards are accountable to shareholders, who own the company. Trade association boards are accountable to members, who own the trade association. Who owns nonprofits? Policy Governance boards view nonprofits' owners as populations defined by geography or interest. Ownership is an important concept. Holding an ownership in mind prevents boards from making decisions in their own interests or in the interests of staff or even of current consumers. Community-based organizations must be governed in the interests of those in the community, not just those who currently require help or are employed in the organization. The ownership concept therefore prevents the board from viewing the organization as its possession and instead reinforces the trusteeship that is inherent in a board position.

Board members know only too well that an agreement to serve on a board, while motivated by a desire to provide accountable direction and vision, can nonetheless lead to an experience that is an exercise in frustration, petty politics, and

boredom. Thoughtful answers to these 10 questions will help Charlotte decide whether this board is worth her valuable time. ■

Footnotes

¹Policy Governance is a board model that clearly differentiates between board and staff responsibilities.

²Ends are the required results, recipients, and worth produced by the organization. The board is responsible for the broad ends policies.

³Executive limitations policies describe the limits the board places on the staff's available means. In other words, Policy Governance boards don't tell staff members what they *can* do, only what practices are off limits. This shift in focus gives employees far more leeway in deciding the details of management than most other board models do.

Continue Your Governance Journey

For more on instituting Policy Governance and energizing your board, see these articles at www.snpo.org:

- **Keys to Keeping Your Board on Track** (Vol. 16, No. 6)
- **The Board's Very Own Peter Principle** (Vol. 16, No. 1)
- **Improving Nonprofit Boards: What Works & What Doesn't?** (Vol. 15, No. 3)
- **How Effective Is Your Board? A Rating Scale** (Vol. 8, No. 5.)
- **When Owners Are Customers** (Vol. 10, No. 4)
- **The CEO & the Renegade Board Member** (Vol. 9, No. 6)

Also see Learning Institute programs on-line: Board Governance (www.snpo.org/li).

Miriam Carver (miriamcarver@carvergovernance.com) is a Policy Governance® consultant and author or co-author of three books, a series of monographs, and numerous articles. She is the executive co-editor of the bi-monthly governance newsletter "Board Leadership" (*Jossey-Bass, www.josseybass.com*) and, together with Dr. John Carver, trains Policy Governance Consultants in the Policy Governance Academy (www.carvergovernance.com).



One Foundation's Legal Battle: A Cautionary Tale for All Nonprofits

As absorbing as a mystery story and full of lessons for every nonprofit, this saga includes heroes and villains, plot twists, and an ending in which justice prevails. Here's a birds-eye view from a lawyer involved in the case.

By Joseph Woodruff

Critics of what's called the "civil justice system" may have a point. Civil litigation is often hideously expensive and produces results that no ordinary observer would recognize as justice. The State of Tennessee's efforts to preserve the Maddox Foundation's assets prove, however, that it's a mistake to dismiss litigation out of hand and to complain that nothing good ever comes from a lawsuit.

Indeed, Tennessee's three-year legal battle to correct management abuses in the Maddox Foundation ended up providing a \$55-million endowment that otherwise wouldn't have existed to support charities. And the battle ultimately reformed a decades-old trust agreement and put in its place a structure to achieve best practices for nonprofit board members.

The story of the Maddox Foundation litigation — lawsuits in three states; a Mississippi judge who was removed from the case by the Mississippi Supreme Court; attempts by Mississippi authorities to thwart decisions made by a Tennessee judge; multiple trips to state appellate courts and federal trial courts; and an examination of the proceedings by the tax-writing Finance Committee of the U.S. Senate — is too rich to be detailed in a single article. But the facts provide an object lesson for nonprofit organizations, the boards and executives who operate them, and the governmental authorities who regulate them.

This unprecedented legal battle ended up providing a \$55-million endowment that otherwise wouldn't have existed to support charities.

The Background in a Nutshell

The Maddox Foundation was established in Nashville, Tennessee, as a private foundation by Dan Maddox, a self-made millionaire who accumulated a substantial fortune through hard work and keen business judgment. Over 30 years, Mr. Maddox and his second wife, Margaret, used the Foundation to support a variety of philanthropic activities, especially Belmont University and the YMCA. The Foundation's board changed several times and, by 1997, it consisted of Mr. and Mrs. Maddox, their step-granddaughter, Tommye Maddox Working, and Mr. Maddox's executive assistant, Robin Costa.

The trust agreement establishing the Foundation required that the number of trustees never be less than three. It also contained an awkwardly worded provision that allowed the Foundation to be operated in the form of a nonprofit corporation. These two clauses and the requirement that the Foundation be operated for tax-exempt charitable purposes provided the

Foundation's only governance structure — a feature that worked well enough so long as Mr. and Mrs. Maddox were alive. All of that tragically changed on January 14, 1998, in the pre-dawn fog on a Louisiana bayou when their boat was rammed by a barge.

The deaths of Mr. and Mrs. Maddox left Robin Costa and Tommye Working as the sole Foundation trustees and Robin as co-executor of the Maddoxes' estates. All of Dan Maddox's assets passed to his wife. Her will made some charitable bequests, and the remaining \$114,000,000 passed to the Maddox Foundation.

Robin Costa soon emerged as the more influential of the two trustees. Tommye admired Robin for her education — Robin was a lawyer — and business acumen. Tommye deferred to Robin on a number of crucial decisions, including whether they were required by the trust agreement to elect a third trustee; whether to reorganize the trust into a not-for-profit corporation; and whether to relocate the Foundation to a jurisdiction whose laws would allow for less than three directors.

By the summer of 2000, documents had been signed to relocate the Foundation from Tennessee to Mississippi and to transfer the Foundation's assets to a newly created Mississippi nonprofit corporation, the sole controlling director of which was Robin Costa. Although Tommye Working resigned

continued on page 24

as a trustee and was appointed a corporate director, her term was time-limited, and the corporation's by-laws placed all meaningful power in Robin Costa's hands.

The Foundation's operation over the next four years would later be characterized by an expert witness as "turning philanthropy on its head." During this period, more than 65% of the Foundation's expenditures was spent on something other than grants to charities. Among those expenses were more than \$300,000 for private airplane charters, over \$3 million in professional fees, \$1 million to purchase and renovate a Victorian mansion for the Foundation's headquarters, and most controversial of all, \$9.5 million to purchase and operate two minor-league professional sports teams — the River Kings, a Central Hockey Association franchise, and the Explorers, an indoor football team. While the Foundation was, according to its critics, misusing money in a way that placed its tax-exempt status in jeopardy, its president, Robin Costa, paid herself over \$3 million in multiple capacities — from the Foundation as its president and the Maddox Estates as co-executor.

Eventually, realizing that the Foundation wasn't being operated in accordance with her late-grandparents' wishes, Tommye Working decided to do something about it. Her efforts to engage the proper authorities in Mississippi proved fruitless so she met with Nashville's

District Attorney General, Victor S. "Torry" Johnson III. He filed a civil suit under a little-used Tennessee statute that empowers district attorneys to sue to correct abuses in charitable trusts and corporations. Tommye engaged the law firm of Waller Lansden Dortch & Davis to represent the State of Tennessee on behalf of the charities that were to benefit from the Maddox Foundation.

The Lawyers Enter the Story

My colleagues and I found the case every bit as complex as Attorney General Johnson anticipated. Thousands of pages of documents had to be reviewed, digested, and indexed for future use. Complex issues of federal law dealing with tax-exempt organizations had to be analyzed. Witnesses in 12 states had to be interviewed and deposed. Expert testimony on fiduciary standards of care and program-related investments had to be obtained. And a vigorous defense had to be parried. Tennessee, however, made steady progress.

The first of many issues was that of jurisdiction. How could Tennessee officials hold accountable the executive officer of a Mississippi nonprofit? The answer was both complex and sublime: The Maddoxes' estates were probated in Nashville, Robin Costa was a co-executor, and she remained subject to the Tennessee Probate Court's supervision. Moreover, when Robin signed documents to move the Foundation to Mississippi, she failed to comply with requirements set out in a Tennessee statute.

Throughout the lawsuit, the Foundation's lawyers objected to the Probate Court's jurisdictional power. The probate judge, however, ruled that the case was properly before him, and the Tennessee Court of Appeals ultimately affirmed this conclusion.

Fortunately, two months before the State filed its lawsuit against the Foundation, Tennessee had adopted the Uniform Trust Code (UTC). Designed to protect trust assets, the UTC (www.utcproject.org) has been enacted in 21 states. Because Tennessee was one of those states, we were armed with a broader array of legal remedies than would otherwise have been available. Among those remedies was the Court's power to appoint special fiduciaries and a new trustee.

Calling on this power, we persuaded the judge to appoint accountants to examine the Foundation's books and a fiduciary to serve as trustee to the trust. The trust was still in existence because, as the Probate Court and Court of Appeals ruled, attempts to move it to Mississippi and have it dissolved were legally defective.


Unprecedented Rulings and Reforms

The case (*State of Tennessee, et c. v. Maddox Foundation, et al.*) was settled when Robin Costa agreed to return \$55 million to the trust. The settlement was contingent on the IRS issuing a private letter ruling (PLR) that the settlement wasn't a "transfer" of assets between two private foundations. The IRS issued this unprecedented ruling, and \$55 million that might have been squandered came back to the trust as an endow-

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ment to benefit charities.

Next, the Attorney General amended the trust's governing document. The new trust agreement was designed to avoid the problems that plagued the Foundation. Among these reforms:

- a prohibition against changing the trust's principal place of administration
- an expanded board of trustees grouped in classes that serve staggered terms
- a requirement for an annual audit
- a requirement for standing committees for (1) investments, (2) compensation, and (3) the annual audit
- a prohibition against trustees giving grants to recipients with whom the trustee is affiliated
- a requirement for competitive selection of service providers
- annual public reporting requirements
- a prohibition against fundraising activity by trustees. (As it was Mr. and Mrs. Maddox's intention that the foundation exist as a permanent endowment that made grants to charities, and since some of the excesses engaged in by foundation management involved excessive spending on lavish parties masquerading as "fundraising," the new trust agreement was drafted to prohibit trustees in Tennessee from engaging in activities to solicit contributions. The trust is authorized to accept unsolicited and unrestricted contributions and bequests but cannot spend trust funds to host a gala ball.)

Justice At Last

When putting the final touches on his estate plan, Dan Maddox told his lawyer that he and Margaret wanted their fortune to be applied after their deaths to "help in Nashville's problems." It took three years of hotly contested litigation to do it, but in the end the civil justice system achieved the Maddoxes' goal.

The Foundation's operation would be characterized by an expert witness as "turning philanthropy on its head."

Lessons for Your Organization

Nonprofit executives and board members can draw beneficial lessons from the example of the Maddox Foundation litigation. Among those lessons:

If a governing document provides for certain procedures, the board should follow those procedures faithfully.

If a governing document fails to provide a governance structure, then the board should adopt one and adhere to it.

There are no good substitutes for transparency of operations and accountability of officers and board members.

The reforms the Attorney General made to the trust's governing document clearly signal best practices every nonprofit organization should follow. Be sure your board adheres to these tenets of good governance:

Form an audit committee of several board members. This committee should hire an outside firm to audit the organization's finances every year.

Set up board standing committees – committees that stay in place, in contrast to short-term committees that accomplish a special task and then disband. Standing committees serve a vital role by bringing plans to the board for their decisions and action.

Create a conflict-of-interest policy, ethics statement, whistleblower process (including a non-retaliation policy to assure that those who report problems won't face reprisal), document-retention policy, and other policies and procedures to assure good gover-

nance. Be certain the organization abides by all laws, regulations, and reporting requirements.

Review your organization's bylaws regularly, revise them if necessary, and have an attorney look them over to be sure they incorporate the latest legal prerequisites.

Conduct periodic self-assessments to be certain that all board members (and the board as a whole) are adhering to good practices. ■

Don't Let It Happen to You

Avoid lawsuits and intrusion by the IRS and other government officials by reading and taking to heart these *Nonprofit World* articles (available for download at www.snpo.org):

Can Standing Committees Contribute to High-Impact Governing? (Vol. 25, No. 6)

How to Assess & Improve Your Board's Performance (Vol. 24, No. 1)

Nonprofits without Audit Committees Risk Disaster (Vol. 22, No. 2)

Conflict of Interest in the Board Room (Vol. 17, No. 2)

10+ Self-Audit Tips for Nonprofit Accountability (Vol. 22, No. 4)

Got Bylaws? (Vol. 26, No. 4)

How to Find the Perfect Auditor (Vol. 22, No. 3)

33 Keys to a Trustworthy Organization (Vol. 26, No. 3)

The Ethics Audit: A Tool Whose Time Has Come (Vol. 13, No. 6)

Also see Learning Institute programs on-line: Board Governance (www.snpo.org/li).

Joseph Woodruff (joseph.woodruff@wallerlaw.com, 615-850-8485) is a partner at Waller Lansden. He has extensive trial and appellate experience as well as in mediation, arbitration, and other alternative forms of dispute resolution.

Reclaiming Workers' Lives

Many people don't want to wait till retirement to enjoy life; they want to be involved in the community and in their families while working. In *Putting Work In Its Place: A Quiet Revolution* (Cornell University Press, www.cornellpress.cornell.edu), Peter Merkins and Peter Whalley examine the lives of professionals who are exploring alternative approaches to work. These workers want to customize their work time, to go beyond a one-size-fits-all policy structured to the employer's needs.

Work is something that can — and should — be combined with other activities in a set of arrangements tailored to suit individual workers. People enjoy work more — and do better work — when they have some control over its scheduling.

The people in this 204-page paperback are chipping away at the “ideal worker norm” of intensive, extensive work. We can learn from them what it takes to make customized work time available to a broader range of people. Management of work time is a step toward fulfillment that can only benefit our communities and strengthen our society.

— reviewed by Terrence Fernsler

More Business Schools Highlight Social Issues

Since 2005, the proportion of business schools offering courses dedicated to social content has increased 20%, according to “Beyond Grey Pinstripes: Preparing MBAs for Social and Environmental Stewardship” (Aspen Institute Center for Business Education, www.aspen.cbe.org). Leading the way in integrating social perspectives into its curriculum is Stanford University, followed by the University of Michigan, Canada's York University, UC Berkeley, and Notre Dame. □

Good Idea Or Bad? Can You Tell the Difference?

Six of the following are practices of great nonprofit organizations, and six aren't, according to *Forces for Good: The Six Practices of High-Impact Nonprofits* (published by Jossey-Bass, www.josseybass.com). Mark each statement true if you think it's something you should be doing, or false if you don't think it's a good idea. (Check your answers below.)

- ___ 1. Treat processes, systems, and strategic plans as high priority.
- ___ 2. Advocate to change laws and access government resources.
- ___ 3. Build partnerships with the business sector, and develop earned-income ventures.
- ___ 4. Focus on marketing a strong brand.
- ___ 5. Constantly seek out creative new ideas.
- ___ 6. Spend time fine-tuning a mission statement.
- ___ 7. Recruit volunteers as evangelists for the organization's cause.
- ___ 8. Collaborate with like and unlike organizations.
- ___ 9. Change course quickly when the external environment changes.
- ___ 10. Expend very little money on overhead and put most funds into programs.
- ___ 11. Retain a large fundraising budget.
- ___ 12. Cultivate a strong second-in-command, and share leadership.

1. False. The book's authors (Leslie Crutchfield and Heather McLeod Grant), who studied organizations with the most impressive high-impact results in recent history, found that most of these nonprofits don't spend much time on planning and processes, considering them merely a means to an end. 2. True. The best nonprofits realize they must advocate if they're to have a wide impact. 3. True. Effective nonprofit leaders see entrepreneurship and corporate partnerships as ways to leverage change on a grand scale. 4. False. Some of these high-performing nonprofits hardly market at all. 5. False. Rather than searching for breakthrough ideas, most successful organizations take old ideas and tweak them till they achieve success. 6. False. Although all world-class nonprofits are guided by compelling missions, few spend time fine-tuning a mission statement on paper; they're too busy living it. 7. True. Exceptional organizations see volunteers, donors, and advisors not only in terms of time, money, and guidance but also for what they can do to spread the word about the group's mission. 8. True. All topnotch organizations freely share wealth, expertise, talent, and power, building networks and devoting remarkable time and energy to advancing their larger field. 9. True. These smart organizations are highly adaptive. They listen, learn, and modify their approach based on external cues. 10. False. Having a low overhead ratio tells you little about an organization's ability to create transformative change. 11. False. Budget size doesn't matter when it comes to making an impact. 12. True. These outstanding CEOs distribute leadership throughout their organization and their network, empowering others to lead.

We're not saying you should ignore the tactics we've called false. All great organizations follow these approaches to some degree. But rather than becoming mired in bureaucracy, they seek levers long enough to exponentially increase their impact by working with and through others. For more on nurturing these highly effective practices, see these *Nonprofit World* articles at www.snpo.org: “Collaboration and Leadership: Secrets of Success” (Vol. 24, No. 1), “It's All about the Connection” (Vol. 25, No. 5), “Idealism & Activism in Today's Nonprofit World” (Vol. 24, No. 3), “Nonprofits Must Take the Lead in Business Alliances” (Vol. 20, No. 2), “Why You Need to Be More Entrepreneurial & How to Get Started” (Vol. 19, No. 6), “Seconds-in-Command as Logical Heir Apparents” (Vol. 23, No. 2), “Shared Leadership: A New Model” (Vol. 14, No. 5), “Adapt to Change to Survive” (Vol. 24, No. 2). □

Nonprofits Needed for TV Reality Show

A new reality show, airing next spring, is looking for nonprofits to be featured. On each episode of the show, “America's Greatest Challenge: The Dream Team,” a charity gala will be held to raise funds for the featured nonprofit.

The show, developed by Charity Group founder Scott Talbot and Showtime executive Blayne Ross, aims to raise \$23 million in 23 weeks. Talbot is screening nonprofits now for the show and says organizations are welcome to contact him at 646-641-5739 or scotttalbot@mac.com. “America's Greatest Challenge aims to save the world — one fabulous party at a time,” he says. □

☑ Stress Busters

Use these ideas to decrease stress and keep your life in balance:

- **Set aside** at least 10 minutes every day for quiet thought and reflection.
- **Learn to delegate.** Consider hiring a high school or college kid to take care of routine tasks so you can spend time on what really matters to you.
- **Limit time** spent cruising the Internet. Set a timer, and when your time is up, quit. Check your e-mail only three times a day. And one day a week, don't turn on your computer for the entire day.
- **Spend time each day** doing some deep breathing and getting some energizing oxygen into your blood.
- **Take these five steps** when you're feeling stressed: Pause. Assess what's really going on. Determine what's in your control and under your realm of responsibility. Consider that there may be more than one way to do things. Tap your inner guidance system, and take conscious action.

—adapted from *Organic Style* (www.organicstyle.com), the Productivity Institute (www.balancetime.com), and Ivy Seazine (www.ivyseacom) ☑

☑ Best Practices for Peer-to-Peer Fundraising

Peer-to-peer fundraising takes the burden off your organization by giving your donors an easy way to ask their friends to support your cause. With peer-to-peer software, donors can create their own fundraising Web pages in minutes with no technical skill required. The nonprofit software provider Advanced Solutions International (www.advsol.com) offers these best practices for effective peer-to-peer fundraising:

1. **Integrate peer-to-peer fundraising into your current strategies.** Inventory your communications tactics (e-mail, physical mailings, Web site, etc.) and pinpoint the key messages. Through peer-to-peer campaigns, you maintain the core messaging but let your donors personalize it for their own networking and recruitment efforts.
2. **Introduce online events to the list of ways a donor can help.** Peer-to-peer events eliminate the need to physically go to an event, letting people from across the globe participate, right from their computers.
3. **Identify campaign “champions” and give them the tools to expand the donor network.** Show your top supporters how to use peer-to-peer tools to create their own personalized campaign Web sites.
4. **Understand, motivate, and thank your donors.** In peer-to-peer fundraising, it's easy to keep people involved by sending them personalized, automated e-mails that provide fundraising tips, solicitation reminders, encouragement, and your gratitude.
5. **Create friendly competition, and build individual and team incentives into your campaigns.** Offer prizes to the top fundraisers and top teams. Use leader boards to show campaign champions how their efforts stack up against fellow champions. ☑

☑ Report Profiles Wealthy Donors

A new report details behaviors and motives of the wealthiest 3.1% of donors (those with a net worth over \$1 million or income over \$200,000 a year). A detailed follow-up of a 2006 study, it describes the giving practices of 12 types of wealthy donors, including:

- **Very wealthy donors**, those with a net worth of \$50 million or more, are much less likely than other wealthy donors to cite the belief that “people with more money should help those with less” as a reason for giving. Like all wealthy donors, they would be more generous if organizations spent more on helping constituents and less on administrative and fundraising costs. “Meeting critical needs” is their greatest motivation for giving.
- **Bequeathers**, those with provisions in their will to leave 25% or more to charity, are more likely than other wealthy donors to seek advice about charitable giving from accountants, financial advisors, and attorneys. “Giving back to society” is their most important motivator.
- **Entrepreneurs**, who have 50% or more of their net worth in entrepreneurial assets, give because: (1) it allows them to bring about a desired impact, (2) it sets a good example for children and others, (3) it helps nonprofits provide services that government can't, (4) it's expected in their social network, and (5) it makes good business sense.
- **High frequency volunteers**, high-net-worth donors who volunteer more than 200 hours a year, would give more to charity if they could decide the impact of their gifts and if they could use their skills in nonprofits. They're far more likely than other wealthy donors to participate in charitable campaigns and to create donor-advised funds.

Nonprofits can leverage these findings to decide how best to approach wealthy donors based on their likely traits. Developed in partnership with the Center on Philanthropy at Indiana University, Bank of America's “Study of High Net-Worth Philanthropy: Portrait of Donors” is available at www.bankofamerica.com or www.philanthropy.iupui.edu. ☑



Using Evaluation to Improve Your Services

Three guidebooks help you answer the question, “Is this program making a difference?”

By Terrence Fernsler

The Manager’s Guide to Program Evaluation: Planning, Contracting, and Managing for Useful Results

By Paul W. Mattesich, 102 pages. Softcover. Fieldstone Alliance (www.fieldstonealliance.org). Available for a discount at www.snpo.org.

Evaluation is a formal, common-sense approach to making decisions. In this handy book, Paul Mattesich explores ways you can use evaluation in a process of ongoing improvement.

Taking the manager’s perspective, Mattesich gives an overview of data-gathering and statistical analyses. Never overwhelming you with details, he provides just enough information for you to

The important point is to see whether a program truly makes a difference.

oversee evaluation projects and know what to expect in each phase. He shows how evaluation can help you learn about your successes, share information with key audiences, document client needs, garner support, and deepen understanding of your organization’s work.

Different research methods suit different organizations, even different projects within the same organization. The important point is to see whether a program truly makes a difference, and this book will help illuminate the answer for you. ■

The Sage Handbook of Evaluation

Edited by Ian F. Shaw, Jennifer C. Greene, and Melvin M. Mark. 630 pages. Hardcover. Thousand Oaks, CA: Sage Publications, www.sagepublications.com.

In this all-encompassing handbook, various authors discuss the evaluation of people-related programs, policies, and practices. In 25 comprehensive chapters, they examine evaluation within such fields as education, health services, social work, human services, criminal justice, and humanitarian aid. They explore ways to use evaluation for organizational learning as well as how to manage evaluations and communicate results.

Evaluation should look not only at what works, but how. It can be instrumental in making decisions and holding organizations and people within those organizations accountable.

It’s hard to overstate the importance of evaluation. As the practice improves, evaluation will increase in value, and we must understand the practice and trends within it to use evaluation most effectively. The most useful evaluations will be both quantitative and qualitative. This handbook thoroughly covers all aspects of evaluation, yet it isn’t too technical to understand. It offers everything an organization needs to know to get the most out of evaluation. ■

Analyzing Outcome Information: Getting the Most from Data

By Henry P. Hatry, Jack Cowan, and Michael Hendricks. 48 pages. Softcover. Washington, D.C.: Urban Institute. Also available electronically at www.urban.org.

This guide explains how nonprofits can become more efficient by collecting and analyzing raw data to measure program outcomes. It focuses on basic analysis activities, the kind that nearly all organizations, large or small, can do themselves.

Part of a series on outcome measurement for nonprofits, the booklet begins with basics: reviewing outcomes for all clients, comparison over time, comparisons with goals, and comparisons with similar programs. It examines the pitfalls of using these comparisons, such as data gathered in different time frames (often a problem when comparing state or national data) or dissimilar definitions of indicators.

The guidebook describes how to break data into more detail by groups of clients or by service characteristics. This can reveal whether various demographic groups are obtaining different outcomes, or whether differing methods of providing services cause disparate results. Such analyses can be a great help in making programmatic decisions.

The Urban Institute, which prepared this primer, produces dozens of outcome analyses monthly. Sharing lessons from that experience is invaluable in helping nonprofits analyze data inexpensively yet effectively. ■

Terrence Fernsler is the executive director of the Washington Wilderness Coalition in Seattle.



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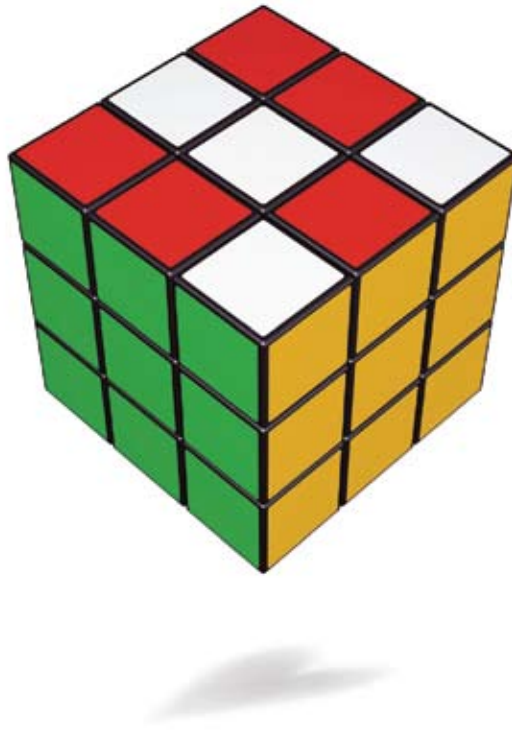
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