Midlands Institute for Non-Profit Management  
July 11-15, 1994  
Room 125

## Agenda

### Monday, July 11

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speaker(s)</th>
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<tbody>
<tr>
<td>8:30 - 9:00 a.m.</td>
<td>Welcome</td>
<td>Dean Wes Wolfe</td>
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<td>Suzanne Allegretti, M.C.</td>
<td>Dean Dave Hinton</td>
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<tr>
<td>9:00 - 10:00 a.m.</td>
<td>Strategic Planning</td>
<td>Ray Clark</td>
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<tr>
<td>10:00 - 10:30 a.m.</td>
<td>Break</td>
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<tr>
<td>10:30 - 12:00 noon</td>
<td>Strategic Planning</td>
<td>Ray Clark</td>
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<tr>
<td>12:00 - 1:00 p.m.</td>
<td>Lunch</td>
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<tr>
<td>1:00 - 2:30 p.m.</td>
<td>Marketing</td>
<td>Cyndy Andrews</td>
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<tr>
<td>2:30 - 3:00 p.m.</td>
<td>Break</td>
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<tr>
<td>3:30 - 4:00 p.m.</td>
<td>Marketing</td>
<td>Cyndy Andrews</td>
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<tr>
<td>4:00 -</td>
<td>Reception, Chamber of Commerce</td>
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### Tuesday, July 12

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<tr>
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<td>Lunch</td>
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<tr>
<td>1:00 - 2:30 p.m.</td>
<td>Public Relations</td>
<td>Jim Nolan</td>
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<tr>
<td>2:30 - 3:00 p.m.</td>
<td>Break</td>
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<tr>
<td>3:00 - 4:30 p.m.</td>
<td>Public Relations</td>
<td>Jim Nolan</td>
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### Wednesday, July 13

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<tr>
<th>Time</th>
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<tr>
<td>8:30 - 10:00 a.m.</td>
<td>Marketing &amp; Public Relations: A Case Study</td>
<td>Cyndy Andrews and Jim Nolan</td>
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<tr>
<td>10:00 - 10:30 a.m.</td>
<td>Break</td>
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<tr>
<td>10:30 - 12:00 noon</td>
<td>Fundraising Overview</td>
<td>Troy Horine</td>
</tr>
<tr>
<td>12:00 - 1:00 p.m.</td>
<td>Lunch</td>
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<tr>
<td>1:00 - 2:30 p.m.</td>
<td>Annual Giving</td>
<td>Troy Horine</td>
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<tr>
<td>2:30 - 3:00 p.m.</td>
<td>Break</td>
<td>Troy Horine</td>
</tr>
<tr>
<td>3:00 - 4:30 p.m.</td>
<td>Capital Giving</td>
<td>Troy Horine</td>
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</table>
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Midlands Institute for Non-Profit Management

The major series listed below will be used as a guide for developing a program of instruction for public non-profit and private non-profit organizations including: human and community service agencies, religious institutions, arts, health and medical, education, government, associations and other institutions.

Year One:

I. STRATEGIC MANAGEMENT AND ADMINISTRATION SERIES

1. Overview of Philanthropy and the Non-Profit Sector

2. General Management and Administration of Non-Profits Organizations
   - Types of Boards/Board Structure/Selection/Orientation/Training
   - Working with the Board of Directors/Board Evaluation
   - Managing the Non-Profit Organization
   - Program Planning and Evaluation
   - Organization Development/Behavior/Change
   - Management of Information Technology
   - Membership
   - Working With Consultants
   - Community Needs Assessments
   - Negotiation/Mediation
   - Risk Management
   - Literature and Publications
   - Legal and Ethical Aspects of Non-Profits
     - Exempt Organizations
     - State and Federal Reporting/Annual Tax Return
     - Lobbying
     - Public Accountability
     - Charitable Gambling and Non-Profits
     - Codes of Conduct and Ethics

3. Strategic Planning for Non-Profits
   - Mission
   - Values
   - Environments
   - Strengths and Weaknesses
   - Goals and Objectives
   - Action Planning
   - Implementation Issues
STRATEGIC PLANNING
PRESENTATION

I. Welcome and Introductions
   A. Individual Introductions
   B. Warm-up Exercise (one)
      1. Dots
      2. Squares

II. Introduction to Strategic Planning
   A. The purpose of strategic planning is to help key decision makers figure out what
      the role of the enterprise ought to be, what it should do and how it should allocate
      limited resources.
   B. Strategic planning is a disciplined effort to produce fundamental decisions shaping
      the nature and direction of activities within constitutional and legal bounds.
      1. Its emphasis is on action.
      2. It considers a broad and diverse set of stakeholders.
      3. It considers eternal threats and opportunities as well as internal strengths
         and weaknesses.
   C. Strategic planning typically focuses on an organization and what it should do to
      improve its performance.
   D. Strategic planning must involve the key decision makers.
   E. Strategic planning constantly asks the questions: What business should we be in?
      Why should we exist?

III. Reasons for Strategic Planning
   A. Clarify Direction
   B. To Survive, Even Flourish, With Less
   C. Solves Organizational Problems
   D. Improves Performance
   E. Build Teamwork and Expertise
IV. Doing the Strategic Planning Process (handouts)
   A. Mission
   B. Strengths and Weaknesses
   C. Environments
      1. Facts
      2. Assumptions
   D. Key Issues
   E. Goals
   F. Objectives
   G. Action Plans
      1. What
      2. How
      3. Who
      4. When
Because of the unique challenges faced by the non-profit sector there is a need for academic institutions to focus on non-profit management and to view the non-profit sector as an emerging field of study. The professional growth, development and education of this sector’s human resource will play a critical role in the future. Hence, the non-profit sector’s access to education programs and resources has never been more important.

Further evidence that academic institutions need to focus on non-profit management can best be illustrated by the following:

- In 1978, there were approximately 500,000 non-profit organizations in the United States.
- In 1986, the Independent Sector, a national organization representing non-profit organizations, estimated there were approximately 1,234,000 non-profit organizations in the United States.
- There are approximately 6,000 non-profits in Nebraska when one includes associations.
- The yearly budget of the American non-profit sector exceeds the budgets of all but seven nations in the world.
- Non-profits employ more civilians than the federal government and the fifty state governments combined.
- Non-profits employed 7.7 million workers in 1986, about seven percent of the total workforce.
- While business and government each employ far more workers, third sector employment has grown twice as fast as employment in the other two sectors.
- Employment opportunities in the non-profit sector will continue to increase at a rapid pace.
- Non-profit organizations are experiencing increased competition from the private sector for employees.
- Increasingly, those who provide financial support to the non-profit sector are demanding greater accountability.
- Units of government are contracting more and more with non-profit organizations and agencies to provide services, hence, creating a mutual dependence between the public and private non-profit sector.
- Non-profit organizations may have to limit their services, thus, increasing the need for more competent management.
- It is estimated that 8 to 10 trillion dollars will pass from older to younger person (baby boomers) over the next 20 years in the United States. The estimate for Nebraska is 60 to 70 billion dollars and for the Omaha metro area 30 to 50 billion dollars.
- It is estimated that 5,000 individuals in the Omaha metro area are worth 1 million dollars or more.
- Ultimately, charitable organizations will be recipients of a significant part of this wealth.
GROUP INTRODUCTION

"GETTING BETTER ACQUAINTED"

Instructions: Complete the following sentences in your own words. (It's OK to "pass" on any item.)

1. I grew up in . . .

2. As a teenager, I remember myself as . . .

3. In my leisure time I enjoy . . .

4. I don't talk about them much, but I'm told some of my strong points are . . .

5. One thing I'm trying to work on which I believe will increase my interpersonal effectiveness is . . .

6. One of the biggest disappointments I've had to deal with is . . .

7. When I'm feeling stressed, if I watch myself I can avoid a tendency to . . .

8. I particularly appreciate the following qualities in co-workers: . . .

9. It frankly disturbs me when associates at work . . .

10. If I had the money I would . . .
UN OBJECTIONABLE OBJECTIVES: A REFRESHER COURSE

What is an objective?
An objective is a statement of the results that a program expects to achieve in relation to the problem or issue it is attempting to address.

It should be:
- **measurable** -- how can we tell if the group met its objective?
- **specific** -- who will be served and how will they benefit?
- **realistic** -- what can be done about the problem issue?
- **time-limited** -- by when will the objective be accomplished?

There are two types of objectives funding organizations want to see in most grant writeups:

1. **Outcome Objectives** -- these deal with the direct results of the project’s program or services. Some examples:

   
   - “... to decrease absenteeism by ten percent in the target population of 150 students during 1980-81”
   - “... to detect fifteen cases of venereal disease among Bolinas residents during May-July 1981”
   - “... to have 65 percent of all workshop participants submit an evaluation stating that their proposal-writing skills had improved because of the session”

2. **Process Objectives** -- these deal with the group’s internal structure. They have a lot to do with an organization’s ability to sustain itself, but a less direct impact on the target population. Some examples:

   
   - “... to increase diversity in the board of directors so that the membership is two-thirds ethnic minority”
   - “... to implement a time management system that increases staff productivity by ten percent in 1981”
   - “... to increase the number of season subscribers by twenty percent in 1980-81”

Process objectives alone are almost never acceptable in a grant agreement. The only exceptions to this rule are:

- Art organizations where there is a specific policy of making grants specifically to strengthen the organization;
- Technical assistance grants; and
- Grants for studies, where outcome objectives would skew the study.
COMMON MISTAKES IN FORMULATING OBJECTIVES

1. *Confusing Outcome and Process Objectives* -- See the discussion above. Remember, process objectives alone are not enough in most cases.

2. *Confusing Goals and Objectives* -- A goal is a general mission statement for a project. It's purposely lofty and non-specific. Some examples:

   "... to improve health and safe conditions for Omaha area workers"
   "... to enhance self-esteem among adolescents"
   "... to provide high quality artistic experience for Marin youth"

   Statements like these are great for defining grant purpose. But as grant objectives they make evaluation difficult because they are hard to assess or measure.

3. *Confusing Methods and Objectives* -- Methods are things that projects do to meet their objectives. It is easy to confuse them with objectives because they sound so concrete and measurable, but they are not ends or outcomes in themselves, so they are hard to measure. Some examples:

   "... to conduct ten workshops during 1981"
   "... to provide social work services to fifty people"

   These are good and worthwhile, but they do not tell us anything about addressing the need which the project was established to meet.

SOME QUESTIONS TO HELP GROUPS FORMULATE OBJECTIVES

What would success be for this project?
What do you expect to accomplish during the next six months (year)?
What should a foundation evaluator or monitor look for to determine whether this grant was a success?

A game to play when you are writing proposals and are no longer sure the one in front of you makes sense.

Draw a chart like this, and list components from the proposal in each category.

<table>
<thead>
<tr>
<th>PROBLEM</th>
<th>OBJECTIVE</th>
<th>METHODS</th>
<th>HOW WILL DATA BE GATHERED</th>
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Is there an objective for each identified problem?

Has the group specified methods for carrying out each objective?
Strategic Planning

Definition of Terms Used

Mission/Purpose:

A short two to three sentence summary statement defining the purpose, focus and/or reason for existence of the organization or work group. This statement will constitute the basis for further steps to follow, as well as a reference point.

Strengths and Weaknesses (Present, Now, Today):

1. A look at one’s self

2. Honesty of vision seen

3. General statements of the overall assets and liabilities of the organization

4. For staff use only
Environments:

1. The environments, atmosphere or arenas in which we work

2. The things around us that affect our business, i.e., units of Government, Legislature, board, stakeholders, competitors, budget, client population, local economy

3. Our publics

4. Any organization or enterprise that may be placing demands or constraints on our organization or on which we might be dependent.

Facts (Today, Now)

1. What we know about the environments, arenas

2. Present condition or relationship

3. Demonstrable truths that can be supported by data

Assumptions (Future, Tomorrow)

1. What assumptions or educated guestimates can we forecast about the environments or arenas

2. Establishes an estimate of the future condition of each environment insofar as the collective wisdom of the group is able to predict
Key or Critical Issues:

1. What issues, opportunities or threats must be addressed immediately that will have a profound impact on the enterprise in six months, one year, two years

2. Derived from our strengths, weaknesses and an analysis of the environments

3. What will happen if not addressed?

Goal:

A key end result/desired condition over time, for which a work group expects to be held accountable or responsible.

1. Must support mission statement

2. Must be results not activities/tasks

3. Where possible exclusive to this group

4. Must build on strengths, overcome weaknesses, exploit opportunities and blunt threats

Example: Decrease the overall operating budget of the organization by five percent over the next year.
Objective:

A specific, measurable pay off oriented performance target deemed feasible by a work group.

1. Measurable

2. Realistic, practical, feasible

3. Control by work group

4. Cost effective

5. Mutual ownership

6. Challenging

7. Specific time frame

Example:

1. By April 1, 1995 ask each department head, supervisor and/or employee to suggest how his/her budget could be reduced by five percent.

2. By April 1, 1995 review all purchasing procedures, including products and items purchased to determine if a more cost effective procedure could be initiated.
Action Plans:

1. What are we going to do? (Objective)

2. How will we do it (activities/tasks):

3. Who will be involved/accountable?

4. By what date will we start the task and/or complete it?

Activity/Tasks:

A means, method, or process employed to accomplish something.

1. Follow up with appropriate departments

2. Operational support

3. Management and administration

4. Organizational and community maintenance

5. Busy work

6. Personal

7. Social
STEPS IN STRATEGIC PLANNING

1. Agreeing on the strategic planning process

2. Identifying organizational mandates
   - STATE, COUNTY, LOCAL, ETC.

3. Clarifying organizational mission and values

4. Assessing the external environment
   - Threats and opportunities

5. Assessing the internal environment
   - Strengths and weaknesses

6. Identifying strategic or key issues

7. Formulating action plans/strategies

Action Plans/Strategies: A pattern of purposes, programs, actions, decisions, resource allocations.

What:
How:
Who:
When:
STRATEGIC PLANNING AND GOAL-SETTING

TYPICAL AGENDA

1. MISSION STATEMENT

This phase consists of the management group developing a two to three sentence summary statement defining the mission and purpose of the organization. This statement in turn will constitute the basis for further steps to follow, as well as a reference point.

2. STRENGTHS AND WEAKNESSES

The facilitator now leads the management group through a listing of current strengths and weaknesses perceived as being associated with the accomplishment of the mission as defined above. These are intended to be general statements of overall assets and liabilities as regards both resources, constraints, and applications as they impact upon mission accomplishment.

3. ENVIRONMENTAL ARENAS

With the above data as stimuli, the facilitator now assists the group in the brainstorming of a list of key operational factors and environmental arenas within which the organization must operate, which have significant impact upon operations, and to which the organization must remain sensitive if it is to succeed in its mission. This list may then be pared down to a manageable number of key arenas/factors, usually no more than six to eight, around which appropriate plans need be laid to insure viability into the foreseeable future. Examples might include board, units of government, budget, client population, community relations, local economy, competition, etc.

4. FACTS AND ASSUMPTIONS

The group now attacks each of the key arenas/factors identified in step 3 in turn, listing first, the known and demonstrable facts about each item. That is, a list of facts which, if necessary, the group collectively agrees could be supported with empirical data and which, in effect, represents the present condition insofar as is known by the group. The group then lists a set of assumptions it feels might be forecast around each arena/factor, admitting that said forecast is based on the 'educated guestimates' of the group. This establishes an estimate of the future condition of each item insofar as their collective wisdom permits the group to predict.
5. GOALS

Using the above data as a base, the facilitator now helps the group identify several goals which seem apparent to them as appropriate to both the mission of the organization, its strengths and weaknesses, and the group’s current and future assessment of key related factors. These goals should be limited to a manageable number of high priority targets stated in terms specific enough to be translated into action plans around related objectives to be developed below. The goals should be developed to build on strengths, overcome weaknesses, exploit opportunities and blunt threats.

6. OBJECTIVES

These are subsets of the goals identified above. That is, whereas some goals may be simple enough to warrant one direct plan of action others may be more complex and require several sub-objectives be met before the goal can be achieved.

7. ACTION PLANNING

A written plan of action is now developed by the group with the help of the facilitator. To ensure follow-through and success each written action plan is developed around the objective identified in the foregoing step, with the objective constituting “What” is to be accomplished. The plan then details: “How” the objective will be met; “Who” will coordinate and be primarily responsible for follow-up and with whom he/she will work; and by “When” can the objective be reached, or specifically-identified milestones in pursuit of its accomplishment. Depending upon the time available for this phase, assignments and dates may need to be set for a detailed plan of action to be developed in a separate session for consideration by the group. At a minimum the groups needs to develop a skeletal outline specific enough for further work. Arrangements should be confirmed for a copy of both the Action Plan and whatever back-up data is deemed useful from phases one through six above to be distributed to all members of the group.

8. REVIEW SESSION

Before adjournment the group now selects a future date at which time it plans to reconvene to review progress-to-date on each objective around which an action plan was developed. This should not be done so far out in time as to preclude mid-course correction as required by circumstances as yet unforeseen; nor so soon in time as to not allow sufficient time for follow-through. The agenda for this session is a detailed review of progress-to-date on each objective agreed to, plus the development of further plans or modifications of the originals as dictated by experience and circumstance.
Organizational Planning and Goal Setting

I. Purpose/Mission

| Present, Now, Today |

II. Strengths and Weaknesses

III. Environments

   A. Facts

   B. Assumptions

   | Future, Long Term, Short Term |

IV. Goals/Objectives

V. Action Plans

   A. What

   B. How

   C. Who

   D. When

| Implementation |
Strategic Planning

Objectives
- To identify both current and potential future strengths and weaknesses in relation to mission accomplishment of the organizational unit.
- To identify environmental factors and areas which currently impact organizational effectiveness, forecasting their probable future effect.
- To generate specific strategies, plans, goals, and objectives to which the organizational unit is committed, aimed at effectively addressing present and forecasted environmental factors.

Process

Mission Statement Development
Management group develops mission statement defining the mission and purpose of the organization.

Strengths and Weaknesses Identification
Management group assisted by facilitator lists current strengths and weaknesses in accomplishment of the mission. These are listed in the form of general statements of assets and liabilities.

Environmental Arenas and Operational Factors Identification
Group brainstorm a list of key operational factors and environmental arenas within which the organization must operate.

Facts and Assumptions Generation
Group addresses each key arena and factor identified listing 1) known and demonstrable facts, and 2) assumptions they forecast based on the “educated guestimates” of the group.

Goal Setting
Group identifies a manageable number of high priority goals to direct the organization in effectively accomplishing its mission.

Identification of Objectives
Where necessary, goals are divided into more concrete objectives to facilitate their achievement.
Action Planning
Group develops action plans for each objective. They are specific as to what is to be done, how it is to be done, who is to do it, and when it is to be completed.

Scheduling of Review Session
Before adjourning, group selects a date to reconvene and review the progress to date on each objective.

Rationale
- A clear understanding and acceptance of the organization’s mission enables the management group to direct and focus the energies of the organization in areas that are most critical and productive in achieving success.
- Members of the management group are generally aware of the organization’s strengths as well as its key weaknesses. The ability to understand and address these weaknesses also resides in the management group.
- Allows organization to build on strengths, overcome weaknesses, exploit opportunities and blunt threats.
- Examination of the interrelationships between all of the environmental arenas and operational factors affecting the organization leads to the development of appropriate change plans and strategies that increase organizational effectiveness and viability.
- Separating “facts” from “assumptions” reduces time wasting digressions during the planning process.
- Participation in the planning process by people possessing relevant information increases the likelihood that the plans will be meaningful (address pertinent issues) and achievable.
- Participation in the development of medium and long range strategies and plans increases individual ownership and commitment to achieve them.

Size
- All members of an immediate work group.
- As many members as possible of peer groups.
- Appointed or elected members representing each key group or level in an organization.

Length
- 1½ to 2 days depending on the size of the group.
STRATEGIC AND LONG RANGE PLANNING

1. **Mission/Purpose** -- "What do you intend to do?". Defining the best future for your organization and making choices about the mission or purpose you will pursue. What programs, services, or products will you offer, what do you intend to accomplish and "finding the right fit".

2. **Strengths and Weaknesses** -- "Situational Analysis". Looking at the forces inside your present enterprise and defining what you are capable of doing and the resources available. This allows you to make plans that will utilize your strengths and eliminate or avoid your weaknesses.

3. **Environments** -- A thorough analysis of the facts and assumptions regarding internal and external environmental factors that make demands on the organization or on which the organization depends. Looking at the needs of customers, users and stakeholders while analyzing your competitors and allies and examining the social, economic, political and technological forces.

4. **Critical Issues** -- From the above data define the most critical issues and opportunities the enterprise faces -- issues or opportunities that will determine your future success or failure. Examples are "How will you cope with cuts in your largest source of funding?" or "How will we modify our service or product to meet the needs of a new target group?"

5. **Goals** -- From the critical issues and using the data generated earlier, begin to write a manageable number of major goals (6-8). Goals are key end results for which an individual or work group will be held accountable over a period of time.

6. **Objectives** -- Once the major goals are identified, the enterprise must write a specific objective or set of objectives for each goal to ensure the goals are met. Objectives must be clearly stated and be task oriented. In addition, they must support the goal, be realistic, be measurable, have a specific time frame and be controllable by the work group.

7. **Action Plans** -- Action plans are developed for each stated objective. Action plans include: What are we going to do? How will we do it? Who will be accountable? and What date will we start the task and/or complete it?
WORKSHEET

IMAGE GOALS

Directions:

1. Answer the questions either as an individual or as a group
2. You may want to use idea-generating techniques, such as brainstorming, visualization and timed writings to help set goals.

1. How are you currently seen by your target audiences most important to you?
   a. People you serve
   b. Others in the community

2. Are you satisfied with this image?
   A.

3. How would you like it to change?
   A.

B. Others in the community
   B.

4. How do you want your image to change and with whom? Write your image goal here:
ACTION GOALS

1. What are the best results you want? By when?

   Goal:  
   
   By when:

   Goal:  
   
   By when:

   Goal:  
   
   By when:
ACTION GOALS, continued

2. What outside factors might help or hinder your ability to achieve this ideal?

GOAL 1:
Outside factors working FOR you?
1.  
2.  
3.  

Outside factors working AGAINST you?
1.  
2.  
3.  

GOAL 2:
Outside factors working FOR you?
1.  
2.  
3.  

Outside factors working AGAINST you?
1.  
2.  
3.  

GOAL 3:
Outside factors working FOR you?
1.  
2.  

Outside factors working AGAINST you?
1.  
2.
ACTION GOALS, continued

3. How will realities of budget, staff/volunteer time and other capabilities affect your effort to achieve these results?

4. What are your realistic, attainable action goals? By when?

Goal: By when:

Goal: By when:

Goal: By when:
POSITIONING YOUR ORGANIZATION

1. Write your current mission statement:

2. What changes, if any, would you make to your mission statement:

3. List the most critical ongoing or emerging community needs you’ll address: (You might need to ask or survey your target audiences for additional information.)

4. Identify ideas that might help meet these needs:
POSITIONING YOUR ORGANIZATION, continued

1. Who are your competitors?

2. What are you competing for?

3. How do your strengths compare with theirs?

4. List potential partners and how you might team up with them.
1. To create a positioning statement, complete these phrases in as many as ways as you can identify. After completing this exercise, circle the phrases that most strongly convey who you are and what unique role you want to fulfill.

A. We're the people who ...

B. We provide ...

C. We want to be seen as ...

Based on the circled phrases, write your draft statement. Remember to be concise, use everyday language and conveys a sense of action.
TESTING YOUR POSITIONING STATEMENT

1. List at least three potential sources of support with whom you will test your positioning statement. You can ask members of various target audiences: donors, clients, volunteers, etc.

2. Ask these people or groups these questions:

   A. Based on your knowledge of our organization and this community, do you agree this is how we should be positioned?

   B. Why or why not?

   C. How might we modify our ideas to improve them?

Write your revised positioning statement:
<p>| TARGET AUDIENCE | NEEDS | YOUR PRODUCT/SERVICE |</p>
<table>
<thead>
<tr>
<th>PRODUCT/SERVICE</th>
<th>PLACE</th>
<th>BARRIERS</th>
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</table>
## TARGET MARKET IDENTIFICATION

<table>
<thead>
<tr>
<th>ORG. SERVICES/PRODUCTS</th>
<th>TARGET MARKET A</th>
<th>BENEFITS</th>
<th>TARGET MARKET B</th>
<th>BENEFITS</th>
<th>TARGET MARKET C</th>
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<td>PRODUCT/SERVICE</td>
<td>PRICE (dollars/cents or something else)</td>
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<tr>
<td>PRODUCT/SERVICE</td>
<td>CAN YOU MEET DEMAND</td>
<td>WHAT IF DEMAND INCREASES OR DECREASES</td>
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PROMOTIONAL CAMPAIGN

1. Check the techniques that you would like to combine in a promotional campaign.

Annual reports
Billboards
Brochures
Celebrity endorsements
Direct Mail
Direct Sales
Editorials
Feature Stores
Letters to the editors
Networking
News Conferences
Newspaper advertising
News releases
Newsletters
Posters
Public Speaking
Publishing article and reports
Radio advertising
Radio PSAs
Special events
Specialty advertising
Talk shows
Telemarketing
Television ads
Television PSAs
Trade shows
Videos
Word of mouth
PROMOTIONAL CAMPAIGN

Message Creation

1. Write a list of colorful and descriptive words or phrases that best describe your product or services.

2. Identify the top three benefits of your product or service.

3. What specific action do you want people to take as a result of your message?
### IMAGE GOAL SETTING WORKSHEET

<table>
<thead>
<tr>
<th>How are you currently seen by your target audiences?</th>
<th>Are you satisfied with this image?</th>
<th>How would you like it to change?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Publics you serve?</td>
<td>Publics you serve?</td>
<td>Publics you serve?</td>
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<tr>
<td>Others in the community?</td>
<td>Others in the community?</td>
<td>Others in the community?</td>
</tr>
</tbody>
</table>

**How do you want your image to change and with whom?**

**Write your image goal here:**

---

**Note:** The table and text suggest a structured approach to setting image goals, considering perspectives from different publics and considering changes desired.
<table>
<thead>
<tr>
<th>What are the best results you want?</th>
<th>What outside factors work FOR you?</th>
<th>What outside factors work AGAINST you?</th>
<th>Goal achieved by when?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action goal:</td>
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<td>Action goal:</td>
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<tr>
<td><strong>WRITING A POSITIONING STATEMENT WORKSHEET</strong></td>
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<tr>
<td>To create a positioning statement, answer these phrases in as</td>
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<td>many ways as you can identify. Then circle the ones that most</td>
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<td>convey who you are and what unique role you want to fulfill.</td>
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<td><strong>We're the people who</strong></td>
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<td><strong>We want to be seen as</strong></td>
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<tr>
<td>**Based on the circled phrases, write your statement. You may</td>
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<tr>
<td>want to have others evaluate your statement after you write it</td>
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<td>to make sure your on target.</td>
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</table>
RESEARCH NEEDS WORKSHEET

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
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</thead>
<tbody>
<tr>
<td>What's the marketing question to be answered?</td>
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<tr>
<td>Identify secondary research that can be used to help answer question.</td>
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<tr>
<td>What type of survey method will be effective? Why?</td>
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<td>Define your random sample.</td>
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<tr>
<td>How will the results be gathered and accumulated?</td>
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<td>How will the results be reported?</td>
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<tr>
<td>How will the results be used?</td>
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</table>
## ANALYZING YOUR COMPETITION

<table>
<thead>
<tr>
<th>Question</th>
<th>Comparison</th>
</tr>
</thead>
<tbody>
<tr>
<td>Who is your competition?</td>
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<tr>
<td>What publics do they attract?</td>
<td>How does this compare to you?</td>
</tr>
<tr>
<td>What products/services do they offer these publics?</td>
<td>How does this compare?</td>
</tr>
<tr>
<td>What are the strengths of their products/services?</td>
<td>What are their weaknesses?</td>
</tr>
<tr>
<td>When are they offered?</td>
<td>Where are they offered?</td>
</tr>
<tr>
<td>How does the competition promote these offerings?</td>
<td>How does this compare?</td>
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<tr>
<td>TARGET AUDIENCE</td>
<td>NEEDS</td>
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</table>
PUBLIC/TARGET AUDIENCE PROFILE WORKSHEET

Circle the appropriate answer for each selected target audience:

<table>
<thead>
<tr>
<th>AGE</th>
<th>SEX</th>
<th>INCOME</th>
<th>FAMILY SIZE</th>
<th>EDUCATION</th>
<th>JOB</th>
<th>SOCIAL CLASS</th>
<th>RELIGION</th>
<th>RACE</th>
<th>LOCATION BY ZIP CODE/AREA</th>
<th>NOTES:</th>
<th>NOTES:</th>
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<tbody>
<tr>
<td>10 - 18</td>
<td>Male</td>
<td>$&lt;10,000</td>
<td>one</td>
<td>grade school or less</td>
<td>lower-lower</td>
<td>Catholic</td>
<td>White</td>
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<td>18 - 34</td>
<td>Female</td>
<td>$10,000 - $19,999</td>
<td>two</td>
<td>some high school</td>
<td>middle-lower</td>
<td>Protestant</td>
<td>Black</td>
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<td>35 - 49</td>
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<td>$20,000 - $29,999</td>
<td>three</td>
<td>high school graduate</td>
<td>upper-lower</td>
<td>Jewish</td>
<td>Oriental</td>
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<td>50 - 64</td>
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<td>$30,000 - $39,999</td>
<td>four</td>
<td>some college</td>
<td>lower-middle</td>
<td>Other</td>
<td>American Indian</td>
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<td>65 and older</td>
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<td>$40,000 - $49,999</td>
<td>five, college graduate</td>
<td>middle-middle</td>
<td>None</td>
<td>Other</td>
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<td>$50,000 - $59,999</td>
<td>more than five</td>
<td>some vocational school</td>
<td>upper-middle</td>
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<td>$60,000 - $69,999</td>
<td>vocational school graduate</td>
<td>lower-upper</td>
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<td>$70,000+</td>
<td>graduate study</td>
<td>upper-upper</td>
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<tr>
<td>PRODUCT/SERVICE</td>
<td>CAN YOU MEET DEMAND?</td>
<td>WHAT IF DEMAND INCREASES OR DECREASES?</td>
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PROMOTIONAL CAMPAIGN

Check the techniques that you would like to combine in a promotional campaign.

☐ Annual reports
☐ Billboards
☐ Brochures
☐ Celebrity endorsements
☐ Direct Mail
☐ Direct Sales
☐ Editorials
☐ Feature Stores
☐ Letters to the editors
☐ Networking
☐ News Conferences
☐ Newspaper advertising
☐ News releases
☐ Newsletters
☐ Posters
☐ Public Speaking
☐ Publishing article and reports
☐ Radio advertising
☐ Radio PSAs
☐ Special events
☐ Specialty advertising
☐ Talk shows
☐ Telemarketing
☐ Television ads
☐ Television PSAs
☐ Trade shows
☐ Videos
☐ Word of mouth
<table>
<thead>
<tr>
<th>PROMOTION TECHNIQUE</th>
<th>EFFECTIVE</th>
<th>NOT EFFECTIVE</th>
<th>COMMENTS</th>
</tr>
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<td>PRODUCT/SERVICE</td>
<td>BENEFITS</td>
<td>FEATURES</td>
<td>COMMENTS</td>
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PROMOTIONAL CAMPAIGN WORKSHEET

Write in each box colorful and descriptive words or phrases that best describe your product or services.

Identify the top three benefits of this product or service.

What specific action do you want people to take as a result of your message.
<table>
<thead>
<tr>
<th>What do we want to achieve?</th>
<th>What is happening?</th>
<th>Why is it happening?</th>
<th>Do we need to take corrective action? If yes, what?</th>
</tr>
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MARKETING & PUBLIC RELATIONS: A CASE STUDY
The Wildlife Breeding Research Centre was formed in 1987 to develop management strategies to protect and reproduce South Africa’s endangered animals. Innovative reproductive techniques using viable genetic materials will be developed and implemented to maintain genetic diversity in wildlife species. With the loss of habitat due to the encroachment of humans, many South African animals may become extinct in the near future. This habitat loss also creates small isolated animal populations leading to declining genetic diversity among the population.

The first objective for WBRC is to establish a Genome Resource Bank for specified species. A GRB represents the collection, cryopreservation and the use of viable genetic material (embryos, oocytes and semen) as well as another biological material (serum, tissue, cell-lines, etc.). WBRC proposes to establish a GRB for several endangered animals:

- Sable Antelope
- Roan Antelope
- African Elephant
- Blue Wildebeest
- Eland
- Impala
- Riverine Rabbit
- Wild Dog

The founders of the WBRC were Dr. Paul Bartels and Frank Molteno, who live in South Africa. They are working with a number of local and overseas universities, laboratories, game reserves and zoological parks. Omaha’s Henry Doorly Zoo became interested in the WBRC in 1994. Dr. Naida Loskutoff from this zoo has assisted in the development of a static and mobile-field laboratory to process the semen and egg cells collected from the animals. Also, in vitro fertilization process will be initiated. All important biological materials are processed for cryopreservation.

Once a GRB has been created for a species, the WBRC will begin to simplify the techniques to create offspring from this frozen genetic material. An added benefit to the project will be the transfer of genetic material from wild populations to captive populations and vice versa with the intent to strengthen the genetic diversity of a particular species.

Another objective for the WBRC is to utilize student scientists and conservationists from both South Africa, America and other countries to help with the collection and processing of the genetic material. Genetic material is collected from culled, euthenised and live animals.
Successes of the program include:

1. developed intensive wildlife management strategies for wild ungulate species, such as sable, hartebeest, wildebeest, tsessebe, blesbok, buffalo and gemsbok.

2. used an ultrasound machine to pick-up ovum pick-up on wild ungulates.

3. accomplished electro-ejaculation and cryopreservation of semen from wild ungulate rams and bulls.

4. produced in vivo embryos from sable and hartebeest.

5. produced in vitro embryos from impala, buffalo and kudu.

6. coordinated the training of nature conservation, MSc and PHD students.

7. established a local and international network of participating institutions in the GRB for South Africa.

Problems:

1. lack of money to purchase gasoline, food, lodging, equipment and materials.

2. little or no knowledge about the WBRC among the general public, wildlife agency personnel and scientists.

3. competition for money from other programs.
The Milwaukee Blood Center (MBC) was established in 1946 by the Junior League to meet the emerging needs for blood in the Milwaukee area. The MBC has experienced substantial growth and is now a major regional blood center. The Milwaukee Blood Center is a member of two blood banking trade associations—American Association of Blood Banks and Council of Community Blood Centers. MBC is affiliated with the Medical College of Wisconsin. For a discussion of the current state of blood donation in the U.S., see the Appendix.

In 1976, the Milwaukee Blood Center moved to a new location at the western edge of the downtown area and adjacent to Marquette University. Within several blocks of its location there are five hospitals which MBC serves. The first floor of the building was renovated for use in blood collection. Free parking is provided behind the building for donors. The MBC also makes extensive use of its five mobile units for drawing blood at business and organization sites. Furthermore, three satellite stations are utilized in suburban and neighboring city locations.

Current Situation

In fiscal 1979, volunteer donors in Southeastern Wisconsin gave 91,500 units of blood to support patients' needs in the 33 hospitals that the Milwaukee Blood Center served. As Exhibit 42-1 shows, donations have increased steadily during the decade of the 'seventies and the 1979 total was 5,500 over the previous year.

However, local demand for blood exceeded local donations by 3,100 units which had to be obtained from other blood centers. The major objective of donor recruitment programs is to make this region self-sufficient.
platelets are demanded by a growing number of patients undergoing chemotherapy for cancer.

A Marketing Approach

Administrators at MBC felt that the amount of blood collected from donor clubs was reaching a steady-state position. In fact, a few mobile drives had to be cancelled because of layoffs or slowdowns at local industries. Also, the demographic projections for the Southeastern Wisconsin area indicate that the area will not grow in population. Therefore, the administration felt that a program aimed at the individual donor was needed. To facilitate this process the Milwaukee Blood Center sought the services of a local marketing consulting firm.

With the assistance of the consultant, the administrators were able to relate the marketing mix elements to the process of blood donation. The product/service that they are offering is the unique satisfaction which the donor receives from the act of contributing a pint of his/her blood. This satisfaction cannot be derived from writing a check or volunteering time. The price not only represents a real cost of physical discomfort of the donor, inconvenience and time lost that could be spent in other ways, but also the psychological cost of fear of the total experience. The place or distribution element is directly related to the center's location or availability of mobile units or satellite stations. Finally, promotion entails the personal selling effort engaged in by the donor recruiters and the mass media efforts. The Milwaukee Blood Center employs four full-time donor recruiters who call on industry and other donor clubs.

The mass media promotion used by the Milwaukee Blood Center took the form of Public Service Announcements. These announcements are free, but often aired late at night or at times when few people are watching or listening. Also, publicity is utilized by the Blood Center when they are experiencing a large shortage of donations. The problem with this type of promotion is that the Blood Center has no real control over the frequency with which their message reaches the target audience. Therefore, the Blood Center has relied heavily on other means of reaching prospective donors such as printed brochures, direct mail materials and telephone solicitation.

Marketing Research

The consultant and administration agreed that before a marketing program could be developed for the MBC, marketing research was neces-
The Milwaukee Blood Center

Exhibit 42-3
Reasons why people have not donated blood before

<table>
<thead>
<tr>
<th>Reason</th>
<th>Was a reason</th>
<th>Was not a reason</th>
<th>No answer/don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. You thought you had a medical condition which kept you from giving.</td>
<td>16%</td>
<td>83%</td>
<td>1%</td>
</tr>
<tr>
<td>b. You thought giving blood was painful.</td>
<td>29%</td>
<td>70%</td>
<td>1%</td>
</tr>
<tr>
<td>c. You never knew your blood was needed.</td>
<td>30%</td>
<td>70%</td>
<td>0</td>
</tr>
<tr>
<td>d. You were afraid of giving blood.</td>
<td>30%</td>
<td>70%</td>
<td>0</td>
</tr>
<tr>
<td>e. You didn't know where to go to give blood.</td>
<td>31%</td>
<td>69%</td>
<td>0</td>
</tr>
<tr>
<td>f. The location of the MBC was inconvenient.</td>
<td>22%</td>
<td>77%</td>
<td>1%</td>
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<tr>
<td>g. No one ever asked you to donate before.</td>
<td>62%</td>
<td>37%</td>
<td>1%</td>
</tr>
<tr>
<td>h. You were too busy to give blood.</td>
<td>37%</td>
<td>61%</td>
<td>2%</td>
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</table>

the Blood Center. Thought leaders in Milwaukee were not surveyed because the Blood Center administrators had frequent contact with them. One consistent finding was that they felt there was some reluctance of people in these cities to donate to the "Milwaukee" Blood Center. Most citizens did not realize that the Blood Center served the entire Southeastern Wisconsin region.

Research was also conducted with first-time donors. One hundred first-time donors were surveyed via telephone. They were prompted to donate by the 1979 Winter Blood Telethon which was carried by a local television station. These donors were asked why they had never donated before. Their responses are shown in Exhibit 42-3. The most frequently mentioned reason was—no one ever asked me to donate. Some of the more obvious reasons like "too busy" and "afraid to give" were designated by a much smaller percentage of donors.

Another survey was conducted at the downtown Milwaukee drawing station. Donors were asked to fill out a short questionnaire while they were being served refreshments after donating. Four hundred and sixty-two donors responded over a two-week time period. One of the major findings of this survey was that nearly one-third of the respondents (32.4%) indicated that they would be likely to donate more often if there was a drawing station located more conveniently to their home.
Blood Center's Board of Directors is scheduled to meet in three weeks and the administrator wants to present the comprehensive marketing program to them at that time.

Appendix: Current Status of Blood Donation in the United States

The blood collection system in America is going through some major changes, which may not be fully understood by the public.

Credits for Donating

There used to be a national system of credits for blood donors (hence the concept of blood "banking"). If you gave a pint of blood, a credit was given to you, your family or whomever you designated to be the recipient of that credit. If you or your family needed a blood transfusion, you could draw on those credits and did not have to worry about replacing the blood. Those who had no credits for previous donations were assessed a penalty charge, called a non-replacement fee, unless they were able to find someone who would donate to replace the blood used.

This system of credits proved very costly to maintain and involved the transfer of paper credits rather than blood. It also seemed to place an unfair burden on the elderly and others who did not have friends or family members able to replace the blood used. For these reasons, nearly 80% of the blood centers in the country have dropped the system of credits and no longer charge a non-replacement fee. Blood is simply made available to all who need it and the only charge made is for the costs of collecting and processing it (and this is covered by most insurance programs).

Paid donors

It was very common practice at one time for donors to be paid for the blood they gave. Research has determined that the incidence of infectious hepatitis in blood from donors who have been paid is far greater than that in blood which comes from volunteer donors. As a result, most communities no longer pay donors or offer them any reward of monetary value.

Regional Blood Centers

At one time, many small communities had their own blood program—usually organized by the local hospital and industry leaders. Physicians have conducted research into how to use blood efficiently, and about
Case Analysis

Case 42
The Milwaukee Blood Center

1. What is the major problem confronting the Milwaukee Blood Center?

2. How has MBC segmented the market? What are promising market segments in this area?

3. How can the product that MBC offers be altered to better meet the needs of the marketplace?
SEARCHING FOR APPROPRIATE DEFINITIONS

MARKETING: the management function that
  o identifies needs and wants
  o provides products to satisfy those needs and wants
  o causes a transaction to occur that delivers products
    in exchange for something of value to the
    providers' success or failure

ADVERTISING:
  o paid, non-personal communication
  o accomplished through various media by businesses and
    non-profit organizations identified within the ad
  o hopes persuade, inform or influence members of a
    particular audience.

PUBLIC RELATIONS:

Operational definition: Public relations is the management
function which evaluates public attitudes, identifies
policies and procedures of individuals and/or
corporations considering the public interest; plans,
executes and evaluates a program of action to earn
public understanding and acceptance.

Conceptual definition: Public relations is the management
function that identifies, establishes and maintains
mutually beneficial relationships between an
organization and the various publics on whom its
success or failure depends.

PRSA definition: Public relations helps our complex,
pluralistic society to reach decisions and function
more effectively by contributing to mutual
understanding among groups and institutions. It serves
to bring private and public policies into harmony.

As a management function, public relations encompasses
the following:
  o Anticipating, analyzing and interpreting
    public opinions and issues that might impact
    the organization
  o Counseling management, considering the public
    good and the organization's citizenship
    responsibilities
  o Researching, conducting and evaluating on a
    continual basis programs of action and
    communication to audiences to achieve goals.
o Planning and implementing the organization's efforts to influence or change public policy

o Setting objectives, planning, budgeting, recruiting or training staff, developing facilities to achieve goals

o Using skills that include opinion research, public issues analysis, media relations, writing, direct mail, audio-visual production, speeches and presentations.

o Employing knowledge including communications arts, sociology, psychology, political science, economics, principles of management, social psychology, among others.

In helping to define and implement policy, the PR practitioner uses a variety of professional communications skills and plays an integrative role both within the organization and between the organization and the external environment.
The 4 Step Public Relations Process

RESEARCH

ACTION PLAN

COMMUNICATE

EVALUATE

\[ R \rightarrow A \rightarrow C \rightarrow E \]

-or-

IMPLEMENT

R-P-I-E

PLANN

EVALUATE
The 4 Step Public Relations Process:

Step 1: RESEARCH

Why research? Research provides direction, illuminates media or method, defines message, obstacles and specific needs to be addressed, reduces uncertainties. SETS GOALS and OBJECTIVES BY WHICH SUCCESS IS MEASURED.

Establishes: 1) who are the audiences? 2) What do they know (about organization, event, product) 3) How do they feel about situation 4) How are they involved, affected? 5) What information is important to them? 6) How will they use information provided them? 7) What is the most reliable, effective way to provide information (establish relationship)

Two Types of Research:

1. FORMAL provides objective, systematic data from scientifically representative samples.

Secondary analysis: uses, interprets data collected by someone else (i.e., Census Bureau statistics, commercial polls, media surveys, university studies, etc.)

Surveys: Questionnaires and interviews are two main types

Questionnaires: "pros" are relatively inexpensive, flexible, anonymous, standardized, unbiased, accessible. "Cons" are that questionnaires are relatively uncontrolled/uncontrollable. (Examples: surveys in publications, direct mail, etc.)

Interviews: "pros" are increased response, control of sample. "Con" is greatly increased cost. (Examples: focus groups, telephone survey, man-on-the-street, door-to-door)

Continued
Two Types of Research (Continued)

2. INFORMAL or exploratory methods are widely used; weakness is how targeted group is selected

   Personal contacts: Trade shows, community meetings, annual shareholders meetings.

   Key informants: Knowledgeable leaders and experts who provide "early warnings"

   Community forums, focus groups: Requires an effective moderator to solicit information from targeted audiences.

   Advisory committee, board of directors: On-going review of policy, procedure and actions; especially effective in long-term organizations

   Ombudsman: Problem solver with access to decision making or independent authority; recommends and/or implements action

   Call-in telephone lines: effective model of 2-way communications measuring response, questions, complaints, offer assistance. Toll-free numbers.

   Analysis of mail content: Reveals favor/disfavor; lack of information.

   Field reports: "Eyes and ears" of organization, trained in objective observation, sent to territory of product/service to record, measure and analyze response.

   Media content analysis: Review and objective analysis of media reports including demographics of audiences, readership numbers, impact of story. "Media is better at telling us what to think about that they are at telling us what to think."--John Naisbett, Megatrends
The 4 Step Public Relations Process:

Step 2: PLANNING and PROGRAMMING

Effective planning makes something happen or prevents something from happening ... it exploits a situation or remedies one.

Remember MBO (Manage by objectives): Your organization has a clearly defined mission and goals. Public relations programming and planning can help achieve those goals.

Preventive public relations is tied most often to long-term planning. Or -- an ounce of prevention is worth a pound of cure.

Your four basic, fundamental views:
A searching look backward
A wide look around
A deep look inside
A long look ahead

What does a plan look like?
First of all, it isn't a plan until it's written down. "A written public relations program aimed at specific objectives, with projects designed to achieve those goals, helps the administration make sure that the PR effort is consistent with the organization's goals."

A plan should include:
1. identification of primary and secondary goals,
2. every audience under consideration (even those you choose not to address),
3. messages to be conveyed to those audiences,
4. priority,
5. tools to reach audiences (direct mail, advertising, etc)
6. medium/media to reach the audience
7. activities scheduled to generate awareness or response
8. estimated timeframes or deadlines
9. budget
10. person responsible
11. evaluation mechanism or yardstick of success.

Remember, without the support and participation of management in the planning process, your public relations plan is busywork. Your plan must be targeted to meet organizational goals. It should serve as a roadmap to organizational achievement. It is not separate from other departments -- it blends all departments together.
The 4 Step Public Relations Process:

Step 3: IMPLEMENTATION

COMPONENTS OF THE P.R. FUNCTION (a summary)

INTERNAL COMMUNICATIONS: A broad term applied to many of the PR functions when they are applied in "closed" environment associated with identified or segmented audiences such as employees, shareholders, suppliers, etc.

One component of internal communications is corporate identity sustained through consistent use of corporate logo on a variety of communications tools such as ads, brochures, fliers, newsletters, manuals, stationery, annual reports. Other tools include videos, slides and overhead transparencies.

- An effective logo or trademark is one that is simple; unique and distinctive, not easily confused or mistaken for another; able to be reproduced in a variety of sizes and in black & white formats; appropriate to the product or service; containing the name and a graphic element or symbol. A company's logo represents its identity and its image and should be created carefully and with consideration of all applications. A bad logo will haunt an organization for years.

- Corporate identity is sustained and reinforced first and foremost through an organization's stationery package. A typical stationery package includes the following: letterhead, memo, business cards, personal notes, labels, envelopes, and other publications such as an "image piece brochure, annual report and newsletter.

PUBLICATIONS: Typically a function within internal communications, publication development includes the creation of a variety of audience-targeted tools (especially newsletters, fliers, reports, brochures or manuals) to help further organizational messages.

- Writing and editing: Many people enter the world of public relations through the doors of journalism, and writing skills are often the most important in an entry level public relations job, as well as throughout a PR career. PR people must have excellent skills in spelling, punctuation and grammar. They must be familiar with AP (Associated Press) style, the standard used in journalism. PR professionals are frequently expected to revise and edit the technical writing of industry, making it customer-friendly.
Publications should be planned and should help achieve measurable goals. Before beginning a publication, consider:

- **Goals** (what does the organization hope to achieve with each publication?);
- **Audiences** (who receives publication, why do they receive it and how is it distributed?);
- **Need or want?** (what is the function of the publication and how does it fulfill other goals of organization?)
- **Budget** (what are the available resources for producing the publication in terms of staff and financial outlay?)

**Costs:** Consider the following elements when planning a budget for each publication: Staff time, agency or freelance fees, number of publications to be distributed; method of distribution (1st Class Mail, for example), size of publication, number of folds, "bleeds", use of color, frequency of publication or "shelf life."

- **Design:** Thought must be given to the artistic and creative design of each piece to reinforce a positive and professional perception. The elements of design include:
  - Size, folds, typeface for headlines and body copy, use of white space, line, illustration and graphics, self-mailing or envelope and paper.

**ADVERTISING:** Paid, non-personal communication. Controlled method of placing messages. Usually part of the marketing function, advertising can support PR function in expression of organizational opinion. Public relations advertising is typically paid "image" pieces (Mobil Oil, the postal service, etc.)

- Effective ads attract attention, persuade and inform, create a desire or a need, show and tell the product or service and motivate action.
SPECIAL EVENTS: Activity which promotes or helps achieve organizational goals; Should be targeted to specific audiences with product or organizational message in mind. Special events can also note anniversaries, dedications, open houses. Many large companies sponsor events as product awareness boosters (KOOL Jazz Festival, hospital fun runs or fitness fairs, Virginia Slims tennis tournaments, chili cook offs, etc.)

DEVELOPMENT/FUNDRAISING: Primarily important within the non-profit segment, this function covers membership drives, annual campaigns, fundraising events, donations. Maintaining good relationships with donors, alumni, friends, volunteers, etc.

LOBBYING: Specialized aspect of public relations function, lobbying is the direct effort to influence one audience -- the political and governmental sector. Its primary role is serving as a credible advocate and reliable source of information.

MEDIA RELATIONS: Responsible for development, maintenance and enhancement of relationships with all media sources; generate story ideas and placement to promote positive impressions and understanding of organization and accomplishment of organizational goals.

CRISIS COMMUNICATIONS: Public relation and communications activities associated with an unplanned events, directed toward recovery of credibility, public awareness or customer base. Example: Tylenol poisoning, Exxon oil, plane crashes, etc.

PUBLIC AFFAIRS: Sometimes confused with public relations as a whole term; relates to an organization's corporate citizenship and public policy.
PUBLICITY: Information from an outside source used by the news media based on its news values. Uncontrolled method of placing messages in the mass media. Generally unpaid. Frequently misunderstood to be operational function of PR. PRESS AGENCY: More to attract public notice that to build understanding. Based on the "agenda-setting theory."

ISSUES MANAGEMENT: Reflects the pro-active effort in PR function, deals with the public policy process that produces laws and regulations; counsel to management.

INVESTOR RELATIONS: One of the fastest growing public relations fields, IR is applied to those audiences specifically associated with a product or organization through investment. Tools include annual reports, shareholder information, prospectus, etc. Activities include shareholder meetings.
The 4 Step Public Relations Process:

Step 4: EVALUATION

Before beginning, consider:

1. Establish agreement on uses and purposes of evaluation. Write down what motivates research, how the findings will be used.
2. Secure organizational commitment to evaluate and make research a basic part of what you do
3. Develop consensus on methods (as much as you can)
4. Specify objectives in observable and measurable terms
5. Select the appropriate criteria
6. Determine best ways to gather information
7. Consider cost when deciding extent of evaluation
8. Use findings in future planning
8. Remember to give management a full report!

QUESTIONS TO USE IN EVALUATION:

Did this activity reach the audience we wanted it to?
How extreme was the response? Strong positives, negatives, lukewarm?
Did it affect them in the way we anticipated?
Did it meet our goals or objectives?
Was it completed on time? Why or why not?
Was there serendipity? Did we find something else along the way?
Was the project cost-beneficial, an effective use of resources?
How could we have improved the project?
What did we learn?
How can we apply what we learned to upcoming projects?
MEDIA RELATIONS

I. WHY SEEK MEDIA COVERAGE?

Among the methods we have discussed for getting a message to your audience, the news media is the most credible. By covering your story, the news media gives it legitimacy. It also is very cost effective. However, you lose control of your message when you entrust it to the news media.

II. DEFINITION OF NEWS

The news media is motivated by its mission of conveying the news to the public. Although news is a big business, the reporters and editors who make most of the coverage decisions do not view it in this way. Their perspective is more one of public service. Understanding what constitutes news is the first step in working with the media.

1. "When a dog bites a man, it's not news. When a man bites a dog, it's news." This definition emphasizes that the unusual often is news. Ask yourself what is new, surprising, controversial about your story or how it relates to what is already in the news or contradicts what most people believe.

2. Actions or events that have a wide-ranging impact often are news, as are events or actions that fly in the face of trends.

3. The definition changes daily. Your story competes with many others for the media's time and attention. Reporters cover the top stories of the day.

4. Market defines News. What is news in Pender, Neb., is not news in Omaha and what is news in Omaha is not news in New York City.

III. MEDIA OUTLETS

A. Newspapers.
B. Television
C. Radio
D. Wire Services
E. Magazines and Newsletters

IV. METHODS FOR REACHING THE NEWS MEDIA

A. News Releases (traditional and video formats)
B. Public Service Announcements (PSAs)
C. Media Advisories
D. Direct contact with reporter or editor via mail, phone or direct personal contact.
E. News Conferences
F. Radio news line
G. Modem / FAX
TIPS ON WORKING WITH THE MEDIA

GETTING STARTED

Don’t avoid the press. It’s better to be frank and open, or to offer “no comment,” than to be unreachable. That way you may avoid one-sided stories. Most reporters understand there are times when you can’t say everything about some situations. Even a general statement, however, is better than none at all.

First, get the reporter’s name and the publication or station that he or she is working for. Then, if you feel that the request for information is reasonable, give the reporter your full cooperation.

If a reporter calls and you feel caught off guard, however, don’t feel obligated to fall on your own sword. You may instead wish to say that it is inconvenient to talk right now. Ask what topic or questions the reporter wishes to cover, and say you will call back shortly. Formulate brief, written answers to the questions.

An embargo on information can create a great deal of confusion. If possible, avoid an embargo. When it does seem appropriate, ask reporters to agree to the conditions before the material is disseminated, not after you give it to them.

You have a right to accept or decline a reporter’s request for an interview.

When a reporter calls requesting an interview, feel free to ask what the topic will be and the kinds of questions he/she anticipates asking. You do not have to walk into an interview blind.

Reporters often have a difficult job of accumulating and reporting on events against tight deadlines. The more helpful you are to them the more you earn their respect and balanced treatment.

When a reporter writes or broadcasts a well-presented story, let him or her know about it. Reporters, like most of us, appreciate feedback. All it takes is a brief note or telephone call.

LOGISTICS AND PROCEDURES

It is best to give interviews in person, when possible. You can get a better feel for the reporter doing the interview to make certain that notes are being taken, slowly and accurately, on crucial points. Also, tell the reporter to call you back if he/she discovers ambiguities or other unresolved information.

Return telephone calls from reporters as soon as possible. The sooner, the better; if you can, return the calls within the “golden hour,” that first hour after receiving the call.

Complaints, story ideas, suggestions or problems work best if you go to the reporter first, not the editors. If you can’t get satisfaction, then go to the editor.

If an error appears in a press report, let the reporter know. If you don’t, the error may be repeated by other reporters using the original stories as background for additional articles on the same subject.

ANSWERING QUESTIONS

When answering questions, try to avoid long-winded explanations of why your program/college/school is the best. Have the facts to support it. Reporters, like anyone else, don’t want to be duped.

Don’t let reporters put words in your mouth. Some reporters have a tendency to say, “So in other words...”

Anticipate questions and develop answers that clearly state the key ideas you want to get across.

Technical language can confuse your audience. Speak to the general public in different terms than you would use before a group of neurosurgeons.

Formulate your response for the public. The public, not the press, is your real audience.

Hostile questions do not demand hostile answers.

In general, do not make “off-the-record” comments. Most reporters dislike material that is “off-the-record.” The reason: they may later receive “off-the-record” information from another source. If for some reason, however, you feel that you
must make remarks “off-the-record” do so according to the following standards of journalistic ethics:

a) Preface each “off-the-record” statement by saying, “The following material is ‘off-the-record’

b) Indicate clearly when the reporter is “on-the-record” again.

c) Don’t say belatedly, “The material I have just given you is off-the-record.”

ACCURACY

You should not assume that you will see the reporter’s story before it is published or broadcast. The reporter is under no obligation to show the copy to you. If scientific or technical data are involved, you might suggest that the reporter check his or her story with you for accuracy, particularly if the reporter is not a writer specializing in the field. (Some reporters are willing to check their technical data with the source to assure accuracy, if time permits.)

If you are concerned about being misquoted, just say so, and ask the reporter’s cooperation. Get the reporter to understand and be engaged in your position. That way, he or she may be more sensitive. Also, don’t ask to see a copy of the story before publication.

Use short, direct words as much as possible. If you do, you are more likely to be quoted accurately.

Ask the reporter a question or two near the end of the interview. You can often tell from his or her answers whether your remarks have been understood.

MAKING YOUR POINT

In talking with reporters, repeat important points you wish to make. That is especially true for sensitive or controversial issues. Speak slowly and spell difficult words and names. Repeat figures — and, if they are sensitive, ask the reporter to repeat them to you.

If you are concerned about a reporter’s getting the facts straight on you, your event, or your position, have a printed version available when you are interviewed or if you are contacted in advance. You can then do that on short notice by having your secretary call with a prepared statement, or by dropping off printed speeches, press releases, or data. Keep it short and to the point.

In dealing with the electronic media, remember to be brief. The average recorded quote in a broadcast news story runs less than 30 seconds. You must expect your responses to be “edited heavily. The shorter you make your remarks, the less they will receive by television or radio journalists.

DIFFERENCES BETWEEN PRINT AND BROADCAST

When an interview is for broadcast news, remember that people in radio and television news usually can report only the barest essentials of a story. They are looking for succinct answers to one or two questions. It is best to avoid time-consuming details, rambling explanations and complicated answers.

A two-hour interview with a television reporter will likely appear, if at all, as about 30 seconds on the air. Unless you are the only guest on a one-hour live news or talk show, you can count on having your comments edited heavily.

For a television or radio interview which may be edited significantly, decide in advance on a couple of key points you want to make during the interview. Rehearse your comments. Make your points, and don’t be afraid to repeat them several times. Think in terms of developing a SOC -­ Single Overriding Communications Objective -- the most important point you want to make, and weave it into your comments whenever appropriate.

Repeat the question. This gives you a chance to think while you frame a succinct answer. It gives you a chance to rephrase the question so you can answer it more effectively, and it helps the audience in case they missed the question.

ETHICS

Tell the truth.

If you don’t know an answer, say so. Guessing can get you into trouble.

Don’t conceal negative information. If something bad happens, move to quickly and accurately disseminate it to the media. It serves no point to make life tough for reporters.

Normally, you are expected to comment only on matters within your area of expertise. Sometimes, however, a reporter may ask you to speculate on a subject outside your area of knowledge. If you do not wish to comment, tell the reporter so.

Some reporters may ask you to comment on a controversial issue with the promise that, if you so wish, your name will not be used. Unless you know the reporter, it is not usually wise to do so.

When you give a personal opinion on any subject, make certain that the reporter understands that you are speaking for yourself, not for your colleagues or the administration.
The Role of Public Relations in Johnson & Johnson’s Tylenol Crisis

The public relations decisions related to the Tylenol crisis and the product’s strong comeback came in two phases.

Phase one was the crisis phase, which began on the morning of September 30, 1982, with the grim news of the cyanide poisonings. Since the extent of the contamination was not immediately known, there was grave concern for the safety of the estimated 100 million Americans who were using Tylenol. The first critical public relations decision, taken immediately and with total support from company management, was to cooperate fully with the news media. The press was key to warning the public of the danger.

Later it was realized that no meeting had been called to make that critical decision. The poisonings called for immediate action to protect the consumer, and there wasn’t the slightest hesitation about being completely open with the news media. For the same reasons the decision was made to recall two batches of the product and later to withdraw it nationally. During the crisis phase of the Tylenol tragedy, virtually every public relations decision was based on sound, socially responsible business principles, which is when public relations is most effective.

Almost immediately, planning began for phase two, the comeback, and this involved a more detailed and extensive public relations effort that closely followed important marketing decisions and reached out to many audiences. The comeback began officially with a 30-city video press conference via satellite, an innovative approach suggested by Burson-Marsteller, the public relations agency responsible for Tylenol product publicity.

The video conference and all other key decisions were discussed and debated by a seven-member strategy committee formed by Chairman and CEO James E. Burke to deal with the Tylenol crisis. The committee included a public relations executive and met twice daily for six weeks. The decisions it made dealt with every aspect of the problem—from packaging to advertising to appearances on network television. Many required follow-up by the public relations staff at corporate and at McNeil Consumer Products Company—the subsidiary that manufactures Tylenol.

The Tylenol tragedy proved once again that public relations is a business of basics, and that the best public relations decisions are closely linked to sound business practices and a responsible corporate philosophy.

Lawrence G. Foster
Corporate Vice President—Public Relations
Johnson & Johnson

CRISIS COMMUNICATIONS

I. DEFINITION

CRISIS -- An event requiring rapid decisions involving the media that if handled incorrectly could damage the company's credibility and reputation.

II. STAGES OF COMMUNICATING A CRISIS

A. Plan Ahead -- Take steps in advance to prepare yourself and your company for a crisis. That includes selecting a spokesperson, identifying possible locations for news conferences and preparing a crisis communications plan.

B. Safety -- Immediate action should be to protect lives and property.

B. Identification -- The media's first question is, "what happened?" Find out the who, what, when, where, why and how of the event. It is important in this stage to limit yourself to the "here and now" and only to fact.

C. Communication -- It is important to communicate via the media during a crisis to reassure the public, your customers and your employees that the situation is under control. Communicating early ensures your right to communicate throughout the crisis. The nature of that communication often can dictate the nature of the recovery.

D. Correction -- Communicate what actions are going to be taken to correct the situation and ensure it doesn't happen again. Communicate that you and your organization care.

E. Recovery -- This phase lasts as long whatever happens brings about a negative response. It can take years to recover.

III. WHAT THE MEDIA WANTS:

A. Motivation -- The media is motivated by what is wrong or by the perception of what is wrong. They are motivated by the negative. Beyond that reporters will gravitate toward novelty and change.

B. Television -- Television wants an authoritative spokesperson. They want pictures of the product, flames, the culprit. They want drama.

C. Radio -- Radio wants an authoritative spokesperson. They want sound. They want descriptive quotes, sounds of flames, people or the culprit.

D. Newspapers -- Newspapers want all of the above, but in more detail.
IV. WHAT YOU NEED

A. Control -- As spokesperson in a crisis, your first responsibility is to establish control. In a crisis, the news media needs you, and that gives you an opportunity to establish this control. Don’t confuse control with "hostile." Hostility will work against you in a crisis.

B. Establishing Control -- Make it clear in your first meeting with the news media that you are the authority and you will be their only source of company information throughout the crisis.

C. Media Briefings -- During a rapidly unfolding situation, hold regular briefings for the news media. In your first meeting, make a brief statement outlining the facts as you know them at that time. Always emphasize your company’s concern -- for the safety of those involved, the environment, etc. Do not answer any questions at the first meeting. Return with an update 30 minutes later, at that time you should begin to answer questions. But stick with the here and now. Don’t speculate!

D. Working With The Media -- It is important to realize that during a crisis of some sort, the media has the right and responsibility to cover the story. Work with them. Keep the relationship positive. Don’t let control become hostility. Working with the media will make the recovery period that much easier.

V. Additional Pointers

A. Do not use negative terms such as disaster or catastrophe. Remember, however, that the loss of life is always a tragedy.

B. Don’t address matters that are properly the domain of public officials such as the police or fire department.

C. If at all possible, avoid walking through reporters and cameras on your way in and out of a crisis news conference. A door behind or to the side of the podium is your best bet.
Crisis management among American companies has taken a sudden turn. Today, more and more corporate crises are the result of internal mismanagement rather than external accidents. The Institute of Crisis Management, based in Louisville, Ky., analyzed 31,560 business stories over the past three years and found that 7,708 crises caused by mismanagement compared with only 4,665 accounts of "accidental" crises. This represented a reversal of the pattern of 1988, when "accidental" crises outnumbered managerial crises, 6,468 to 5,384.

One American corporation after another has stumbled into the unwanted spotlight of public condemnation. The venerable Sears, Roebuck & Co. is one of the most recent to suffer a public relations crisis, after accusations last June by the California Department of Consumer Affairs that the company's automotive repair facilities were making repairs where none were needed. The Sears debacle is a case study in how not to handle a crisis.

The scandal was the worst to rock Sears in several generations because it struck at the very essence of the Sears empire: trust. Trust was the concept on which the company's catalog, retailing, financial services and Discover card were built. But instead of immediately working to rebuild that trust, Sears executives circled the wagons and embarked on a finger-pointing campaign that exacerbated the public's worst fears.

When the attorney general of California announced that his investigators had caught Sears selling cures for automobiles that had no illnesses (stimulating a record 3,000 calls from complaining customers), an attorney representing Sears denounced the charges publicly, as if he were arguing a case in a courtroom. He labeled the state's announcement a "shameful crusade" to smear the retailer, a scheme to divert attention from the Department of Consumer Affairs' own troubles.

Reeling from tidal waves of public indignation for days after the charges were announced, Sears's chairman, Edward Brennan, belatedly apologized (sort of) to the public. "Mistakes may have occurred," he hedged. He said that an "accepted industry practice" was being challenged by the consumer-affairs bureau and that he would seek redress from the consumer affairs bureau. But instead, he stopped short of repudiating Sears's policy of paying commissions to auto technicians and even imposing quotas on them. Almost a week later, with the heat growing, he finally had to dismantle the commission system itself.

How does a company (or any organization) avoid stumbling into such a management-caused crisis? What lessons can be learned from the Sears example?

The first lesson is best stated in a classic public relations maxim: "P.R. involves both performance and recognition." It is possible to boast excellent performance without being properly recognized, but it is not possible to earn recognition that is not based on solid performance. We betide the organization that tries to get the "R" without the "P."

Solid, ethical performance must be a way of life in any organization. The reputation of a product or service cannot be delegated to the public relations department. At Sears, the policy of paying commissions to technicians and demanding quotas was the smoldering ember that had sparked the explosion.

Why had Sears allowed such a basic conflict of interest into its policy manual to begin with? Why wasn't this fundamental flaw in serving the customer protested by the management structure? Whatever the reasons, Sears's automotive center crisis occurred when that policy went into effect, not when the policy's consequences shook the company in its own corporate foot.

The second lesson, then, is that the time to prepare for a crisis is before it happens.

Crisis are inevitable in any large organization, so management should be prepared with a crisis plan that is thoughtfully drafted and regularly rehearsed. For years the California Department of Consumer Affairs had been complaining to Sears about its auto repairs, so Sears had years to fix the problem or get ready to answer for it. Sears had months of rumblings before the attorney general's announcement, yet it had no contingency plan in place.

The third lesson is that, when a company responds to a crisis, it must do so quickly and with authority. Sears, like Exxon in its Valdez debacle, responded in an excruciating fashion, not involving the CEO for several days. It tried to play down the charges and defended its flawed policies. Sears's initial response wasn't even attributed. It was a news release quoting a "Sears spokesman" saying: "We believe that the bureau's undercover investigation was very seriously flawed and simply does not support the allegations."

Don't make the Sears mistake. When responding to a crisis, tell the public what happened and why. Apologize with crossed fingers. Then say what you're going to do to make sure it doesn't happen again.

In short, tell the truth. Lead with your CEO or a top executive as the public face to your response and tell the world in a no-nonsense way what strong steps you're going to take to correct the matter. Resolve that your crisis management will inspire critics to write newspaper articles about how wisely you responded in your hour of need, not (as here) how unwisely.

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Mr. Read, principal of a public relations agency in Pasadena, Calif., was formerly a district public relations manager for Sears.

THE WALL STREET JOURNAL
MONDAY JANUARY 11, 1993
WHEN DO YOU HIRE AN OUTSIDE FIRM?

1. If you are just starting out and want to prevent mistakes.
2. When management has no experience with a formal PR program
3. When your company headquarters is far away from a communication or financial center.
4. When you need a wide range of contacts, and you don't get out often enough.
5. When hiring senior staff in pr/advertising/marketing is not in your budget.
6. If your internal PR department handles somethings well, but not all -- if you need special expertise to plan an event or handle a crisis.
7. If you have a crucial matter that would benefit from impartial outside counsel

WHERE DO YOU GO FOR HELP?

There are literally thousands of competent, qualified public relations counselors who can help you or your business develop a marketing plan, create memorable advertising, or promote your product or firm through public relations activities.

How to find a good one:

1. Ask around. Most businesses retain some kind of assistance in this area, whether it is on a freelance basis or contract. Personal referrals are best, but don't limit yourself to those firms. Pick one that fits your needs.
2. Call professional organizations. Most cities have at least one of these groups active.
   a. The American Marketing Association
   b. Ad Council, Ad Clubs
   c. Public Relations Society of America (PRSA) or International Association of Business Communicators (IABC).
3. Check your resources: the Yellow Pages, local Chamber of Commerce or other business directories.
4. Request proposals. You can send a letter to all firms requesting presentations. You'll get a quick response.
Checklist for selecting a firm:

COMPETENCE AND REPUTATION:
- Years in business - stability
- Size - number of people, number of clients, and annual billings
  - Full service or specialized?
  - Research -- what is their capacity? (You may need to hire a specially qualified firm for in-depth research needs)
  - Firm’s growth pattern - do they hire/fire often?
  - Types of accounts
  - Experience with accounts like yours ... any conflicts?
  - Samples of work
  - Sample list of suppliers

CLIENTS
- Existing client list; past clients
- Average number of clients during past three years -- ask about retainer clients, project clients
- Oldest client and length of relationship
- Average length of client/firm relationship
- Clients recently lost - why?

STAFF
- Compatibility is very important. Most established firms will give you a good product. You want one that will give you a good process. Pick the firm/counselor who speaks your language, with whom you have a good rapport.
- List and qualifications of staff - number of full-time employees, freelance help and consultants
- Staff to be assigned to your account - resumes, stability, stature in firm
  - Percent of time to be spent on your account. Are you a big client or not?
  - Staff or personnel backup
  - Staff turnover; names of former employees

RESULTS AND MEASUREMENTS
- Does firm understand your needs and objectives?
- How will progress be reported?
- How will results be measured?
- How do they handle errors? By staff or client?

COST:
- What will it cost? What is the billable hour rate?
- Is it more cost effective to go on a retainer basis?
- Does the hourly rate vary among personnel in the firm?
- How much exactly is the hourly rate for assigned to your account?
- How often will you be billed? On a per-project basis or monthly?
- What is the firm’s standard markup on brokered services?
- What will they do if you are not satisfied?
FUNDRAISING OVERVIEW
The Fine Art of Fundraising:

Separating Myth From Reality
**The Myths:**

- "All you need to do is send out a letter"
- "If every one would just give a $100!"
- "So what do you do, call on corporations?"
- "People wake up in the morning wanting to write you a check"
- "Your organization is the top priority of your prospects"

**The Reality:**

Someday
Sometime
Somebody
*Has Got to Ask*
Someone
for
*Some Money!*
REASONS PEOPLE GIVE

Please select the 10 most important factors which influence an individual's decision to make a sizeable charitable contribution. (Use a scale where #1 is the most important reason).

- Community responsibility and civic pride
- Tax Considerations
- Regard for the volunteer leadership of the institution
- Is actually involved in the campaign program
- Serves on the Board of Trustees, a major committee, or other official body of the organization
- Has an adult history of being involved with the organization
- Recognition of the gift
- Was involved at one time in the activities of the organization - personal benefit
- Memorial opportunity
- Respect of the institution locally
- Respect for the institution in a wider circle - regionally, nationally, globally
- Religious or spiritual affiliation of the institution
- Great interest in a specific program within the project
- To match a gift or gifts made by others
- To challenge or encourage other gifts
- The uniqueness of the project or the institution
- The appeal and the drama of the campaign material requesting the gift
- Fiscal stability of the institution
- Guilt feeling
- Regard for staff leadership
- Leverage or influence of solicitor
- Belief in the mission of the organization

(Adapted from materials distributed by Jerold Panas, Linzy & Partners, Inc., San Francisco, California)
TENETS OF SUCCESS IN FUND RAISING

1) Do Not Say "no" for anyone (ASSUME THEY WANT TO GIVE)

2) Giving by living men and women outstrips every other form of philanthropy.

3) Individuals give emotionally, not cerebrally.

4) The "Rule of Thirds" is a canon that has persisted since the earliest of fund raising programs.

5) Almost without exception, husbands and wives together will discuss their major philanthropy. CRITICAL VISIT THEM TOGETHER.

6) Seek ways that you can involve both the husband and the wife in the program and activities of the organization, even though only one of the partner demonstrates and obvious interest.

7) There appears to be no evidence that the spirit, passion, and dedication to philanthropy is passed on from one generation to the next.

8) The mega gift comes from an individual who has the resources to make it. That states the obvious. In the case of many such donors, it is harder to get an appointment that it is to get the gift itself.

9) An extremely close friend is quite often not the best person to make a solicitation -- although he or she may be the best to make the appointment. OR ACCOMPANY ON CALL.

10) Children generally are not effective in soliciting their parents for a major gift, and vice versa.

11) Securing the mega gift means helping the major donor desire more than anything to share in your dream.

12) The decision to give is spontaneous. (HELP RAISE DONOR'S SIGHTS)

13) The commitment regarding the major gift will likely not be made on the first visit.

14) The case for the gift must be stronger and bigger than the institution itself.

Some Thoughts About People

The Privileged

These are the creative citizens, who have what Harry Emerson Fosdick called a "sense of privilege." They light the way, originate the action, take the responsibility, establish the standards, create the confidence, sustain the mood and keep things moving.

The Responsible

These are the ones who can be depended upon to play a thoughtful and proportionate part in any program engaging their advocacy and support. True, they need some leadership and guidance, as everyone does, and are as susceptible as all of us are to the climate and the planned action. But it is not for them that planners must provide supervision, systems and prodding. They will do what they say they will do and will try to do it the way you want it done. They are, obviously, simply wonderful.

The Responsive

This is that major group which will probably respond in varying degrees if all the portents and pressures are about right. They rarely act out of sheer impulse, unless negatively. The burdens of inertia and procrastination are ever with them. And while their hearts are warmed when their loyalties and compassion are stirred, they must always constitute the principal target for all the arts of organized persuasion, and all the best skills of the experienced leader. If properly motivated, if effectively persuaded, they may act.

The Reliably Unreliable

Finally, at the bottom, and merging with the large group noted above, is the inert fifth. This is the ultimate residuum, which exercises the rights and privileges of citizenship only under direct compulsion and daily shows us in the opinion polls that it can rarely ever make up its mind about anything. The finest rhetoric never reaches these people, if only because they are not there to listen! Yet, their lamentations never cease, and they are always the first to threaten to cut off the support they have hardly ever given. Well earned here would be the epitaph, "he could always be counted upon to be unreliable."
The Fund Raising Pyramid

ANNUAL GIVING

FROM DONOR’S INCOME

CAPITAL GIVING

ASK FOR 90% VALUE & AMOUNT.
WILLS, REQUESTS, ETC.

FM DONOR’S ASSETS

PLANNED GIVING

FM DONOR’S ESTATE

Size Of Gift

Number of Donors

USE GIFT CONTRIBUTION!

NOT
TRIPOD OF DEVELOPMENT

Donor

Source:
- Current income
- Assets
- Estate

Designation:
- Annual giving
- Capital campaign
- Endowment fund

Benefit:
- Current programs
- Buildings/equipment
- Endowment

Influences:
1. Strong case
2. Identified constituency
3. Effective communications
4. Committed volunteer and staff leadership
SUGGESTED FUND RAISING PERIODICALS

Subscription price $54 a year.

Subscription price $24 a year, $36 for two years.

The NonProfit Times, Davis Information Group, Inc., Skillman, New Jersey.
Subscription price $59 a year.

Washington, D.C.
Subscription price $67.50 a year.

BEST SINGLE PUB FOR FUNDRAISERS.
Partial Recommended Bibliography

A BIT OUTDATED, BUT STILL "THE BIBLE."


The Chronicle of Philanthropy

The Ups and Downs of Charitable Giving, 1993

Charitable
Donations: a Sluggish Year

International and social-services groups posted solid increases in 1993, but overall giving did not meet non-profits' rising costs.

By Hansler Moore

International events and domestic social-services charities saw the largest increases in donations last year. Arts and environmental organizations faced worst.

Americans gave an estimated $26.2 billion to charity in 1993, according to Giving USA, an annual report on U.S. philanthropy. That was 3.6 percent more than in 1992, but not enough for charities to cover their escalating costs, the report said.

Giving USA estimated that non-profits had to spend 3.9 percent more last year to provide services. It was the fourth year in a row in which contributions had failed to keep up with rising costs.

The gains and losses in donations reflected issues that moved in and out of the public spotlight in 1993:

- The biggest increase in giving—8.5 percent in 12 months—went to groups that work outside the United States or deal with international issues. Fund raisers said the deployment of American military troops to help relief groups feed starving people in Somalia had spurred giving to many international charities.

- Human-services groups posted a 7.8 percent increase, much higher than the 4.5 percent rise the year before. A large number of natural disasters, including floods in the Midwest and forest fires in...
Charitable Giving Did Not Meet Non-Profits’ Increased Costs in ’93

Continued from Page 1

California, may have been a big reason for the increase, the report said.

- Donations to environmental groups lost ground to inflation, increasing by only 3.2 per cent. That result came just one year after such groups had experienced the largest increase. Fund raisers cited oil spills, helped draw attention to environmental issues in 1991.

- Giving to the arts rose only 2.6 per cent. The sluggishness of corporate donations got most of the blame.

Many fund raisers expected big gains from a tax-law change that was approved last year, but no major increases materialized, the report said. The legislation, passed in August, made gifts of property that had risen in value—such as stocks, artwork, and land—fully deductible. The law affected donations that were made after December 31, 1992.

The tax break may have not provided much of an incentive because the art and real estate markets have been soft, according to Giving USA. And because the law was passed so late in the year, donors may not have had enough time to plan away gifts of appreciated property.

The report said it was unclear how other changes in the tax law, such as increased rates for the wealthiest individuals, had affected giving. That change made the deductions for charitable donations even more attractive to rich people, but it also meant they could have less disposable income. The report predicted that the net effect would be a small increase in donations.

Last year’s overall increase was less robust than 1992’s, which was 4.1 per cent.

Ann E. Kaplan, editor of Giving USA, said one “sign of real stability” was giving as a percentage of the country’s gross domestic product, which had hovered around 2 per cent for the past eight years. But Martin Greenzich, chairman of the National Association of Fund-Raising Council Trust for Philanthropy, which prepares Giving USA, said he was disappointed that giving had not grown enough to exceed 2 per cent of the GDP. “I’m still looking for a dramatic spurt somewhere,” said Mr. Greenzich, who is president of the Chicago-based consulting firm John Greenzich and Associates.

Trends in Sources of Donations

Foundation grants rose substantially in 1991, while donations from individuals grew modestly and corporate giving remained stagnant. Here are the trends in the three major sources of donations:

Individuals. Even though the recession officially ended in 1991, many non-profit groups reported that they had felt the effects of a slow economy well into 1993, as more continued to give cautiously.

Individuals again gave the bulk of the money donated to charity—88 cents of every dollar. However, while Americans saw their personal income grow by 4.7 per cent in 1993, they increased their contributions by only 3.4 per cent.

Money donated through bequests rose 4.9 per cent, to $8.5 billion. The report noted that many non-profits had been more aggressive in their efforts to persuade donors to include them in their wills.

Foundations. Private and community foundations increased their grant making by 6.6 per cent in 1993.

“We’re lucky we’ve had foundations,” said Ms. Kaplan. “They’ve been the growth area.”

She said the additional money had come both from new foundations and from existing foundations that expanded their giving.

Even so, the growth in foundations giving was not as rapid as the growth of foundation assets, which increased by 6.1 per cent in 1992, according to the Foundation Center. Most foundations base their grants budgets on the previous year’s assets.

Corporations. Businesses, which gave 4.7 per cent of all gifts, donated the same amount in 1992 as in 1991: $5.9 billion. Last year was the sixth in a row in which inflation eroded corporate pretax income, according to the report.

Donations as a proportion of corporate pretax income declined, from 1.3 per cent in 1992 to 1.2 per cent last year. That was down from the peak of 2.2 per cent in 1992.

Many corporate foundations had to dip into their assets to keep their giving stable, the report noted. In 1993, as in almost every other year in the past decade, corporate foundations paid out more in grants than they received from their parent companies.

Corporations’ pretax profits have been on the rise, growing by 9 per cent in 1991 and 14 per cent last year, but Giving USA said it was too early to tell how those gains would affect charitable giving. The report said some companies might rebuild the assets in their foundations, rather than immediately increasing their outright gifts to charity.

How Charities Fared

Here is how different kinds of charities fared last year:

Religious. Gifts to churches, synagogues, and other religious organizations grew 4.1 per cent, a much larger gain than 1992’s 1.8 per cent.

Religious institutions continued to receive the largest share of contributions—45.1 per cent—for a total of $7.2-billion. Most of that money came from individuals.

Matthew R. Pannone, national director of the National Catholic Stewardship Council in Washington, said many religious groups were more concerned about instilling in young people a desire to give on a regular basis than about downturns in the economy.

“In the last few generations we’ve seen a new generation of people about the whole concept of giving,” said Mr. Pannone. “Before 1965, people gave in very strict ways.” Catholic children, he not-

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**Trends in Philanthropic Giving**

<table>
<thead>
<tr>
<th>Total Donations: 1978-93</th>
</tr>
</thead>
<tbody>
<tr>
<td>In billions</td>
</tr>
<tr>
<td>2010 2011 2012 2013</td>
</tr>
<tr>
<td>120 150 175 175</td>
</tr>
<tr>
<td>Adjusted for inflation</td>
</tr>
<tr>
<td>Current dollars</td>
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</table>

**Giving as a Percentage of Gross Domestic Product: 1978-93**

<table>
<thead>
<tr>
<th>2.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1% 2.2% 2.3% 2.4% 2.5% 2.6% 2.7% 2.8% 2.9% 3.0% 3.1% 3.2% 3.3% 3.4% 3.5% 3.6%</td>
</tr>
</tbody>
</table>

**Individual Giving as a Percentage of Personal Income, 1978-93**

<table>
<thead>
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<th>2.5%</th>
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<tr>
<td>1.0% 1.1% 1.2% 1.3% 1.4% 1.5% 1.6% 1.7% 1.8% 1.9% 2.0% 2.1% 2.2% 2.3% 2.4% 2.5%</td>
</tr>
</tbody>
</table>

Note: Inflation-adjusted figures are based on Giving USA’s estimate of how much more it costs nonprofits to provide services in 1993, not on the Consumer Price Index.
ed, used to be given boxes or envelopes in which they were expected to place small donations every week.

"But between 1965 and almost now, it's been very scattered," he said. "We have lost at least a couple of generations' worth of training of children to give."

Education. Gifts to colleges and universities, elementary and secondary schools, and other education organizations totaled $15.1 billion—about 12 percent of all donations. Although that was a 5.5 percent gain, the report noted that the annual increases in giving to education had dropped to a steady pace reaching a high of 13.3 percent in 1991.

Private elementary and secondary schools faced particularly well, with a 12-month increase of 6.3 percent.

According to the Council for Aid to Education, giving to colleges and universities increased 4.7 percent during the academic year that ended June 30, 1993.

Ms. Kaplan, the editor of Giving USA, speculated that contributions to public schools had risen significantly because of concern about the state of education. However, she said it was difficult to make a precise estimate of donations because much of the money had been raised through local associations of parents and teachers that do not report their giving to one organization.

Human services. Donations to social-services charities rose 7.8 percent, to a total of $12.5 billion—about 10 percent of all gifts. The increase followed a 4.1 percent gain in 1992.

The Midwest floods and other natural disasters appeared to have pushed donations up, the report said. Giving to the American Red Cross, for example, grew 35.7 percent in its 1992-93 fiscal year. That increase, however, came almost exclusively in the form of money for disaster relief. If such donations are not counted, giving to the Red Cross decreased by 6 percent.

Health. Giving to hospitals and health-related charities has been on the rise for the past two years, following a 2.2 percent dip in 1991. In 1993, gifts to such organizations grew 5.7 percent, to $16.8 billion.

The Association for Healthcare Philanthropy, which represents hospital fund raisers, reported that giving to hospitals grew 7.5 percent last year. Most of the growth, however, was in pledges or non-cash donations. Donations of money received that year rose only 1.9 percent, to $1.9 billion.

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William C. McGinly, president, continued.
Individual Philanthropy Grew Modestly in 1993; Corporate Giving Remained Stagnant

Continued from Page 25 of the association, said hospitals were starting to reap the benefits of increased efforts over the past three to four years to attract bequests and other kinds of deferred gifts.

"We see that component growing much more as one of the arrows in our quiver of fund-raising techniques," he said.

Giving to health charities, such as those that focus on specific diseases, increased 6 percent. Ms. Kaplan said one reason for the gain was that health charities have become more sophisticated in fund raising, moving away from a heavy reliance on walkathons and other labor-intensive approaches that draw a lot of small donations and suffer the most when the economy is poor. She said many health groups now make a big effort to attract large gifts from wealthy donors.

Arts and humanities. Growth in gifts to arts, cultural, and humanities institutions was modest—3.6 percent, to $9.6 billion.

Part of the reason for the slow growth may have been sluggish corporate support. Arts groups reported a 5.3 percent drop in corporate gifts in 1993, according to the Business Committee for the Arts.

One change is a growing desire by many businesses to pay for arts-related education programs for kids instead of covering general expenses or paying for a specific exhibit, said Judith A. Jedlicka, president of Business Committee for the Arts.

"With so many school districts around the country cutting out the cultural and arts component of their curricula, I think there's a strong desire that the arts can bring art back into education," said Mr. Jedlicka. "And business is interested in funding that because we know that young people who have arts in education stay in school, they're better learners, they have higher test scores, more self-esteem—things that are going to be important to them as they get to be adults and go into the workforce."

Public-policy and social issues. Donations to groups that conduct public-policy research or lobby for social change increased 7.8 percent last year, up sharply from a 2.4 percent gain in 1992.

Giving to those organizations, which work on a broad range of issues from civil rights to rural development, tends to fluctuate substantially from year to year. Ms. Kaplan said it was difficult to find one explanation for the swings because the organizations deal with such a wide array of issues.

One big donation that did not receive much attention last year was a $65 million gift to the Houston Advanced Research Corporation from a Texas businessman, George P. Mitchell, and his family and the oil and natural-gas company that bears his name. The money will support research and development of technology in energy, medicine, and the environment.

Environment. After rising 6.5 percent in 1992, giving to organizations that promote environmental causes slowed last year, increasing by just 2.2 percent. In all, conservation, environmental, and wildlife groups received $3.2 billion.

Kelman Stein, executive director of Earth Share, a national federation of 41 environmental organizations, said several factors accounted for the sluggish growth, including a lack of press attention to ecological issues. "There aren't any particular environmental events, such as the Exxon spill or the medical waste on the beaches a few years ago, that garnered a lot of attention," he said.

Mr. Stein speculated that people who have changed their own behavior to help the environment might feel less urgency about giving.

"As the environment is becoming more of a basic value with people, and particularly as they are recycling, people are feeling to some degree that they've done their part," he said. "They're not understanding why continuing to donate is important, why there are still problems and still solutions that have to be pursued."

He added that the election of President Clinton and Vice-President Gore also hurt fund raising because many people believed both men would push the federal government to take a more active role in solving environmental problems than that of their predecessors.

"People feel that the government is a little more on top of it, even though this Administration has been at least disappointing in its implementation of environmental policies," said Mr. Stein.

International. Groups that provide most of their services outside the United States or that sponsor projects on international peace and security issues saw giving jump 8.5 percent last year, to $1.9 billion. That is less than the double-digit increases of 1990, 1990, and 1991, but a big improvement over the 2.3 percent decline in 1992.

Giving USA said the increase could be the result of the rapid growth of non-profits in other countries.

It predicted that "the relationship between North American nonprofits and their counterparts in other nations will be transformed as partnership relationships develop and expand."

Some charities offered different explanations. One relief group, CARE, attributed its 20 percent increase in donations to the publicity received by the famine-relief effort in Somalia.

Said Kathy Brenner, senior vice-president for marketing at CARE: "People saw the suffering of hundreds of thousands of Somalis, and their hearts went out to them."

Copies of Giving USA 1994 will be available in August from the AAPC Trust for Philanthropy, 35 West 43rd Street, Suite 810, New York 10036. The cost is $45 prepaid.
FUND RAISING

Coping With a New Law

Many charities are frustrated by having to give receipts for gifts, but donor relations could benefit from understanding the new law.

By VINCE STEHLE and GRANT WILLIAMS

Fund raisers say they have encountered numerous problems coping with a new federal law that requires many donors to obtain receipts for their gifts.

"It's a huge burden," says Nancy S. Tockman, director of the Lincoln Center Consolidated Corporate Fund in New York, which raises money for 10 arts organizations.

"The law is causing us to pull our hair out," says Catherine Piland, an administrator in the fund-raising office at the University of Texas at Arlington. "We are having to come up with ways to handle receipts for just about every situation—over $75, over $250, whatever—to fulfill these requirements."

Under the law, which affects all gifts made on or after January 1:
- Charities must give donors a breakdown of what deductions can be claimed when a contribution of more than $75 is made in exchange for a book, meal, or other item of value.
- Donors cannot claim write-offs for gifts of $250 or more unless they have receipts from charities.
- Congress passed these provisions in August to stop donors from exaggerating their charitable contributions when they claim income-tax deductions. The government expects the new requirements will bring the Treasury as much as $500-million over the next five years.

Not all charities are having trouble complying with the law. Many groups have always provided receipts, and now must make only small adjustments.

"A lot of what is in the law is just good donor relations," says Patricia F. Rudebush, director of major gifts at the Public Broadcasting System. She says she has heard few objections from public-television and public-radio stations.

One major complaint from charities is that the Internal Revenue Service has not given them enough help in figuring out how to follow the law. To date, the IRS has issued only a summary of the statute's requirements and has not provided detailed explanations of exactly how it intends to enforce the new law. Federal officials...
say charities can expect some further help soon. (See story on Page 29.)

"The government put the law out there and said, 'Follow it,'" complains Melissa Janssen, development operations manager at the Zoological Society of San Diego. "But the IRS hasn't been forthcoming with directives on how to interpret it."

Without more help from the government, says Mary Brinegar, director of development at the Dallas Opera, "We're kind of in the woods, and looking at what other groups are doing to see if we can do better."

**Charities Must Clarify How Much Is Deductible**

The most frustrating part of the new law for fund raisers is the requirement that donors of more than $75 be given a statement of how much they can deduct on their tax returns when they receive a thank-you gift or benefit. Non-profit organizations are supposed to make it clear that donors cannot deduct the full amount of the contribution: the value of goods or services they receive must first be subtracted.

For example, if a charity gives a book worth $15 to a donor who gave $100, it is supposed to tell the donor that only $85 is deductible. Charities are supposed to base their statements on the fair market value of the gift or service.

"Federal law has always required donors to make such subtractions. But the government thinks vast numbers of donors are not aware of that responsibility—or simply cheat. Now, for the first time, charities have to spell out for donors exactly what their proper deductions are.

Most charities say they have no argument with the government's attempt to collect more tax revenue. "I know that a donor has been able to write a check for just about anything and claim that the entire check was a gift," says Sherry Noden, director of stewardship, special events, and donor records at Southern Methodist University.

But she and other fund raisers say they are frustrated that their institutions have had to spend a lot of money and time reprogramming their computers—or buying new computer software—to produce the new receipts. "It's been a lot of work," says Ms. Noden.

Ms. Janssen says officials at the San Diego Zoo had to talk to their lawyers and accountants to figure out how to follow the new law—and then had to retrofit a computer program to produce the appropriate receipts.

Continued on Page 27
Questions and Answers About New Rule Requiring Receipts for Many Donors

Under a new federal law, charitable organizations will have to provide detailed information about their donors' gifts. The law was enacted last year to prevent taxpayers from exaggerating the amounts of their charitable donations when they claim deductions on federal income tax returns.

Following are some questions and answers about the new law, used on guidelines published by the Internal Revenue Service (The "Brochure," January 1) and in interviews with tax officials.

What must a charity do to comply with the law?

In general, a charity must give donors a deduction of a breakdown of what contributions can be claimed as charitable contributions. The law's definition of a charitable contribution is broad, even though the deductible amount did not exceed $25.

What if the charity made the gift mainly to receive a special discount?

The IRS says that if a donor expects to be invited to the dinner, in addition to considering the dinner itself, the charity must also write up a receipt for the donor. For example, if the donor is invited to a dinner and also receives a gift of $10, the charity must write up a receipt for the gift of $10.

What should a charity put in statements about such donations?

The statements must list:

1. The donor's good-will
t2. The value of the gift
t3. The value of the benefit

What is an example of such a gift?

The law would apply if a donor gives $150 to a charity, and the charity gives a dinner in exchange. The charity must tell the donor that the dinner was valued at $15, and that the donation exceeded the value of the dinner by $15. The charity must provide a breakdown of the dinner, even though the deductible amount did not exceed $25.

What if the charity made the gift just to get a special discount?

The IRS says that if a donor expects to be invited to the dinner, for example, by being invited at the time of the contribution, then the charity has to write up a receipt for that person. But if a donor rejected the dinner invitation when first made aware of it or did not know about it until after the donation, then the charity does not have to give a receipt.

How should a charity determine the value of the benefits, such as gift-shop discounts?

The IRS says a charity could base the value on how much an average donor uses a particular benefit, but it is not an explicit requirement. However, the charity could issue membership cards to donors and record that donors show the cards when making gift-shop purchases, says Mr. Owens, director of the IRS's Inquiries and Technical Division. The shop clerk could enter the card number into the cash register, allowing the charity to match purchases with donors.

Over time, the charity will know how much use there is of the discount policy, and some norms can be established as to expected usage, says Mr. Owens. "That doesn't give you the likelihood of the person across the street using it for himself. It's a problem in our country, but it is a good-faith way of approaching this sort of a valuation question."

Can a charity ever skip making the disclosure statement?

A charity can avoid labeling the gift with the disclosure statement if:

1. It provides donors with tokens or services of little value, even though the deductible amount did not exceed $25.
2. Services to donors are religious in nature and, therefore, their value need not be determined.
3. The government hasn't issued sample disclosure statements.

No, and it probably won't. The IRS says that if a charity must write a written statement in connection with its solicitation for money—in a mailing, for example—or on a receipt sent after it received the donation, the government says a charity's statement must be easy for the donor to find:

1. Do the donors have to place a value on these gifts? As long as they have the donor file to back up any valuations, they will have met the requirements.
2. Can goods be ascribed a value in some cases?

The IRS says the answer is yes. It will not have to include the dollar value of the intangible religious benefits provided.

Has the government issued sample receipts?

No, and it probably won't. The IRS says the government has not issued sample receipts. It says the government will not consider "intangible religious benefits" such as the ticket to an important charity event to make clear on the receipt the tangible religious benefits provided.

What if a donor made several gifts to a charity? The IRS says that a donor can write a check for $250 to the charity, and the charity can write a receipt for $250, and the donor can write a receipt for $250 as well.

Will donors have to ask for a receipt?

No. The IRS says that it would be impossible to require that every donor ask for a receipt.

"The government is not in the business of requiring a charity to give a receipt to every person who makes a contribution," Mr. Owens says. "But we do think that it's not an easy thing to require a charity to give a receipt to every person who makes a contribution."

How big is the new rule?

The new rule applies to about 10,000 charitable organizations.

What about receipts for charitable remainder trusts and donor-advised funds?

The IRS has no immediate answer to what it conceives is a tricky question.

Through charitable remainder trusts, donors give a charity a donation—such as stocks, cash, or other assets—to be held in trust by the charity. The donor claims a charitable deduction on his or her income-tax return.

The assets are invested and produce income for the donor or another beneficiary for a fixed period of time or until the donor dies; at that time, the charity keeps the remaining assets.

According to the IRS, the law will change the way donors pay for charitable contributions.

Charities Want IRS to Clear Confusion Over Proof-of-Donation Law

"We had to put on hold other tasks that we wanted the comptroller program to do," she says.

She says the zoo also had to wrestle with the difficulty of relating the fair market value of a benefit that it provides donors, including special tours. She says that because the zoo has not issued specific instructions on how charities could determine those values, senior officials have simply tried to do their best.

"We understand that people are going to make a good-faith effort to do the right thing and, we've done that," she says.

"If you don't do it right, it's going to be a big mess," she adds. She says that the zoo has not had much time to prepare for the requirements of the law.

Nor has the zoo been able to track how many of its employees used the tickets. She says, "We're just starting to get a handle on how many of our employees used the tickets."

"You don't know how many employers use music, how many of them are involved with it," she says. She says that the IRS has not been able to track how many of the company's employees used the tickets in the prior year. That means that the IRS has not been able to provide information on how many employees used the tickets.

Ms. Landau also said that the zoo's employees did not have to track how many of their employees used the tickets. She says that the IRS has not been able to provide information on how many employees used the tickets.

Your call is free. You may choose your order to your American Express, MasterCard, or Visa account. Within just a few minutes your order will be sent to your fax machine.

Articles range in length from one to ten pages. The prices are based on the number of pages transmitted. The list below also includes the date the article was first published in The Chronicle. These are among the articles available:

- How to help trustees overcome their fear of fund raising (12/91) Article 1024 $5.75
- How to honor and thank donors (3/91) Article 1017 $5.75
- How to avoid pitfalls in special events (1/91) Article 1017 $5.75
- Guide to books on special events (1/91) Article 1017 $4.75
- How small charities can get started in planned giving, with a glossary (7/90) Article 1017 $5.75
- The state of direct-mail fund raising (7/90) Article 1024 $6.75
- The long and short of writing fund-raising letters (5/90) Article 1024 $4.75
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IRS Rethinks Little-Known Auction Rules

Continued from Page 25

Auction, an annual event at the Royal Girls Club of San Francisco, was one of the most popular events at the party, she said. It was also surprising by the size policy. But Ms. Pickworth noted that the positions were sometimes given up to individual, "It depends on the one person who you are speaking to," she observed. "You can get an many different answers as times that you call.

A Little Tricky

Mr. Owens said a change in the amount on auction procedures could result in difficulties for charities that are not issued receipts in the past. "It would put something of a burden on the charities to try to ascertain that fair market value," said Mr. Owens. "And if that could get a little tricky, given the sometimes wide and eccentric nature of the items auctioned off.

But many charities said they assumed they were covered by the new law, and that if you were not sure about the value of an object sold and wanted to provide receipts to buyers...

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Proposal Would Increase Postal Rates for Non-Profit Periodicals by 20%

Interest Rates for Planned Gifts

Following are the interest rates, provided by the Internal Revenue Service, for computing charitable deductions for charitable remainder trusts, gift annuities, charitable lead trusts, and some other deferred gifts.

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<thead>
<tr>
<th>Date</th>
<th>Rate</th>
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<tbody>
<tr>
<td>July 1993</td>
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<tr>
<td>August 1993</td>
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<td>5.8</td>
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Source: PG Calc Inc.
Advanced program addresses vision and change

in response to the needs of senior fund raisers, NSFRE has announced its second Advanced Management Workshop. Developed in conjunction with the Mandel Center for Non-Profit Organizations at the Case Western Reserve University, Cleveland, OH, this year's program focuses on "Managing Strategic Vision and Organizational Change." The workshop will draw on faculty from fund raising, the Weatherhead School of Management and the Department of History to present an intensive, targeted 2-1/2-day program aimed at helping advanced executives reinforce their leadership positions in their organizations.

Scheduled for February 17-19, the program is limited to 35 advanced practitioners from across the country, chosen to provide diversity of interests, sizes and types of organizations, and special interests.

"While this program clearly addresses the fund-raising field, it's important to note that this is an advanced management program; it's more about upper-level management issues and less about raising money," observed Chip Levy, NSFRE's vice president for professional advancement. "The program has been redesigned to directly respond to surveys on the needs of our advanced members. This program will reinforce their ability to assume a leadership role not only in the development operation but, more importantly, on their organization's executive management team."

Confirmed faculty include Dr. David Cooperider, associate professor, organizational behavior; Dr. David Hammack, professor of history; and Dr. Eric Nielsen, chair, department of organizational management.

Applicants for the program should have a minimum of 10 years in the field and hold the CFRE credential or its equivalent. The program satisfies the advanced management education requirement for the ACFRE credential. Advanced registration is required; fees are $595 for nonmembers, $495 for NSFRE members. For more information, contact the NSFRE Professional Advancement Division at 800-666-FUND.

Advanced Management Workshop topics

Using a combination of lecture, discussion and small-group work teams, the February 17-19 program will address—

- History of the U.S. not-for-profit sector
- Management dilemmas and challenges for not-for-profits
- Modern American management approaches overview
- Strategies for not-for-profit organizational structures
- Strategic organizational analysis and evaluation—reinventing the organization

New substantiation requirements affect not-for-profits


Under the new tax law, individual or corporate donors making any contribution of $250 or more must obtain a written acknowledgment or their charitable deduction will be disallowed. While this new requirement falls on taxpayers, as a practical matter the real burden and compliance costs will be on charities to provide the needed acknowledgment and educate contributors that they must obtain and keep this acknowledgment.

Single contributions

In general, there is no aggregation rule in determining whether the $250 threshold is met. A separate payment generally is a separate contribution. For example, contributions of $200 each made quarterly to a children's aid group can be substantiated by canceled checks and receipts satisfying the existing regulations, without the need for obtaining the new written acknowledgment. IRS is expected to issue "anti-abuse rules" preventing a donor from circumventing the written acknowledgment requirement by writing multiple checks.

Timing and format

The statute requires a "contemporaneous" written acknowledgment of any contribution of $250 or more, but then states the requirement is satisfied if the taxpayer obtains it prior to filing the return claiming the deduction.

The required acknowledgment—

Continued on page 21
Substantiation requirements Continued from page 7

Substantiation requirements must be in writing, but no particular format is required. It can be by letter or postcard or computer-generated form. The donee may furnish separate acknowledgments for each contribution of $250 or more from the same donor, or instead furnish a periodic or year-end cumulative statement; provided such cumulative statement lists separately each contribution of $250 or more from the donor during that period.

Content
The written acknowledgment must state the dollar amount of a cash contribution. For a noncash contribution, it must provide a description of the donated property. The charity does not have to include a statement of value but, as a practical matter, it will need to estimate for its own information whether the value of a noncash contribution is at least $250.

The acknowledgment must state whether the donee “provided any goods or services in consideration, in whole or in part,” for the cash or noncash contribution. If none, it must state that no goods or services were provided.

The acknowledgment does not have to include the donor’s Social Security or taxpayer identification number.

Any not-for-profit that receives a donation including a quid pro quo contribution that exceeds $75 must inform the contributor in writing of the value of the goods furnished by the not-for-profit; only the portion of the payment exceeding the value of the goods or services is deductible as a charitable contribution.

Note: The IRS is currently completing supporting regulations. NSFRE will provide these to members as soon as they are completed.

In addition, NSFRE is now preparing acknowledgment forms that will comply with IRS regulations. They will be available shortly, priced in various quantities.

NSFRE BOOK RECOMMENDATION

Words of Wisdom for Writers, Speakers & Leaders
foreword by Milton Murray, CFRE

Published by PSI, June 1993

Words of Wisdom is a compilation of 2,700 memorable quotations and statements by the great and near-great as they are related to the world of giving. Quotations are organized into over 20 topic areas including charity, love, thankfulness, kindness, philanthropy, volunteerism and other expressions of community concern.

This compilation will facilitate the use of quotations by key staffers, CEOs and all professionals linked to philanthropy. Words of Wisdom is a must for any individual preparing a presentation or lecture and makes an excellent speaker/guest thank-you gift.

Available from the NSFRE Book Works, $14.50 plus $4.00 shipping/handling, 1101 King Street, Suite 700, Alexandria, VA 22314, 703/684-0410, 800/666-FUND, fax 703/684-0540.
NSFRE Membership Benefits

EXPANDING YOUR HORIZONS — ADVANCING THE PROFESSION

For over three decades the National Society of Fund Raising Executives has united and promoted the goals and achievements of fund-raisers worldwide. Founded in 1960 by perceptive leaders to improve the climate for fund-raising and instill professional standards, NSFRE now boasts more than 13,500 global members through some 130 chapters. Headquartered in Alexandria, VA, it is the only individual member professional organization dedicated exclusively to the advancement of fund-raising management for all fields of philanthropic service, the development of individual member proficiency, and achievement of social and human service objectives.

NSFRE is the professional society advancing philanthropy through education, training and advocacy. No matter what your title or experience level, NSFRE programs and activities refresh your spirits, generate new ideas, energize your personal pride and help you meet today’s complex fund-raising challenges.

In an increasingly competitive world, you need to have the best development, management and marketing skills to be successful. NSFRE insures its members have the tools and resources necessary to meet their needs as professionals and enable them to practice their profession effectively.

NSFRE enriches its members with a full range of benefits, services and educational opportunities — invaluable publications, state-of-the-practice seminars, professional certification, affordable insurance programs and discounts on fax machines, overnight mail, car rentals, and long distance phone service, and relocation service.

Here's a listing of member offerings.

- MEMBER ASSISTANCE, your NSFRE Staff is eager and able to assist you. Just call (703)684-0410 or 1-800-666-FUND or FAX (703) 684-0540. Hours: 9:00 a.m. to 6:00 p.m. EST.

- NEW MEMBERS receive a “Welcome Kit” containing a personal identification card, copies of current publications, catalogue of reference materials—books and video tapes; seminar, certification and conference information; plus standards of ethical conduct and practices for fund-raising executives.

- ADVANCING PHILANTHROPY, published quarterly, the flagship professional magazine of the fund-raising profession, keeps members in tune with the profession's issues, activities and latest developments.

- NSFRE NEWS, the Society's newsletter features current updates of NSFRE and national events, trends and developments of interest, plus analyses of regulatory and legislative initiatives.

- WHO'S WHO IN FUND-RAISING, the networking and resource tool of the profession, updated twice a year lists NSFRE members, fund-raising consultants, programs and offerings of the Society.

- ESS EMPLOYMENT OPPORTUNITIES, a monthly publication, lists job openings for many levels of experience.

- PROFILE, a career update on member demographics, fund-raising trends and statistics. Through membership and continuing cooperation with allied organizations, NSFRE represents its members and shares valuable data concerning the philanthropic community.

- THE NATIONAL FUND RAISING LIBRARY AND INFORMATION RESOURCE CENTER. NSFRE Headquarters in Alexandria, VA, maintains a comprehensive collection of books, periodicals, speeches and A/V materials on fund-raising and the not-for-profit sector. Hours are 9:00 a.m. to 6:00 p.m. EST. For information or assistance from the NSFRE National Fund Raising Library, call 1-800-688-FIND, or FAX (703)684-0540.

- THE NSFRE HERITAGE COLLECTION, a select and significant compendium of outstanding books and videotapes which contribute materially to the data banks of fund-raising and philanthropy. Most selections can be purchased through the NSFRE National Service Office.

- NSFRE FOUNDATION, a 501 (c) (3) tax exempt organization founded to support NSFRE educational programs and outreach to benefit those who lead, serve, and support philanthropy and volunteerism. The Foundation provides funding for the following: Scholarships, FRIENDS Program, Professional Advancement, Diversity Programs and Minority Programs, National Philanthropy Day, the NSFRE Library, and Chapter Resource programs.
NSFRE Member Benefits

- NSFRE's ANNUAL INTERNATIONAL CONFERENCE brings together the fund-raisers, volunteers, CEOs, and heads of not-for-profit organizations and foundations who make philanthropy possible. Programming includes leadership forums, award ceremonies, participation workshops, seminars and plenary sessions, all designed to serve the professional development needs of all participants regardless of experience level. Sessions provide priceless networking opportunities. Here you make valuable new contacts, learn innovative business techniques and gain vital new perspectives about the fund-raising profession. Conference exhibits include the latest products, innovations and services of consultants, retailers and others serving philanthropy.

- FIRST COURSE IN FUND-RAISING, a two-day seminar tailored primarily for executives, CEOs, trustees and volunteers new to the fund-raising profession. An enjoyable and substantive learning experience featuring experimental techniques, case studies, group and individual projects which combine to present a complete introductory overview of the development function. The course is offered at several sites across the country.

- SURVEY COURSE ON FUND-RAISING FUNDAMENTALS, a two-day intensive program for professionals with a minimum of five years experience. A faculty composed of senior and well-experienced professional practitioners present the mechanics of a complete fund-raising program: planning, execution and evaluation. This is an excellent confidence-builder prior to taking the Certification examination.

- EXECUTIVE LEADERSHIP INSTITUTE (ELI), a three-day seminar for senior level professionals which focuses on leadership issues and advanced fund-raising techniques.

- NSFRE CERTIFICATION PROGRAM is offered to fund-raising professionals with at least five years experience to provide recognition for their knowledge and professionalism. The designation “Certified Fund-Raising Executive” (CFRE) is a mark of accomplishment and distinction providing heightened professional recognition, greater career options and earning potential for individuals completing the program requirements.

- ACFRE, the Advanced Certified Fund-Raising Executive designation, is designed to be the final step in the credentialing process - a means for identifying superior mastery of the profession. The challenging process offers professionals a means to distinguish themselves, employers a way to identify advanced fund-raisers, and philanthropy an opportunity for enriched interactions with these professionals.

- NSFRE CHAPTER MEETINGS in 130 chapters nationwide, usually on a monthly basis, provide members opportunities to network, share knowledge and remain in the forefront of the profession.

- ADVOCACY -- LEGISLATIVE, REGULATORY AND MEDIA RELATIONS. NSFRE is a vital advocate on behalf of the fund-raising profession and an information service for those who regulate, legislate, utilize or report on our services. NSFRE's communications efforts are directed toward promoting the philanthropic community, and disseminating information to the media, business community, academia and the public about the contributions the fund-raising profession makes to society. In turn, NSFRE's governmental relations activities include monitoring legislation related to philanthropy, providing consultation at the request of lawmakers, and representing the best interests of the profession regarding pending legislation or regulation.

PROFESSIONAL RECOGNITION

- In order to foster higher standards of professionalism and stimulate more effective fund-raising practices, NSFRE annually recognizes outstanding achievements and contributions to philanthropy by fund-raising executives, volunteers, organizations and charitable groups. Recognitions include:

  - THE NSFRE AWARDS FOR PHILANTHROPY, recognizing each year individuals and organizations whose life-time or long-term achievements have had a national impact. This program recognizes yearly individuals and organizations in the following categories: outstanding philanthropist, volunteer fund-raiser, fund-raising executive, philanthropic organization, foundation and corporation.

  - NSFRE FOUNDER'S AWARD FOR PUBLIC SERVICE, recognizing NSFRE chapters for applying innovative, imaginative and creative approaches toward problem solving or meeting specific philanthropic needs of a community.

  - THE NSFRE ABEL HANSON AWARDS, given annually to chapters producing outstanding communications and promotional materials.
NSFRE Member Benefits

* NATIONAL PHILANTHROPY DAY (NPD), annually held in November to reflect on the greatness of our country and to recognize the contributions philanthropy has made to our nation’s strength, our community welfare and our personal well-being. NPD provides an opportunity to recognize and advance the major contributions philanthropy makes to society, and to honor those who give and volunteer to make it happen.

ADDITIONAL BENEFITS AND MEMBER DISCOUNTS

* EDUCATIONAL SEMINARS, Enjoy reduced rates on over 500 NSFRE-sponsored seminars, workshops and professional development programs organized around the country each year.

* SCHOLARSHIPS are given to selected fund-raisers to attend NSFRE’s Annual International Conference on Fund Raising and various other NSFRE programs.


* DISABILITY AND LIFE INSURANCE PROGRAMS, Contact: Disability Income Insurance, Inc. Smith-Field Insurance Agency, Inc., 415 North Alfred Street, P.O. Box 1831, Alexandria, VA 22313. Call 1-800-327-3607.

* DISCOUNTED OVERNIGHT DELIVERY. Airborne Express’ worldwide network can handle all of your shipping needs. 1-800-289-2776 or or 4601 S. Eisenhower Ave., Alexandria, VA 22304.

* AUTOMOBILE RENTAL. Alamo Rent-A-Car offers discounts and unlimited free mileage. 1-800-345-2322. Use your identification number "BY 24G267."

* RELOCATION SERVICES, North American Van Lines offers a 40% discount plus free replacement service to NSFRE members. Contact: B. Von Paris & Sons, Inc., 1920 York Road, Timonium, MD 21093. 1-800-86 6-6355.


Call NSFRE’s Member Services line, 1-800-668-FUND for more information about your benefits and member discounts.

MEMBERSHIP CATEGORIES

Membership in NSFRE is open to individuals who serve as fund-raising STAFF for institutions or are fund-raising consultants. Members must be in accord with NSFRE’s Code of Ethical Principles. To become a member, candidates must be recommended by two voting members who are in good standing with the Society. Membership is granted on an individual basis only and is not transferable. In the event of change of employment, members are required to notify the NSFRE National Service Office. Transfer of membership from one chapter to another is allowed with the concurrence of the prospective chapter. Membership categories are:

* Regular Membership — Open to individuals with at least one year of development experience as fund-raising staff for philanthropic organizations or as consultants. All members must subscribe to the Society’s Code of Ethical Principles. Regular Members enjoy full voting privileges.

* Student Membership — Open to full-time students enrolled in degree-granting programs or those serving fund-raising internships on stipend only. Applicants must reapply annually for Student Membership and are non-voting members.

* Intern Membership — Open to those with less than one year of experience with an organization or a consultant that subscribes to NSFRE’s Code of Ethical Principles. Interns are non-voting members.

* Retired Membership — Open to individuals who have retired from the field and who subscribe to NSFRE’s Code of Ethical Principles and Bylaws. Retired members enjoy full voting privileges.

* Affiliate Membership — Open to individuals who work in fields related to fund-raising or who share mutual interests with fund-raising professionals. Affiliate members do not have voting privileges.
OTHER NON-PROFIT NATIONAL ORGANIZATIONS

* American Association of Fund Raising Counsel  
  25 West 43rd Street  
  New York, NY 10036  
  (212) 354-5799

* American Prospect Research Association  
  414 Plaza Drive, Suite 209  
  Westmont, IL 60559  
  (708) 655-0177

* Association for Healthcare Philanthropy  
  313 Park Avenue, Suite 400  
  Falls Church, VA 22046  
  (703) 532-6243

* Council for the Advancement and Support of Education  
  11 Dupont Circle, Suite 400  
  Washington, DC 20036  
  (202) 328-5956

* Independent Sector  
  1828 L Street, N.W.  
  Washington, DC 20036  
  (202) 223-8100

* National Committee on Planned Giving  
  550 West North 304  
  Indianapolis, IN 46202-5162  
  (317) 269-6274
ANNUAL GIVING
The Annual Fund:
The Foundation of Success in Development

I. WHAT IS AN ANNUAL FUND?
A) An organized effort conducted each year to obtain financial support
B) An opportunity to communicate your organization’s mission
C) A means of encouraging participation by many donors
D) A cultivation tool for future major gifts
E) An arena for volunteer involvement
F) A means of providing budget relief for your organization
G) One of the most expensive forms of fund raising
H) The absolute foundation for ultimate fund raising success

II. DEFINING YOUR ANNUAL FUND
A) Where does the Annual Fund fit in your organization?
B) What constitutes an Annual Fund gift in your organization?
   1) First, determine what you are attempting to measure
      What objective is most important for your organization:
      \begin{itemize}
      \item [(a)] The gift’s purpose  \underline{UNRESTRICTED}  \\
      \item [(b)] The size of the gift \$2,500  \\
      \item [(c)] How the gift was solicited \\
      \item [(d)] The donor’s affiliation \\
      \item [(e)] The likelihood the gift will repeat itself
      \end{itemize}

III. DEVELOPING YOUR CASE FOR ANNUAL FUND SUPPORT

A) Why does your organization need current, operating support?
B) What will gifts of various sizes provide for your organization?
C) What would your organization do if you didn’t raise the money?

IV. WHO ARE YOUR ANNUAL FUND PROSPECTS?

A) All persons/entities interested in your organization
   1) Whom does your organization serve?
   2) Who benefits from the work of your organization?
B) Annual Fund prospects arise from many different constituencies
   1) Alumni
   2) Clients served and their families
   3) Staff and employees
   4) Trustees/Directors
   5) Corporations
   6) Vendors
   7) Grateful patients/patrons
   8) Charitable funds and foundations
   9) Anyone with an existing or potential interest in your organization
   10) All previous donors

V. ESTABLISHING ANNUAL FUND GOAL

A) Review historical records and seek out trends
   1) Numbers solicited
   2) Rates of participation
   3) Average gift amounts
   4) Monthly cash-flow analysis
   5) Yearly annual rates of growth
B) Prospect and Market Analysis
C) Economic Conditions
D) Desired impact (dramatic or slow, steady growth)

VI. ORGANIZING YOUR PROSPECTS

A) Practice sequential fund raising (Top-Down/Inside-Out)
B) Prospect pools (or segments) may be based upon:
   1) Constituent groups
   2) Past giving history
   3) Giving potential
   4) Geographic location
   5) Specific interest groups
   6) Relationship to volunteer leadership/solicitors
   7) Patterns of annual giving

VII. SOLICITATION TECHNIQUES

A) Personal Solicitation
   1) Most effective, least expensive, least efficient
   2) By Staff
   3) By Volunteers (Generally peer-to-peer)

B) Telephone Solicitation
   1) Very effective, less expensive, highly efficient
   2) May be combined with direct mail
   3) May be used to follow up on direct mail

C) Direct Mail
   1) Least effective, most expensive, highly efficient
   2) Whenever possible, always segment
   3) Always TEST, TEST, TEST
VIII. STRATEGIES FOR SOLICITATION

A) Establish goals/purposes for constituent groups
   1) Board of Trustees/Directors
   2) Staff
   3) Volunteer organizations/guilds
   4) Major donors
   5) LYBUNTS (Last Year But Not This)
   6) SYBUNTS (Some Year But Not This)
   7) NEVERS (Zero giving history)

B) Challenge Grants
   1) Match contributions of first-time donors
   2) Match donors' increased gift amounts
   3) Contingent upon reaching a certain aggregate goal

C) Donor Recognition Clubs
   1) Carefully consider the administrative time involved
   2) Can help upgrade donors' giving
   3) Benefits must be inexpensive yet meaningful
   4) Club names must be meaningful, too
   5) Keep them as simple as possible
   6) Levels should be challenging, yet attainable
   7) Be cognizant of new IRS ruling

D) Matching Gifts
   1) Ask for the match on response cards
   2) Flag records to ask for match in acknowledgments
   3) Consider Matching Gift Coordinators at local companies

E) Special Occasions
   1) Memorial Gifts
   2) Extraordinary or emergency needs/opportunities
   3) Use calendar year-end/fiscal year-end deadlines
4) Major yearly events

IX. ACKNOWLEDGMENT AND RECOGNITION

A) Timeliness is imperative

B) Sets the stage for your next solicitation

C) Personalize for major donors

X. REPORTS

A) Analyze costs

1) You may spend $1 to raise $1 from first-time new donors

2) Calculate overall fund raising costs as:

   a) cost per dollar raised
   b) return on investment
   c) cost per prospect solicited

B) Tracking Gift Income and Donors

1) Track gifts by donor constituent groups

2) Track gifts and donors by solicitation vehicle used

3) Track gifts by purposes

4) Track giving by range (denomination) of gifts

5) Track average gift by constituency and vehicle

6) Compile results monthly and yearly

7) Compile running comparative reports to previous year-to-date

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Revised: 07-08-94

-5-
25 Tips for Conducting Successful Phonathons

1) Use a phonathon to recruit volunteer callers
2) Recruit more callers than available phones
3) Send a written confirmation to volunteer callers in advance of phoning
4) Call to confirm again the day of the phonathon
5) Use a facility where all callers can be in the same room
6) Decorate the room used for calling
7) Always have refreshments on hand
8) Always use direct dial phones (no long distance carrier codes)
9) Spend the time and money to research missing phone numbers
10) Mark all cards with a suggested gift amount
11) Use a prepared script
12) Avoid scripts which are overly conversational - get to the point
13) Prepare simple, written responses for possible objections
14) Train your callers
15) Learn and teach the principle of "legitimize and deflect"
16) Instruct callers to always hang up last
17) Ask volunteer callers to make their own gift first
18) Have fun & make certain each volunteer has a few "sure bet" cards
19) Set a goal for each evening of calling and share it with callers
20) Keep a running total throughout the evening on a chalkboard/flipchart
21) Provide fun and light-hearted door prizes for each caller
22) Don't be afraid of noise in the phone room - it forces concentration
23) Mail pledge acknowledgments as soon as possible
24) Use phonathons to confirm and collect delinquent pledges
25) Always provide volunteer callers with follow-up reports and thanks

Provided by: Troy E. Horne, Director of Major Gifts, Creighton University
Omaha, Nebraska 68178. NSFRE St. Louis Fall Conference Sept. 21, 1992.
25 Tips for Successful Direct Mail

1) Copy is the most important element of the direct mail package
2) Segment your audience as much as possible
3) Opening needs to catch reader's interest
4) Use active and participatory verbs
5) Vary paragraph lengths
6) Use as large a typeface as possible
7) Occasionally underline important phrases or key words
8) Post scripts which reinforce your central point can help response
9) Use two colors of ink (signature and key words or phrases)
10) Always ask for a specific gift amount
11) If copy is more than one page, break in the middle of a sentence
12) Leave plenty of white space
13) Share drafts of the copy with other staff and/or volunteers
14) Always include a response card
15) Experiment with using "teaser" copy on the carrier envelope
16) Use "live" postage whenever possible
17) Avoid using mailing labels if at all possible
18) Always include a pre-addressed reply envelope
19) Use a small marking on the reply envelope to track responses
20) Always mail in November - it's the best direct mail month
21) Make certain copy sells the benefits of giving - not organizational "needs"
22) Use response cards for multiple purposes - requests for other info., planned giving information, etc.
23) Fold the letter inside-out, so copy is seen when pulled from envelope
24) Don't be afraid of using color!
25) Avoid gimmicks

Provided by: Troy E. Horine, Director of Development, Creighton University
Omaha, Nebraska 68178. Midlands Institute for Non-Profit Management, July 1994.
Dear Mr. Horine:

Recently I received a donation and this letter from the mother of a former Uta Halee resident...

"Michelle had a hectic childhood - two very busy parents, severe auto accident injuries when she was six and soon thereafter, an infection that nearly cost her a leg, the intrusion of a jealous half-sister into her life, the adoption of one of her cousins... two moves that came at times when she had just settled into friendships and a routine - and then her father and little brother were killed in a small-plane crash...

She had three breakdowns in two years, was raped, and during the third breakdown episode, ran away from a boarding school that had been highly recommended but proved to be rigid and unsympathetic...

I was desperate for help when a therapist recommended Uta Halee. Thank God you took her in.

She began to find herself there. She began to look forward in hope. She caught up with three years of education and graduated from high school.

Step by step she worked her way back to self-confidence and through three years of college. She married a fine fellow... who works hard at his career... They have two good children... She is a terrific mother, raising her youngsters with love and attention in a happy, well-organized home...
Now she is talking seriously of going back to college to get a degree in a service field so she can give to others from the best of what she learned through her own trauma and survival. And she and I have become warm and mutually respectful friends."

Michelle's mother thinks Michelle wouldn't have made it without Uta Halee. Uta Halee can't make it without you.

Your donation will help buy clothes for a girl or make repairs to our school building. Your contribution could also help with a challenge grant: if we raise $50,000 by June 1994, then the Peter Kiewit Foundation will match that with another $50,000.

Michelle is one of many girls we have helped since Omaha Church Women United founded Uta Halee in 1950. Uta Halee is Nebraska's only psychiatric residential care facility exclusively for adolescent girls.

We need your continued compassion and concern. Please consider joining one of our giving clubs so we can continue our work.

Our girls work and "train" harder than many of the Olympic athletes. Their "events" are sometimes challenging beyond belief. We help each girl's family become healthy. We make sure each girl finishes school -- either on our campus or in their home school. They learn about the world of work -- how to find and keep a job.

We are proud of what our girls accomplish while they are here. Please take a moment to share in that pride with us. Your compassion and donation will make an immediate impact.

Sincerely,

Denis D. McCarville
Executive Director
Only with your help, can Uta Halee reach the increasing number of young girls like Michelle who need “extra” help. Their lives have had a rough beginning. Together, we can help them learn to overcome the obstacles and go on to live happy, healthy, productive lives! You can play a part in rebuilding a life. You can make a difference!

Thank You!

☐ YES, I have enclosed my tax-deductible contribution in the following amount:
   ☐ $200
   ☐ $100
   ☐ $ 50
   ☐ $ 25
   ☐ Other $ _______________

As an expression of my/our desire to sustain the quality of Creighton University:

I wish to support the general University by enrolling in the Creighton University Donor Recognition Club checked below:
   ☐ Creighton Society ($1,000 or more)
   ☐ University Loyalty Club ($500-1,000)
   ☐ Sponsors ($250-500)
   ☐ Associates ($100-250)
I wish to make the following other gift to the general University:
   Other Amount: $ _______________

I wish to support the School/College of [specify] by enrolling in the Donor Recognition Club checked below:
   ☐ Dean's Club ($500 or more)
   ☐ Sponsors ($250-500)
   ☐ Associates ($100-250)
I wish to make the following other gift to the School/College of [specify]:
   Other Amount: $ _______________

Name ___________________________ Class Year (if alumnus) ___________________________
Address ____________________________________________________________
City, State, Zip ___________________________ Home Phone ___________________________ Work Phone ___________________________
Payment Method: ☐ Full amount enclosed $ _______________
☐ $ _______________ is enclosed. Please bill me for the remainder in ______ installments in the following months (to be paid in full by June 30, 1994):
☐ My employer will match my gift. Enclosed is the matching gift form.

Please return this form in the envelope provided.
October 29, 1990

Robert J. Varone, D.D.S.
55 Hawthorne Place
North Providence, RI 02904

Dear Bob:

You may feel that one person cannot make a difference. Yet recently we have seen how one individual can help shape the course of history. Consider the lone student who held the tanks at bay in Tiananmen Square in China, Lech Walesa crusading for democracy in Poland, and Mother Teresa, one dedicated person, committed to humanity, who was awarded the Nobel Peace Prize.

Here in our own School of Dentistry, the late Dr. Ted Urban, educated, guided, and charmed so many students to greater accomplishment. Dr. Richard Blankenau, is in the forefront of laser research for dentistry, and Dr. Wayne Barkmeier, is chairing the first international symposium on adhesives in dentistry, which will be hosted by our School. For all we know, a dental student attending Creighton today on a scholarship or research being done by School of Dentistry faculty might lead to the discovery of the perfect restorative material for both enamel and dentin.

But where do we get scholarship dollars and seed money for research? Alumni gifts to the School of Dentistry Annual Fund provide vital help in these and other ways to ensure quality dental education. This year Annual Fund contributions are needed to enhance the School's Emergency Loan and Scholarship Funds, fund faculty and student clinical research, and support the School's program of providing dental care for the disadvantaged.

This year, each of the schools and colleges at Creighton has established Annual Fund Recognition Clubs to pay special tribute to those individuals committed to the programs and activities supported by the Annual Fund. As a graduate of more than one college at Creighton, you may receive similar mailings from other Deans. I hope you will also accept the enclosed invitation to join one of the School of Dentistry Recognition Clubs with your Annual Fund gift of $500.

With your gift to the Annual Fund, there is so much more that we can do for students and faculty. Don't miss this opportunity to make a difference in so many lives - theirs and yours.

Sincerely,

Gerald C. Brundo, D.D.S., F.A.C.D.
Dean

California at 24th Street    Omaha, Nebraska 68178-0240    (402) 280-5062
Dear Creighton Alumni and Parents,

Is a Creighton education worth a 50 cent can of soda a week?

Why do I ask? Because, recently that is how one of our graduating seniors described her pledge of $25 to this year’s Annual Fund.

Is her gift of $25 significant? You bet it is!

Last year, 4,322 alumni, parents and friends made gifts of less than $100 to the Annual Fund. Combined, their gifts totaled over $150,000!

Gifts to the Annual Fund help maintain the quality of education for which Creighton is synonymous. Moreover, Creighton also is known for instilling in its graduates the Jesuit tradition of service to others. Recently, a major, national foundation — the John Templeton Foundation — named Creighton a national leader in values-centered education. Read today’s headlines or watch the evening newscast, and I think you will agree that the values-centered education which Creighton offers is more important now than ever.

A Creighton education is not inexpensive. However, our tuition is still considerably less than that charged by other outstanding private schools, and ranks well below the national average of $10,000. In actuality, tuition and fees cover only 40% of the true costs. The difference is subsidized by gifts to the Annual Fund so that another generation might reap the best education Creighton can offer.

I hope I have convinced you of the importance of your participation in the Annual Fund. Please consider joining the nearly 5,000 donors who have already given to the Annual Fund this year with a gift of $25 or more.

With appreciation,

Michael E. Leighton, BA’70

P.S. Receipt of your gift by the close of our fiscal year, June 30, 1991, ensures your listing in our annual Honor Roll of Donors.
Wanted: A Can Of Soda A Week
25 Tips for Conducting Successful Phonathons

1) Use a phonathon to recruit volunteer callers
2) Recruit more callers than available phones
3) Send a written confirmation to volunteer callers in advance of phoning
4) Call to confirm again the day of the phonathon
5) Use a facility where all callers can be in the same room
6) Decorate the room used for calling
7) Always have refreshments on hand
8) Always use direct dial phones (no long distance carrier codes)
9) Spend the time and money to research missing phone numbers
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12) Avoid scripts which are overly conversational - get to the point
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20) Keep a running total throughout the evening on a chalkboard/flipchart
21) Provide fun and light-hearted door prizes for each caller
22) Don't be afraid of noise in the phone room - it forces concentration
23) Mail pledge acknowledgments as soon as possible
24) Use phonathons to confirm and collect delinquent pledges
25) Always provide volunteer callers with follow-up reports and thanks

Provided by: Troy E. Horine, Director of the Annual Fund, Creighton University
Omaha, Nebraska 68178. NSFRE Mid-America Conference April 26-29, 1992.
FUNDAMENTALS OF EFFECTIVE TELEMARKETING

I. Pre-Call Planning
   A. Practice Pronunciation of Name
   B. Be Familiar with the Prospect
   C. Know Why You are Calling and What You are Going to Say
   C. Determine Initial and Final Ask Amounts
   D. SMILE BEFORE YOU DIAL!

II. Introduction
   A. Your Name and Affiliation
   B. Why You Are Calling

III. Create Interest and Establish Rapport
   A. Active Listening
   B. Use the Prospect’s Name Often
   C. Involve the Prospect in the Conversation through Questions

IV. Deliver Sales Message and Ask for the Pledge
   A. Be Prepared for Objections
   B. Legitimize the Objection!!!
   C. Deflect to the Script and Ask Again!

V. Wrap Up the Call
   A. Reconfirm the Prospect’s Pledge/Response
   B. Confirm Address
   C. Thank Again and Close
   D. Complete the Pledge Card Properly!!!!!!!
INTRODUCTION:

Hello, this is (Your Name) calling on behalf of Creighton University. May I please speak to (Mr./Mrs./Ms. FULL NAME)?

<table>
<thead>
<tr>
<th>Prospect isn’t home</th>
<th>Could you tell me when would be a convenient time to try again?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Answering Machine</td>
<td>Do not leave a message</td>
</tr>
<tr>
<td>Prospect is home</td>
<td>Go to “Building Rapport” section</td>
</tr>
</tbody>
</table>

BUILDING RAPPORT:

(FIRST NAME), my name is (Your Name), and I’m a (Your Class Year) graduate of Creighton University. I’m calling tonight from Manhattan along with several other alumni on behalf of the Creighton University Annual Fund. I appreciate your time this evening and I’ll be brief.

THE ASK

(FIRST NAME), one of the reasons for my call is to thank you for your previous support of Creighton. Your past participation shows that you understand how much Creighton relies on the support of its alumni and friends to help bridge the gap between tuition and the school’s expenses. We hope you will continue your support of Creighton by giving to the Annual Fund which provides for the University’s immediate needs and helps ensure Creighton’s continued excellence.

I would like to ask you to join (me and) other Tri-State area alumni and parents with a pledge of $ (targeted ask amount) to the 1992-93 Annual Fund. May we count on your pledge in that amount?

LEGITIMIZE (WHEN APPROPRIATE):

I can understand and appreciate what you are saying (try to deal with their objections).
IF SUGGESTED ASK AMOUNT IS TOO HIGH:

(FIRST NAME), if full payment is not possible at this time for whatever reason, you may choose to pay your pledge in convenient monthly or quarterly installments between now and June 30, 1993. Would paying a pledge in installments be better for you?

SECOND ASK

(FIRST NAME), let me mention just one more thing. And that is the importance of your participation to the University’s total fund raising program. For example, Creighton seeks larger gifts from corporations and foundations. And one way many corporations and foundations determine the size of their gift, is not by how much money Creighton receives, but how many donors -- especially alumni and parents -- give anything at all.

(FIRST NAME), many alumni and parents I have spoken with this evening are participating by making a gift of $______. Would that amount be more comfortable for you?

FINAL ASK

Is there another amount that would be more convenient for you at this time, which would allow us to count you as a participant this year?

CLOSING

IF PLEDGED:

Thank you very much (FIRST NAME). We look forward to receiving your pledge payment of $__(amount) by ______ (June 30). We’ll send you a reminder pledge in tomorrow’s mail. Our records list your address as:______________.

** May I indicate on your pledge card whether you (or your spouse) happen to work for a matching gift company?

IF NO PLEDGE MADE:

I’m sorry you feel you cannot support the Annual Fund at this time. Perhaps we can count on your support in the future. Before I go, may I take a moment of your time to verify your address? Would that be: ________________?

END WITH

(FIRST NAME), thank you again for talking with me and have a nice evening.

(HANG UP LAST!)
PROSPECT PHONATHON CARD

EIGHTON UNIVERSITY

ANNUAL FUND
P.O. Box 3386, Omaha, NE 68172-4123
1-800-334-8794

Thank you for talking with me about Creighton and your Annual Fund commitment. Your pledge of support is greatly appreciated and will enhance the educational quality of Creighton.

Phonathon student caller/volunteer

Date
Amount
Pledged

This gift is for unrestricted use by:

☐ the general University
☐ the School/College of

Payment Method

☐ Full amount enclosed:
☐ $ ______ enclosed. Bill me for the remainder in the following months:

☐ This gift will be matched by:

Company Name

For Recognition Club information, see reverse.

Please return this form with your gift by June 30.

CHICAGO

Mr. 
858A-72

(708) 6056 Lane
IL 60532-2822

PHILIP MORRIS

220 Morris Road
IL 60101

Mrs.

BA '70

(8) Manager

1431 Street
IL 60101

Ms.

Date: 3/1/93

Contact: Jane Doe

Usual Number

Call Back

NO ANSWER (Month/Day)

Send Info: Y N

Contact Complete

New Number Above
☐ Number Same As Above
☐ No Listing Found
☐ Number Unpublished

Directory Assistance Called

☐ Refusal
☐ Already Gave
☐ Unspecified Pledge
☐ Pledge Amount $125.00
☐ Matching Gift Company & Amt:

Philip Morris $125.00

☐ Unreachable (long-term)

Explain:

Send Info (see reverse)
HOW TO READ
THE
PROSPECT PHONATHON CARD

A. Pledge Card - perforated at bottom for mailing purposes. Do not tear these apart.
B. Name and Address
C. Alumni Club
D. Prospect’s Degree and Year of Graduation
E. Home Address - always verify this information with the prospect
F. Home Phone Number
G. Business Address - check this information with the prospect
H. Business Phone Number
I. Spouse Name
J. Spouse Degree and Year of Graduation (if CU Graduate)
K. Spouse Business Address (if known)
L. Spouse Business Phone Number (if known)
M. Matching Gift Information
N. Targeted Ask Amount - calculated by the computer based on the prospects previous giving to the Annual Fund
P. Gift History - prospects giving over the past 3 years
Q. Detailed Annual Fund Gift Summary - for last year prospect gave to the Annual Fund since 1986.
R. Campaign Creighton Pledge Summary
CREIGHTON UNIVERSITY ANNUAL FUND
Income Report By Fund
(Period Ending February 28, 1994)

<table>
<thead>
<tr>
<th>Fund Description</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YTD</td>
<td>Previous YTD</td>
<td>% Change Vs 92-93</td>
<td>Difference Vs 92-93</td>
</tr>
<tr>
<td>General</td>
<td>$111,647</td>
<td>$123,351</td>
<td>-9.49%</td>
<td>($11,704)</td>
</tr>
<tr>
<td>Memorials</td>
<td>0</td>
<td>1,250</td>
<td>-100.00%</td>
<td>($1,250)</td>
</tr>
<tr>
<td>Sub-Total</td>
<td>111,647</td>
<td>124,601</td>
<td>-10.40%</td>
<td>($12,954)</td>
</tr>
<tr>
<td>Direct Mail</td>
<td>389,882</td>
<td>356,293</td>
<td>9.43%</td>
<td>$33,590</td>
</tr>
<tr>
<td>Campus-Based Phonathons</td>
<td>355,644</td>
<td>263,080</td>
<td>35.19%</td>
<td>$92,565</td>
</tr>
<tr>
<td>Regional AF Programs*</td>
<td>320,442</td>
<td>251,317</td>
<td>27.51%</td>
<td>$69,125</td>
</tr>
<tr>
<td>Payroll Deduction</td>
<td>23,967</td>
<td>33,358</td>
<td>-28.15%</td>
<td>($9,390)</td>
</tr>
<tr>
<td>Reunion Class Giving</td>
<td>3,691</td>
<td>801</td>
<td>361.01%</td>
<td>$2,890</td>
</tr>
<tr>
<td>Senior Pioneer Pledge</td>
<td>6,023</td>
<td>8,201</td>
<td>-26.56%</td>
<td>($2,179)</td>
</tr>
<tr>
<td>Sub-Total</td>
<td>1,099,650</td>
<td>913,048</td>
<td>20.44%</td>
<td>$186,601</td>
</tr>
<tr>
<td>Jaybackers</td>
<td>209,625</td>
<td>203,319</td>
<td>3.10%</td>
<td>$6,306</td>
</tr>
<tr>
<td>Jesuit Gift</td>
<td>150,000</td>
<td>150,000</td>
<td>0.00%</td>
<td>$0</td>
</tr>
<tr>
<td>CU 2000</td>
<td>910,000</td>
<td>902,200</td>
<td>0.86%</td>
<td>$7,800</td>
</tr>
<tr>
<td>CU 2000 Faculty/Staff</td>
<td>5,503</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Sub-Total, Inactive</td>
<td>1,275,128</td>
<td>1,255,519</td>
<td>1.56%</td>
<td>$19,609</td>
</tr>
</tbody>
</table>

16) GRAND TOTAL

$2,487,660 | $2,293,169 | 8.48% | $194,491

(Subtracted $5.00 designated for Minority Scholarships—CU 2000 Faculty/Staff, from column A)

* (Includes income from personal solicitation by staff and volunteers, Creighton Society renewals by mail and direct mail solicitations.)
CREIGHTON UNIVERSITY ANNUAL FUND
Income Report by Purpose
(Period Ending February 28, 1994)

<table>
<thead>
<tr>
<th>PURPOSE CATEGORY</th>
<th>A YTD</th>
<th>B Previous YTD</th>
<th>C One Year Change</th>
<th>D One Year % Change</th>
<th>E 1993-94 Goal</th>
<th>F Balance To Goal</th>
<th>G Percent Of Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNRESTRICTED</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) Unrestricted</td>
<td>$1,405,253</td>
<td>$1,371,864</td>
<td>$33,389</td>
<td>2.43%</td>
<td>$2,523,914</td>
<td>$1,118,661</td>
<td>55.69%</td>
</tr>
<tr>
<td>2) Unrestricted (Pres. Disc.)</td>
<td>0</td>
<td>2,283</td>
<td>(2,283)</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>3) Jesuit Gift</td>
<td>150,000</td>
<td>150,000</td>
<td>0</td>
<td>0.00%</td>
<td>150,000</td>
<td>0</td>
<td>100.00%</td>
</tr>
<tr>
<td>4) Jesuit (Special Gifts)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>n/a</td>
<td>150,000</td>
<td>150,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>5) Sub-Total</td>
<td>$1,555,253</td>
<td>$1,524,147</td>
<td>$31,106</td>
<td>2.04%</td>
<td>$2,623,914</td>
<td>$1,268,661</td>
<td>55.07%</td>
</tr>
<tr>
<td>6) Arts &amp; Science</td>
<td>75,460</td>
<td>60,657</td>
<td>14,803</td>
<td>24.41%</td>
<td>110,000</td>
<td>34,540</td>
<td>68.60%</td>
</tr>
<tr>
<td>7) Business Admin.</td>
<td>69,235</td>
<td>66,773</td>
<td>2,462</td>
<td>0.67%</td>
<td>96,000</td>
<td>26,765</td>
<td>72.12%</td>
</tr>
<tr>
<td>8) Dentistry</td>
<td>92,029</td>
<td>55,718</td>
<td>36,311</td>
<td>65.17%</td>
<td>100,000</td>
<td>7,971</td>
<td>92.03%</td>
</tr>
<tr>
<td>9) Law</td>
<td>124,897</td>
<td>108,949</td>
<td>15,948</td>
<td>14.64%</td>
<td>110,000</td>
<td>(14,897)</td>
<td>113.54%</td>
</tr>
<tr>
<td>10) Medicine</td>
<td>253,949</td>
<td>194,900</td>
<td>59,049</td>
<td>30.30%</td>
<td>286,500</td>
<td>32,651</td>
<td>88.64%</td>
</tr>
<tr>
<td>11) Pharmacy &amp; Allied Health</td>
<td>38,229</td>
<td>24,604</td>
<td>13,625</td>
<td>55.39%</td>
<td>38,000</td>
<td>(229)</td>
<td>100.60%</td>
</tr>
<tr>
<td>12) Graduate</td>
<td>275</td>
<td>475</td>
<td>(200)</td>
<td>-42.11%</td>
<td>0</td>
<td>(275)</td>
<td>ERR</td>
</tr>
<tr>
<td>13) Nursing</td>
<td>20,004</td>
<td>18,787</td>
<td>1,217</td>
<td>6.68%</td>
<td>38,000</td>
<td>17,966</td>
<td>52.64%</td>
</tr>
<tr>
<td>14) University College</td>
<td>20</td>
<td>90</td>
<td>(70)</td>
<td>-77.78%</td>
<td>0</td>
<td>(20)</td>
<td>ERR</td>
</tr>
<tr>
<td>15) Sub-Total</td>
<td>$674,098</td>
<td>$532,953</td>
<td>$141,145</td>
<td>26.48%</td>
<td>$775,500</td>
<td>$104,402</td>
<td>86.55%</td>
</tr>
<tr>
<td>16) TOTAL UNRESTRICTED &amp; SCHOOL/COLLEGE GCF</td>
<td>$2,229,951</td>
<td>$2,057,100</td>
<td>$172,251</td>
<td>8.37%</td>
<td>$3,502,414</td>
<td>$1,373,063</td>
<td>61.88%</td>
</tr>
<tr>
<td>CURRENT RESTRICTED</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17) Graduate Sch. Scholarship Fund</td>
<td>6,658</td>
<td>4,699</td>
<td>2,019</td>
<td>43.52%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>18) Athletics</td>
<td>251,651</td>
<td>231,430</td>
<td>20,221</td>
<td>8.74%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>19) Sub-Total</td>
<td>$258,309</td>
<td>$236,069</td>
<td>$22,240</td>
<td>9.42%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHER RESTRICTED</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20) Other Restricted</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.00%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21) Sub-Total</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>0.00%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22) GRAND TOTAL</td>
<td>$2,487,660</td>
<td>$2,293,169</td>
<td>$194,491</td>
<td>8.49%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Subtracted $5.00 designated for Minority Scholarships from column A)
## CReightOn University Annual Fund

### Donor and Income Report By Source
(Period Ending: February 28, 1994)

<table>
<thead>
<tr>
<th>Source Category</th>
<th>Donor Counts</th>
<th>Income</th>
<th>FY 93/94</th>
<th>FY 92/93</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td><strong>ALUMNI</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) Arts &amp; Sciences</td>
<td>1,148</td>
<td>1,146</td>
<td>0.17%</td>
<td>$122,088</td>
</tr>
<tr>
<td>2) Business Administration</td>
<td>781</td>
<td>867</td>
<td>-9.92%</td>
<td>135,854</td>
</tr>
<tr>
<td>3) Dentistry</td>
<td>694</td>
<td>547</td>
<td>26.87%</td>
<td>115,509</td>
</tr>
<tr>
<td>4) Law</td>
<td>1,200</td>
<td>1,226</td>
<td>-2.12%</td>
<td>194,636</td>
</tr>
<tr>
<td>5) Medicine</td>
<td>1,667</td>
<td>1,351</td>
<td>23.39%</td>
<td>442,219</td>
</tr>
<tr>
<td>6) Pharmacy &amp; Allied Health</td>
<td>508</td>
<td>219</td>
<td>131.96%</td>
<td>43,760</td>
</tr>
<tr>
<td>7) Graduate</td>
<td>209</td>
<td>344</td>
<td>-39.24%</td>
<td>34,999</td>
</tr>
<tr>
<td>8) Nursing</td>
<td>209</td>
<td>410</td>
<td>-49.02%</td>
<td>22,535</td>
</tr>
<tr>
<td>9) Unknown</td>
<td>0</td>
<td>0</td>
<td>ERR</td>
<td>0</td>
</tr>
<tr>
<td>10) Sub-Total</td>
<td>6,416</td>
<td>6,110</td>
<td>5.01%</td>
<td>$1,111,300</td>
</tr>
<tr>
<td><strong>OTHER INDIVIDUALS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11) Non-Alumni Parents</td>
<td>514</td>
<td>462</td>
<td>11.26%</td>
<td>78,843</td>
</tr>
<tr>
<td>12) Non-Alumni Faculty/Staff</td>
<td>130</td>
<td>118</td>
<td>10.17%</td>
<td>17,540</td>
</tr>
<tr>
<td>13) Students</td>
<td>0</td>
<td>50</td>
<td>-100.00%</td>
<td>0</td>
</tr>
<tr>
<td>14) Others</td>
<td>147</td>
<td>324</td>
<td>-54.63%</td>
<td>72,740</td>
</tr>
<tr>
<td>15) Sub-Total</td>
<td>791</td>
<td>954</td>
<td>-17.09%</td>
<td>$169,124</td>
</tr>
<tr>
<td><strong>ORGANIZATIONS &amp; CORPORATIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16) Corporate Foundations</td>
<td>11</td>
<td>12</td>
<td>-8.33%</td>
<td>8,155</td>
</tr>
<tr>
<td>17) Foundations</td>
<td>10</td>
<td>12</td>
<td>-16.67%</td>
<td>907,975</td>
</tr>
<tr>
<td>18) Religious</td>
<td>2</td>
<td>1</td>
<td>100.00%</td>
<td>153,500</td>
</tr>
<tr>
<td>19) Other</td>
<td>8</td>
<td>24</td>
<td>-66.67%</td>
<td>27,850</td>
</tr>
<tr>
<td>20) Direct Corporate</td>
<td>103</td>
<td>158</td>
<td>-54.81%</td>
<td>69,775</td>
</tr>
<tr>
<td>21) Corp. Matching Gifts</td>
<td>124</td>
<td>141</td>
<td>-12.06%</td>
<td>40,297</td>
</tr>
<tr>
<td>22) Unidentified Sources</td>
<td>1</td>
<td>0</td>
<td>ERR</td>
<td>284</td>
</tr>
<tr>
<td>23) Sub-Total</td>
<td>259</td>
<td>348</td>
<td>-25.57%</td>
<td>$1,207,236</td>
</tr>
<tr>
<td>24) Grand Total</td>
<td>7,466</td>
<td>7,412</td>
<td>0.73%</td>
<td>$2,467,660</td>
</tr>
</tbody>
</table>

(Subtracted $5.00 from non-alum faculty/staff designated for Minority Scholarships from column D)

(DC:CC:SRC0294.wk3)
CAPITAL GIVING
Why do we need a Case Statement Anyway?

As is so often the case in development work, the process is at least important as the product:

- A case statement compels institutional self-analysis and discipline.
- A case statement compels agreement on institutional priorities, and thus helps to focus the allocation of staff effort and other resources.
- A case statement ensures that all constituents send and receive consistent messages about the institution’s mission, vision, and priorities.
- A case statement provides unifying themes, images, and phrases that may be useful in developing proposals, presentations, etc.

And perhaps most important of all:
- The process of writing (and re-writing, and re-writing) the case statement provides a priceless opportunity for consultation with and cultivation of key constituents -- getting those who will "make the campaign happen" to feel ownership.
An Effective Case Statement:

- Clearly derives from the institution's mission
- Is a logical outgrowth of the institution’s strategic plan
- Effectively communicates the leadership’s vision for the institution
- Places the mission and vision within a significant social/historical context
- Builds bridges from the mission and vision to prospective donor's values and beliefs
- Demonstrates a clear, understandable link between the mission and the vision and specific needs ("opportunities")
- Builds a broad enough web of "opportunities" to appeal to a broad cross-section of donors (e.g. "people, programs, and facilities.")
- Is readable and credible
- Conveys urgency
Key Questions the Case Statement
Must Answer:

- Why this institution?
- Why these needs?
- Why now?
- Why me?

(nsfre\casestmt)
CAPITAL CAMPAIGNS: AN OVERVIEW

I. Introduction

A) Capital Campaigns vs. Annual Funds

1) Nature of Capital Campaigns
   a) Conducted periodically
   b) Seeks support for specific, capital projects
   c) More intensive in nature
   d) Seeks larger gifts, generally payable over a period of years

2) Nature of Annual Funds
   a) Conducted every year
   b) Usually seeks gifts in support of the annual operating budget
   c) Generally uses lower-key means of solicitation
   d) Seeks one-time gift solicited each and every year

B) Approaches to the Structure of Capital Campaigns

1) Traditional, Intensive Special Interest Effort
   a) High Visibility
   b) Short duration (usually 3-5 years)
   c) Sometimes at the exclusion of all other fund raising programs

2) Special Project or Mini-Campaigns Approach
   a) Funds specific, singular need
   b) Lower in visibility and smaller in scope
   c) Generally limited participation by a select few major donors
II. Preliminary Elements of the Capital Fund Raising Process

A) Organizational Long Range Planning is Imperative

1) Focus on the mission of the organization
2) Conduct extensive S.W.O.T. Analysis
3) Develop broad based goals for the organization for a 3 to 5 year period
4) Develop an inventory of items needed to achieve the goals
5) Develop a preliminary budget to achieve the goals
6) Combine 1 through 5 into a written plan, a preliminary "Case Statement"
7) Seek input of key staff, volunteers and potential donors
8) Revise plan(s) accordingly

B) Assess the Readiness of Your Constituency to Support a Campaign

1) Audit your development program focusing on staff and record-keeping
2) Conduct an audit of your communications/public relations programs
3) Develop a list of the top previous contributors
4) Develop a list of potential new contributors
5) Conduct peer rating sessions utilizing staff, board members and other key volunteers
6) Compare the numbers of rated prospects to the preliminary scale of gifts
7) Seek preliminary approval to proceed with Campaign from board
8) Revise Plans Accordingly

C) Develop a Preliminary Case Statement

1) A critical but simple, pithy typewritten document stating where your organization wants to go and what it will take to get there

D) Determine Need for Professional Fund Raising Counsel

1) Confidence of senior administration in development office personnel
2) Confidence of key volunteer leadership in the management of the organization
3) Organization's previous campaign experience should be considered
4) Confidence in the constituency from whom support will be sought

E) Conducting a Feasibility Study

1) Should be a tool for both cultivation and assessment
2) Best done by objective outsiders
3) Evaluates:
   a) organizational readiness
   b) organization's visibility in the community
   c) interest in the case for support
   d) perceptions of the organization's staff and volunteer leadership
   e) willingness of interview participants to contribute
   f) willingness of interview participants to work on the organization's behalf
4) Suggests potential for support and the timeframe in which it may be achieved; this can be a recommendation to proceed with a campaign, or it may recommend regrouping and delaying or scratching the campaign

F) Complete Case Statement

1) Seek professional writing assistance
2) Share with key donors and volunteers before final version is approved
3) Write, rewrite and rewrite
4) Seek final approval from staff and board

III. Strategies for Conducting a Successful Capital Campaign

A) The Right Leadership is Essential

1) No portion of the Campaign is more important

   Campaign Leadership must be:
   a) influential
   b) relatively affluent
   c) able to motivate/inspire
   d) ready to commit the time necessary to get the job done

2) Motivating Force is that "People Give To People"

   a) The Five Rights of Major Gift Solicitation

   The Right solicitor asking the Right prospect for the Right amount of money for the Right project at the Right time.

B) Recruiting Leadership

1) For key positions, best done by the organization’s CEO and/or Chair of the Board personally

C) Follow Sequential Fund Raising Strategies

1) Recruit Campaign Steering Committee

   a) Responsibilities:

      - Approve initial campaign objectives
      - Adopt policy on counting campaign gifts
      - Provide advice on campaign organization
      - Must make their own gifts first
2) Recruit Advanced or Silent Phase Gifts Committee
   a) Solicit Major Gift Prospects, Working from the Top down, and the Inside Out:
      - Top Volunteer Boards
      - Top Paid Staff
      - Top Major Gift Prospects

3) Prospects in the above groups should represent the prospects at the top of the Scale of Gifts
   a) Response at these phases determines the ultimate goal

4) Assess progress to date, and determine final goal

D) Public Announcement of Campaign
   1) Made once at least one-half of the Campaign goal has been pledged
   2) Should be a public, first-class event to which community leaders of both influence and affluence are invited

E) Organize Other Committees for Solicitation As Needed
   1) By Prospects' Rated Potential (i.e., a Special Gifts Phase)
   2) By Constituent Group (i.e., Guilds, Patron's Groups, Staff & Administration, etc.)
   3) By Geography (i.e., alumni clubs, service centers, outreach centers, etc.)
IV. Supporting Materials for a Successful Capital Campaign

A) Case Statements

1) are the definitive marketing tool
2) outlines your organization’s dreams and goals
3) translates these dreams into realizable campaign objectives
4) includes a scale of gifts, to demonstrate the magnitude of giving needed for success
5) may include a list of "named gift opportunities"
6) moreover, it must be a "people document"

   a) may develop 2 or 3 variations on the case statement, for various audiences

B) General Campaign Materials

1) Develop a distinctive letterhead
2) Use official letters of intent

C) Progress Reports

1) Provided on a timely basis to board, key volunteers and large donors
2) May feature testimonials from donors
3) Should serve as motivating reminders for volunteers

D) Solicitor Training and Orientation Kits

1) Sample solicitation scripts
2) Simple statement of campaign gift accounting policies
3) Essential Phone Numbers
4) Inspirational Testimonies

V. Concluding the Campaign

A) The Care and Feeding of Volunteers

1) Consider a “Countdown Kickoff” for the final push in the Campaign;
a mini-campaign kickoff event, just for volunteers
2) Develop some tangible token of appreciation for your volunteers

B) The Care and Feeding of Donors

1) Order plaques, etc., for those subscribing to named gift opportunities
2) Hold a dedication ceremony for completed capital projects
3) Provide "Stewardship" Reports for donors to restricted or endowed funds

C) Campaign Closure

1) Publicly announce campaign’s success, focusing on volunteer leadership
2) Produce simple campaign closure mailing for all donors and volunteers

Get Ready to Do It all Again in Five to Seven Years!!!!!!
PREPARING A SCALE OF GIFTS

From experience, we know that a few donors will account for the majority of funds raised. These few donors will make the difference and it is these few donors who will make the campaign a success. It is known that:

The top gift will equal at least 10% of the goal

1% of the donors will give 50% of the money
2% of the donors will give 40% of the money
10% of the donors will give 90% of the money
90% of the donors will give 10% of the money

Therefore, if the goal is $500,000 and there are 1,000 donors:

STEP 1: Prepare a mathematical summary

1% (10) will give 50% ($250,000)
9% (90) will give 40% ($200,000)
90% (900) will give 10% ($250,000)

STEP 2: By trial and error, prepare a rough scale without testing the percentages

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<th>Range</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
<tr>
<td>123</td>
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<td>$490,000</td>
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STEP 3: Test this initial scale according to the percentages of donors and dollars

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</thead>
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<td>$240,000 (48%)</td>
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<td>30</td>
<td>2,000</td>
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<tr>
<td>70</td>
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<td>$210,000 (42%)</td>
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<tr>
<td>40</td>
<td>1,000</td>
<td>40,000</td>
</tr>
<tr>
<td>877</td>
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</tr>
<tr>
<td>917</td>
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<td>$50,000 (10%)</td>
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-11-
SCALE OF GIFTS (CONTINUED)

**STEP 4:** Decide what adjustments should be made in the scale to fit the table of experience

In this case:

1. Spread the range between $25,000 and $10,000 by using
   - 3 gifts at $25,000
   - 3 gifts at $15,000
   - 5 gifts at $10,000 (total $170,000)

   The previous total for this group was $155,000 so this will add a few more dollars at the top of the scale which are needed.

2. Eliminate the $2,000 category and increase the number of $1,000 gifts needed.

**STEP 5:** Revise the scale in accordance with Step 4. This is the result:

<table>
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<tr>
<td>5</td>
<td>10,000</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1.3%)</td>
</tr>
<tr>
<td>13</td>
<td></td>
<td>$255,000</td>
</tr>
<tr>
<td>15</td>
<td>5,000</td>
<td>75,000</td>
</tr>
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<td>25</td>
<td>3,000</td>
<td>75,000</td>
</tr>
<tr>
<td>50</td>
<td>1,000</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(9.0%)</td>
</tr>
<tr>
<td>90</td>
<td></td>
<td>$200,000</td>
</tr>
<tr>
<td>897</td>
<td>under 1,000</td>
<td>45,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(89.7%)</td>
</tr>
</tbody>
</table>

(nsfre\scale)
ASKING FOR THE GIFT
General Solicitation Strategies

Advice From an Expert

The following are some excerpts from the many speeches given during his lifetime by Mr. John D. Rockefeller, Jr., a man who was approached regularly to give, one who gave generously, but thoughtfully, and one who also thoroughly understood the tax benefits of giving.

"The best way to acquire a knowledge of this subject is to ask ourselves, 'how would I like to be approached for a gift?' If we are asking others to contribute, we must be able to give adequate information in regard to our particular enterprise."

"Never be apologetic for asking someone to give to a worthy project, any more than you would in giving him an opportunity to participate in a high grade investment. The duty of giving is as much his as it is yours of asking others."

"When a solicitor comes to you and lays on your heart the responsibility that rests so heavily on his, when his earnestness gives convincing evidence of how seriously interested he is, when he makes it clear that he knows you are just as conscientious, that he feels sure all you need is to realize the importance of the enterprise and the urgency of need in order to lead you to do your full share in meeting it -- then he has made you his friend and has brought you to think of giving not as a duty, but as privilege."
MAJOR GIFT FUND RAISING

The Major Gift Process

The Buck Smith Model
MAJOR GIFT FUND RAISING
The Major Gift Process

The Karen Osborne Model

Diagram:
- Awareness
- Understanding
- Satisfaction
- Caring
- Commitment
- Deeper Caring
- Involvement
MAJOR GIFT FUND RAISING

The Major Gift Process

Identification of Critical Few

Providing Information

Gaining Information

Developing a Strategy of Focused Activities

Providing Opportunities For Involvement

Asking for the Gift

Providing Stewardship

Awareness

Understanding

Caring

Involvement

Financial Commitment

Satisfaction

(Provided by Karen E. Osborne, Vice President for College Advancement, Trinity College, Hartford, Connecticut. CASE Major Gifts Conference, Boston, Fall 1992)
15 Tips for Working With Volunteers

1) Volunteers want to know: "What do you want me to do?"
2) Volunteers want to know: "How much time will it take?"
3) Volunteers want to know: "Why do you want me to do it?"
4) Share simple, written job descriptions with each volunteer
5) Agree on explicit tasks
6) Agree upon deadlines
7) Staff must always conduct periodic progress checks with volunteers
8) Use scheduled report meetings for large groups of volunteer solicitors
9) Confirm volunteer commitments in writing
10) Always remember: "volunteers - use 'em or lose 'em"
11) Provide public recognition of volunteers
12) Be prepared to "fire" volunteers
13) Involve volunteers in planning - "people will support what they create"
14) Avoid volunteers who are figureheads alone
15) Always love your volunteers (and remember, staff is backstage)

Prepared by: Troy E. Horine, Director of the Annual Fund, Creighton University
Omaha, Nebraska 68178. NSFRE Mid-America Conference April 26-29, 1992.
RESPONSIBILITIES
of the
VOLUNTEER SOLICITOR

1) To agree to personally solicit not more than five prospects, obtaining from each a completed pledge card.

2) To attend the following:
   a) a volunteer training and orientation session at which time you will select the prospects whom you wish to solicit.
   b) a final report meeting.

   (Final report meeting is scheduled for Thursday, February 13 from 7:00 - 9:00 p.m. in the Educational Classroom on the lower level at Bergan Mercy Hospital.)

3) To make a financial commitment to the Subby Pirruccello Endowed Scholarship Fund reflective of your interest in the project and commensurate with your other financial obligations.
TIPS FOR SUCCESSFUL SOLICITATION

1. *Familiarize yourself with the project.*

Make certain you can explain the importance of the scholarship fund, how it will benefit the School of Pharmacy and generations of students to come.

2. *Make your own gift first.*

Your personal commitment will substantiate your dedication to this project and your determination that the project shall succeed. It should reflect your relationship to Creighton and your leadership position in this project. Your commitment should be made before you solicit others, as this will make you more effective when talking to prospects.

Along with your financial commitment, remember that you have made the most important commitment of all — that of your personal time and energy.

3. *Study your prospect.*

Were you classmates, do you have friends in common, or have you worked together or for mutual acquaintances. Is the spouse a graduate as well?

4. *Determine the "ask" amount.*

Determine how much you will ask of each prospect. Remember it is far better to ask for too much and negotiate downward, than it is to ask for too little.

5. *Make the appointment.*

When you phone to make an appointment, beware of letting yourself be drawn into discussing your purpose over the phone. There is no substitute for a face-to-face conversation. Personal visits may be arranged at the prospect’s office, home, over lunch or at a club.
6. **Ask for the gift.**

You must ask your prospect for a specific commitment. Most people want to know, "what would you like me to do." The scripts provided you will help you set the stage, but all the cultivation in the world is lost until someone is actually asked for the gift.

7. **Secure the pledge and payment plan.**

Make certain you understand fully the pledge agreed to by your prospect. Then ask the prospect when they wish pledge reminders sent and record the information on the pledge card.

8. **Follow up.**

It is a rare, but much appreciated practice to follow up your appointments with a thank you note. It serves to secure the prospect's commitment and is not only a tremendous reflection on you personally, but upon the entire University.
Phoning for the Appointment

This project is so important that it requires that as many prospects be seen in person as is possible. There is no substitute for face-to-face solicitation for raising a prospect's sights and stressing the importance of their participation. The following suggested script should help you set the appointment.

"Hello, may I please speak with (prospect's full name)?

This is (your name) and I am a (your class year) graduate of the Creighton University School of Pharmacy.

(Prospect's name), I have agreed to serve as a volunteer on a committee of local Pharmacy graduates working to honor Subby Pirruccello. The project we're working on is very important to the School and will be greatly appreciated by Subby.

I would like to discuss the project with you further. Would Monday around 1:30 p.m., or Tuesday around 9:00 a.m. work better for you?"

HANDLING OBJECTIONS

"Why don't you just send me some information?"

I can appreciate that you must be busy, but I believe this is a project in which you might have a good deal of interest, and I think your participation will help us achieve success. I've promised the committee that I would see you personally. If one of the two times I've suggested is not convenient, how about meeting for breakfast Thursday morning?

"If this is about money, I'm not interested."

This really is not about money. This is about demonstrating our appreciation and esteem for Subby Pirruccello. This is also about showing our concern for the future of our school. I really think it's important that I visit with you personally. If there are concerns, I'd like to hear them, and let the School know if there is something it has done to lose your confidence and interest. Let's at least meet to hear what's on your mind.
Soliciting the Gift  
(Suggested Script)

"Hello, (prospect's name). I really appreciate you making time in your schedule to visit with me today.

As you know, Subby Pirruccello has had a long and distinguished relationship with Creighton. Did you realize that Subby served as a faculty member at the school for 40 years? Subby touched so many students' lives in so many good ways, I think it is important that Subby's name live on in the School of Pharmacy.

That is why I'm here today. I am part of a group of about 25 area graduates who are visiting with alums like you to ask you to help us honor Subby in a wonderful way.

The School has agreed to establish an endowed scholarship fund in Subby's name. This scholarship will exist for as long as Creighton University exists. A Subby Pirruccello scholarship will be awarded each year to a pharmacy student who shows academic promise and who also has financial need.

I think it is really important that we as alumni demonstrate our appreciation for the help we received when we were students — and I can't think of a better way than saying "thanks" than by contributing to this scholarship fund. That is why I have made my own gift to honor Subby, and have also agreed to solicit others, too.

(Prospect's name), I know you must feel strongly about the dedication and commitment that Subby showed to all of his students. I would really like you to consider participating in this project.

We are asking alumni to consider a pledge to the Scholarship Fund payable between now and June 1993. With that in mind, would you consider making a pledge to the scholarship fund in the amount of ($ ask amount)"

(See Reverse for Handling Objections)
RESPONSES TO OBJECTIONS

"That's a lot of money."

We're not asking that you write a check right now. Many individuals are choosing to make their gift in three or four installments between now and June 1993. Does that make this amount of money more reasonable?

"I need to speak with my spouse first."

I can appreciate that. Why don't you visit with (him/her) this evening and I'll phone you tomorrow to get your answer.

"Why don't you just leave me the pledge card and I'll send something in."

We are really working hard to achieve a substantial portion of our goal here in the Omaha area before we ask other graduates around the country to participate through a mailing. Therefore, we really like to keep track of where we stand. Why don't you think about this overnight and I'll give you a call tomorrow. Then I can fill out the card for you and count it in our total when we have a report meeting on February 13.

"Will this count as my annual contribution to the School (or, I just gave to the School a few weeks ago)."

This is obviously a special project to honor Subby, and one which will have a lasting impact. The School of Pharmacy still depends upon gifts made through the Creighton University Annual Fund. Gifts to the Annual Fund are expended in the current budget year to keep tuition competitive and to ensure that Creighton's quality remains high. This appeal for a gift to the Subby Pirruccello Scholarship Fund is a special one-time appeal for an endowment fund, and as such does not count as a gift to the Annual Fund.

"Is this gift tax-deductible"

Yes, all gifts to Creighton University are tax deductible.
Subby Pirruccello Endowed Scholarship Fund

1) The scholarship will honor Sebastian "Subby" Pirruccello who served the School of Pharmacy and its students with tireless dedication and devotion for forty years.

2) The scholarship will be endowed, meaning it will exist in perpetuity. The scholarship will be funded by the earnings generated by the principal amount under policies established by the University’s board of directors.

3) The Board requires a minimum of $25,000 to establish an endowed fund. Currently, the Board dictates that 5% of the annual market value be available for expenditure. Earnings in excess of the five percent are applied to the "corpus" of the endowed fund to control for inflation.

4) The Scholarship will be awarded to a student who shows academic promise and who also has a financial need.

5) After an initial period of solicitation by volunteers in Omaha, other alumni in other parts of the country will be sent a special, personalized mailing asking them to participate as well.

For additional information contact:

Sidney J. Stohs, Ph.D. Troy E. Horine
Dean Associate Director of Development
School of Pharmacy & Allied Health Creighton University
280-2950 280-2740
CREIGHTON UNIVERSITY
Call Report

DATE:  November 14, 1993
TO:  File of John X. XXXXXXX, Jr. (BA'XX, ID 9XX-0-XX006)
FROM:  Troy Horine
RE:  Visit With:

John X. XXXXXXX, Jr.
(H):  104 East XXth Street #4B
     New York, NY 10016
     (212) XXX-2402

(W):  New York University Medical Center
     550 First Avenue
     New York, NY 10016
     (212) XXX-XXX6

Directions:  Office is in NYU Medical Complex at 33rd and First Avenue. Always call first to confirm as there is a great deal of construction taking place, and many entrances to the buildings have been closed or relocated. There is a subway stop at 33rd and Park Avenue on the Lexington Avenue (No. 6) line.

Date of Contact:  November 8, 1993
Purpose of Contact:  Creighton Society Renewal/Major Gift Cultivation

Information for the File:

1. John appreciated my visit and said he would renew his Creighton Society membership again this fiscal year.

2. He is doing very well in his position as XXXXXXX, and indicated that his position had just been expanded to include responsibility for management of the Medical Center’s extensive real estate holdings. He is now a member of the Medical Center’s Board of Directors.

3. I mentioned to John the fact that Mike Leighton was looking forward to meeting him during Mike’s upcoming trip to New York. John said he was looking forward to meeting Mike as well.
4. John reconfirmed to me his interest in establishing a trust to provide a scholarship in his parents' honor, although time did not allow us to discuss specific funding arrangements during this visit. John said that Creighton and N.Y.U. were currently in the running.

5. From my previous visits with John, I got the impression his mother and father were quite wealthy. John's father was a successful attorney in Minneapolis. He has one sister, who just left a convent in New Orleans. John and his wife, Maria, have no children. Maria is a senior level manager in management information systems for Bear Stearns in New York City.

5. John and his wife will be making their permanent residence in Great Neck, Long Island, and commuting to their jobs in New York City beginning in April or May of 1994. They will also keep an NYU-provided studio apartment in the city.

Interests: Student scholarships

Results: John renewed his membership in the Creighton Society.

Suggested Action:

Mike Leighton needs to determine in what type of trust agreement the XXXXXXX's might be interested. I suspect that John's mother (who as of Fall 1993 was still living) has a good deal of money. Perhaps a charitable remainder unitrust funded through his Mother's assets might be a possibility. Mike should get the preliminary information, and I will deliver a formal proposal on my next visit to New York, tentatively scheduled for mid-February.

cc: Mike Leighton, Vice President
Dean, School of XXXXXX
Development Research

(nsfre\callreport)
PROPOSAL
WRITING
AND
FOUNDATION
FUNDING
This proposal is designed for training purposes only. It was written as an unsolicited proposal to a hypothetical funding source. Some of the content is factual and some has been designed to meet the training purposes of the proposal.
January 1, 1990

Mr. Edward I. Love
The Helping Hand Foundation
1300 East Heart Street
Barton, MN 01010

Dear Mr. Love:

The Board of Directors of the Barton Chapter of the American Red Cross has read and approved the enclosed proposal to the Helping Hand Foundation.

The Barton Chapter of the American Red Cross is a local chapter that serves the 40,000 residents of Barton, Minn., by helping them prevent, prepare for, and cope with local emergencies in the community. The enclosed proposal describes a project that will help the Barton Chapter address a current need with the elderly population of the community— isolation at the time of an emergency.

The project design will enable an additional 50 percent of the elderly in the community to receive aid at the time of an emergency through the installation of the Lifeline Emergency Response System. This is an electronic personal response system that an individual can wear and activate in an emergency.

Total cost for the Lifeline project is $64,890. The Barton Chapter is donating $25,490 and is requesting $39,400 from the Helping Hand Foundation.

For additional information, please feel free to call Faith Smith, Chapter Special Projects Director, at (010) 222-1111.

Sincerely,

Robert J. Hope, Chair
Board of Directors

RJH/mt
Enc.
SUMMARY

The Barton Chapter of the American Red Cross has served the rural community of Barton, Minn., since 1912. During this time the chapter has trained and used the services of over 800 volunteers to help meet the emergency needs in one of the largest, but most sparsely populated counties in Minnesota.

Since 1982, the Barton Chapter has worked cooperatively with the American Association of Retired Persons to provide services to the growing population of isolated elderly persons.

A recent county task force report indicated a critical need for some type of communication system that would help elderly people living alone when they have an emergency. This would be possible through the Lifeline Emergency Response System, an electronic personal response system that an individual could wear and activate in an emergency.

Total cost for the Lifeline project is $64,890. The Barton Chapter is donating $25,490 and is requesting $39,400 from the Helping Hand Foundation.
who represent the professional and citizen community of Barton. The Board and staff of the Barton Chapter have been very successful with past efforts in funding the primary efforts of the chapter as well as many special projects through their local fund-raising drives, volunteer time, and support from the state and national Red Cross organizations.

With these funds the Barton Chapter has provided many successful programs for the community, including a volunteer training program that has resulted in the training of over 800 volunteers and a Kids on the Block program that provided the 2,500 schoolchildren of Barton with an easy-to-understand discussion of people with various physical and mental disabilities. Other programs have included an annual blood drive, lifesaving and CPR courses, boating safety classes, and many more programs and services that make Barton a healthier, safer community.

The Barton Chapter has enjoyed many successes with its programs. Now, however, of growing concern to the community and the chapter is the inability to reach the increasing number of elderly persons who live alone in this large, isolated community.
The Barton Chapter of the American Red Cross, in cooperation with the local chapter of the AARP, can address this need through the Lifeline Emergency Response System. Lifeline is a personal communication system activated by a "help button" worn around the neck or strapped around the wrist. If help were needed the individual would press the button which in turn would activate the voice home unit attached to a telephone. The signal would then be received by someone at the Red Cross Emergency Response Center, who would call the individual sending the signal. If there were no answer, someone would be sent to the individual's home to determine the type of help required.
EVALUATION

An impact evaluation would be done to determine the level of impact the Lifeline Response System has on meeting the needs of the elderly living alone when confronted with an emergency situation. Data would be collected both prior to the beginning and after the project to estimate the effectiveness of the system.

Information would also be kept on the number of deaths from accidents in the home, hospital visits required as the result of accidents in the home, and number of Lifeline calls based on illness or anxiety about a real or perceived illness or other emergency.

Information would also be maintained on the number of persons requesting to be added to the Lifeline system and how they learned about the system.
## BUDGET DETAIL

### I. Personnel

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Request</th>
<th>Donated</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salary &amp; Wages</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Director @</td>
<td>$18,600</td>
<td>-0-</td>
<td>$18,600</td>
</tr>
<tr>
<td>$1,550/mo. x 100% x 12 mo.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fringe Benefits</th>
<th></th>
<th>4,650</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fringe benefits on salaried personnel based on 25% of salary.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Services</th>
<th></th>
<th>4,650</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluation Consultant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Dr. Impact, Univ. Eval. Center) @ 3 hrs./mo. x $25/hr. x 12 mos.</td>
<td>900</td>
<td>-0-</td>
<td>900</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Volunteer Response Center Operators</th>
<th></th>
<th>8,640</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(6) volunteer response center operators @ 8 hr./wk. each x 48 wks. x $3.75 hr.</td>
<td>-0-</td>
<td>8,640</td>
<td>8,640</td>
</tr>
</tbody>
</table>

### Non-Personnel

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Request</th>
<th>Donated</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Training</strong> @ $500/day x 4 days.</td>
<td>-0-</td>
<td>2,000</td>
<td>2,000</td>
</tr>
</tbody>
</table>

| Lifeline Base Unit | 4,000 | -0- | 4,000 |

| Lifeline Response Units @ $400 each. | 20,000 | -0- | 20,000 |

| Computer System (IBM Compatible AT, 30MBHD) | 2,000 | -0- | 2,000 |

| Laser printer | 1,000 | -0- | 1,000 |

| Static free mat | 50 | -0- | 50 |

| Modem | 250 | -0- | 250 |

| Printer stand | 150 | -0- | 150 |

<table>
<thead>
<tr>
<th><strong>Software:</strong></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>MS DOS System</td>
<td>100</td>
<td>-0-</td>
<td>100</td>
</tr>
<tr>
<td>Community Information Ex.</td>
<td>1,000</td>
<td>-0-</td>
<td>1,000</td>
</tr>
<tr>
<td>Q &amp; A Word Processing</td>
<td>250</td>
<td>-0-</td>
<td>250</td>
</tr>
<tr>
<td>PC File Database Program</td>
<td>100</td>
<td>-0-</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Travel (local)</strong></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>800 mi. @ .25/mi.</td>
<td>200</td>
<td>-0-</td>
<td>200</td>
</tr>
</tbody>
</table>

---

Page 1 of 2 - Budget Detail
ATTACHMENTS

1. IRS Letter of Determination
2. Annual Report
3. Board of Directors
4. Total Agency Budget
5. Copy of Most Recent Audit Statement
6. Lifeline Emergency Response System Handout
SAMPLE COVER LETTER

Mr. Covert Grantmaker
The Beneficient Foundation
141 Obscurity Avenue
Eleemosynary, New York 11111

Dear Mr. Grantmaker:

Following my visit with you last week, I am forwarding this formal request from the Blank Chapter of the American Red Cross for a grant of $100,000 from the Beneficient Foundation toward the renovation of space in the Chapter House for a blood bank.

The trustees and Board of Directors of the Blank Chapter of the American Red Cross sincerely hope that your foundation will act favorably upon this request for this much-needed addition to the blood program.

Sincerely,

Sharleen Shareperson
Chairman
Board of Directors
Proposal Checklist and Evaluation Form

By Norton J. Kiritz

This form, designed for use in the Grantsmanship Center Training Programs, follows the format of our "Program Planning and Proposal Writing" booklet. It can assist the proposal writer in the preparation and improvement of a complete proposal. It is also an aid to the proposal evaluator in assessing the merit of a grant application.

Yes/No answers indicate whether or not an item is included. The numerical rating (1 is poorest, 5 is best) is for use where applicable.

Proposal Components and Necessary Items:

<table>
<thead>
<tr>
<th>Summary: Clearly and concisely summarizes the request</th>
<th>Yes</th>
<th>No</th>
<th>Comments on Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Appears at the beginning of the proposal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Identifies the grant applicant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Includes at least one sentence on credibility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Includes at least one sentence on problem</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Includes at least one sentence on objectives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Includes at least one sentence on methods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Includes total cost, funds already obtained and amount requested in this proposal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Is brief</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Is clear</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Is interesting</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Norton J. Kiritz is the president of The Grantsmanship Center.

Copyright ©1979 The Grantsmanship Center
### I. Introduction

Describes the applicant agency and its qualifications for funding (credibility)

<table>
<thead>
<tr>
<th>Comments on Introduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>1. Clearly establishes who is applying for funds</td>
</tr>
<tr>
<td>2. Describes applicant agency purposes and goals</td>
</tr>
<tr>
<td>3. Describes applicant's programs and activities</td>
</tr>
<tr>
<td>4. Describes applicant's clients or constituents</td>
</tr>
<tr>
<td>5. Provides evidence of the applicant's accomplishments</td>
</tr>
<tr>
<td>6. Offers statistics in support of accomplishments</td>
</tr>
<tr>
<td>7. Offers quotes/endorsements in support of accomplishments</td>
</tr>
<tr>
<td>8. Supports qualifications in area of activity in which funds are sought (e.g., research, training)</td>
</tr>
<tr>
<td>9. Leads logically to the problem statement</td>
</tr>
<tr>
<td>10. Is as brief as possible</td>
</tr>
<tr>
<td>11. Is interesting</td>
</tr>
<tr>
<td>12. Is free of jargon</td>
</tr>
</tbody>
</table>

### II. Problem Statement or Needs Assessment

Relates to purposes and goals of applicant agency

<table>
<thead>
<tr>
<th>Comments on Problem Statement/Needs Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>1. Is of reasonable dimensions—not trying to solve all the problems of the world</td>
</tr>
<tr>
<td>2. Is supported by statistical evidence</td>
</tr>
<tr>
<td>3. Is supported by statements from authorities</td>
</tr>
<tr>
<td>4. Is stated in terms of clients' needs and problems—not the applicant's</td>
</tr>
<tr>
<td>5. Is developed with input from clients and beneficiaries</td>
</tr>
<tr>
<td>6. Is not the &quot;lack of a program,&quot; unless the program always works</td>
</tr>
<tr>
<td>7. Makes no unsupported assumptions</td>
</tr>
<tr>
<td>8. Is free of jargon</td>
</tr>
<tr>
<td>9. Is interesting to read</td>
</tr>
<tr>
<td>10. Is as brief as possible</td>
</tr>
<tr>
<td>11. Makes a compelling case</td>
</tr>
</tbody>
</table>
### III. Program Objectives:
Describes the outcomes of the grant in measurable terms

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>1-5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. At least one objective for each problem or need committed to in problem statement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Objectives are outcomes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Objectives are not methods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Describes the population that will benefit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. States the time by which objectives will be accomplished</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Objectives are measurable, if at all possible</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Comments on Program Objectives**

### IV. Methods:
Describes the activities to be conducted to achieve the desired objectives

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>1-5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Flows naturally from problems and objectives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Clearly describes program activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. States reasons for the selection of activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Describes sequence of activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Describes staffing of program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Describes clients and client selection</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Presents a reasonable scope of activities that can be conducted within the time and resources of the program</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Comments on Methods**

### V. Evaluation:
Presents a plan for determining the degree to which objectives are met and methods are followed

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>1-5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Presents a plan for evaluating accomplishment of objectives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Presents a plan for evaluating and modifying methods over the course of the program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Tells who will be doing the evaluation and how they were chosen</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Clearly states criteria of success</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Describes how data will be gathered</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Explains any test instruments or questionnaires to be used</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Describes the process of data analysis</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Describes any evaluation reports to be produced</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Comments on Evaluation**
### VI. Future Funding:

Describes a plan for continuation beyond the grant and/or the availability of other resources necessary to implement the grant

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Comments on Future Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Presents a specific plan to obtain future funding if program is to be continued</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Describes how maintenance and future program costs will be obtained (if a construction grant)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Describes how other funds will be obtained, if necessary to implement the grant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Has minimal reliance on future grant support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Is accompanied by letters of commitment, if necessary</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Budget:

Clearly delineates costs to be met by the funding source and those provided by other parties

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Comments on Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Tells the same story as the proposal narrative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Is detailed in all aspects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Projects costs that will be incurred at the time of the program, if different from the time of proposal writing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Contains no unexplained amounts for miscellaneous or contingency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Includes all items asked of the funding source</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Includes all items paid for by other sources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Includes all volunteers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Details fringe benefits, separate from salaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Includes all consultants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Separately details all non-personnel costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Includes indirect costs where appropriate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Is sufficient to perform the tasks described in the narrative</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
May 1998

Division Vice President

Enclosed is a request for a grant to underwrite the cost of establishing a program designed to recruit and train phlebotomists.

The project will cost $32,486 to implement. We request $19,190 from the Philanthropic Program.

Please contact [redacted] or me if you, or anyone on the committee, would like further information about this proposal.

Thank you for your assistance and consideration of this project.

Sincerely,

Chief Executive Officer
PHILANTHROPIC PROGRAM
GRANT REQUEST

Introduction

The [redacted] has served Omaha since 1917. Today, the [redacted] Services has the responsibility of providing 100 percent of the [redacted] and [redacted] products transfused at 98 [redacted] throughout [redacted], [redacted], and parts of [redacted] and Colorado. Last year 238,798 [redacted] were collected, processed and distributed by [redacted] volunteers and paid staff to its participating [redacted].

Problem Statement

The proposed project will address local community challenges as well as [redacted] issues.

Community Challenges:

Omaha's unemployment rate of 3.8 percent is low by national standards. However, suffers a much higher rate of unemployment. The [redacted] at [redacted] Center for Public Affairs' "[redacted] Conditions Survey" determined that unemployment among [redacted] is almost four times greater than the remainder of the city's population. The unemployed in [redacted] are predominately young. The 1990 survey by the Center For Public Affairs found that all unemployed respondents were between the ages of 18 and 34. Survey participants ranked lack of jobs or business opportunities as the third highest priority that the community should address. Only drugs and gangs were viewed as more important community issues.

Red Cross Issues:

It is an ongoing challenge for the [redacted] to staff certified phlebotomy and other medical technical positions. It is difficult to compete with large hospitals for registered and licensed practical nurses to fill staffing needs. Additional Food and Drug Administration regulations require an increasing number of medical technical positions. Increased salary expenses for licensed nursing positions eventually result in rising service fees to hospitals and ultimately higher health care costs for patients.

The [redacted] management staff has made a commitment to transform the cultural composition of the employed staff to match the cultural make-up of the local community. This challenge is magnified due to the relatively low number of minority individuals trained in medical technical disciplines.
Project Description

The [organization name] will develop a recruitment and curriculum program designed to train non-licensed people to become phlebotomists. This project will offer paid training and full-time employment in a medical career. Gaining experience as a phlebotomist can lead to careers in other allied health occupations. As with all positions, recruiting culturally diverse people for these jobs will be a challenge. Thus, the recruitment plan will specifically target minority individuals in attempt to recruit employees that are representative of the population.

Program Goals and Objectives

The [organization name] will adhere to its commitment to quality. Compliance to all FDA and [organization name] regulations will continue. Providing a safe blood supply will remain the organization's premier objective. Customer satisfaction through service will continue to be critical to the success of the operation. The use of non-credentialed employees has been effectively implemented in [organization name] centers and other blood banks throughout the nation. Standard guidelines eliminate threats to the safety of the blood supply.

Goals

Offer young people (ages 18-34) educational and training opportunities that lead directly to jobs with long-term career potential.

Restrain raising cost of providing blood services to hospitals and ultimately to the public.

Ease the challenge of staffing the [organization name] nursing department by creating a third pool of trained prospective employees. The department currently employs only registered nurses and licensed practical nurses.

Objectives


Hire non-licensed staff trained to perform specific medical technical tasks at a cost lower than the salary required by a licensed nurse by July 1, 1993.

Employ individuals recruited and trained through this project by July 1, 1993. This ongoing project will result in the non-management nursing staff being comprised of: 50 percent registered nurses, 30 percent licensed practical nurses and 20 percent non-licensed employees.
Methods

Recruitment

Advertisements for applications will be placed in the following newspapers:

- *World-Herald*
- *Leader*
- *The Daily News*
  (Council Bluffs, Iowa newspaper)
- *Omaha Star*
  (Nebraska newspaper)

Targeted recruitment efforts will include working in cooperation with the following agencies and educational institutions:

- *Opportunities Industrial Center*
- *YWCA*
- Chicano Awareness Center, Inc.
- Urban League of *Nebraska*
- Goodwill Industries, Inc. (Project Resolve)
- *SER-Jobs for Progress, Inc.*
- Job Service of *Nebraska*
- Job Service of *Iowa*
- *University of Nebraska at Omaha*
- Metropolitan Community College
- *Iowa Western Community College*
- *Nebraska College of Health Careers*

Hiring

Human Resources personnel will screen applications and conduct initial interviews.

Desired qualifications include:

1. High School diploma.
2. Satisfactory employment record.
3. Ability to understand and communicate.
4. Good interpersonal skills.
5. Ability to learn.
7. Ability to work in a team effort.
Hiring (Continued)

The nursing department will conduct secondary interviews of qualified candidates. The

of hiring will make final hiring decisions.

Training

Purpose of Curriculum:

To prepare individuals who have not received academic or technical training in the

disciplines in blood banking (medical, technical, nursing) to collect blood

according to the standards of the

606.20, Sub part B (b).

Methods of Teaching:

Lecture
Supervised Practice
Role Playing
Demonstration
Visual Aids
Competency Tests
Supervised Hands-on Training
Individual Counseling

Training Schedule:

Week 1

MONDAY

- personnel policies, benefits packages, W-4 Forms, employee information, car registration
- Tour of Building, general and Cross orientation
- Introduction to donor services: dress code, call-in procedure, Midwest Blood

objectives, mobile operations, distribution centers, special procedures, quality control
- Overview of blood and components
- Donor registration: Donor interview, specific diseases, informed consent, donor exclusion
- Medical history procedure
Training schedule (continued):

**TUESDAY**
- Vital signs discussion and demonstration
- Fingerstick technique
- Hemoglobin/Hematocrit determination
- Slide typing procedure
- Donor deferrals
- Assignment of blood bag
- Role playing - screening process
- Visit mobile

**WEDNESDAY THROUGH FRIDAY**
- Rotation - supervised hands-on screening

**Week 2**

**MONDAY**
- Customer Service - donor relations
- Slide Show - Vein Selection
- Aseptic Technique
- Donor Arm Preparation - supervised practice on mannequin
- Phlebotomy Instruction - Venipuncture technique with supervised practice on mannequin

**TUESDAY**
- Orientation to Good Manufacturing Practices
- Blood Borne Pathogen
- Venipuncture terminology
- Needle adjustments
- Discontinuation of blood unit
- Post-donation instructions
- Safety precautions
- Restick procedure
- Heat-sealing procedure
- Donor reactions

**WEDNESDAY THROUGH FRIDAY**
- Satellite rotation - Supervised hands-on phlebotomy and screening
Training Schedule (continued):

FRIDAY
- Individual counseling

Week 3
- Satellite Rotation - Combined screening and phlebotomy experience (100 Venipunctures)

Week 4 through 46
- Mobile training - loading and unloading equipment, setting up screening, phlebotomy, and heat-sealing areas
- Buddy system - Screening and phlebotomy experience under close supervision
- Weekly individual counseling
- Probationary employment

Evaluation

Individual Employee Evaluations

Each new employee will be evaluated weekly by the program coordinator during the four week training period. Staff supervisors will document each new procedure learned on standard sign-off sheets. Formal reviews will be scheduled at the completion of the six month probationary period. Long term evaluation will be consistent with the standard six month and annual performance review program.

Overall Project Evaluation

The project’s progress in relation to the time table will be monitored by senior management. Number of employees recruited and result totals from individual evaluations and training progress reports will be considered the critical success factors.

Formal review dates are:

December 30,
March 30,
August 3,
Quarterly thereafter
<table>
<thead>
<tr>
<th>Budget</th>
<th>Grant Request</th>
<th>Chapter Matching</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary (half-time position)</td>
<td>14,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefits</td>
<td>2,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office supplies, printing, manuals</td>
<td>1,900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Newspaper employment ads</td>
<td>290</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building &amp; Occupancy 90 square ft. @ $12 foot/mo./x 12 mos.</td>
<td></td>
<td>12,960</td>
<td></td>
</tr>
<tr>
<td>Telephone $28 x 12 mos.</td>
<td></td>
<td>336</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>19,190</td>
<td>13,296</td>
<td>32,486</td>
</tr>
<tr>
<td>Date</td>
<td>Event</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>----------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>September 1, 1992</td>
<td>Hire program coordinator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>October 1, 1992</td>
<td>Coordinator completes orientation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>November 3, 1992</td>
<td>Training materials and supplies ordered</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December 15, 1992</td>
<td>Course curriculum plans completed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December 30, 1992</td>
<td>Overall project progress evaluation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 5, 1993</td>
<td>Employment advertisements placed in newspapers</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cooperating agencies and schools begin search</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 1, 1993</td>
<td>Initial screening interviews begin</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 15, 1993</td>
<td>Nursing department interviews begin</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March 15, 1993</td>
<td>Nursing department interviews complete</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director of Nursing makes job offers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March 30, 1993</td>
<td>Overall project progress evaluation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>April 5, 1993</td>
<td>Training curriculum begins</td>
<td></td>
<td></td>
</tr>
<tr>
<td>June 30, 1993</td>
<td>First quarter evaluation of individuals and program</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trainees complete first half of probation period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>August 3, 1993</td>
<td>Overall program evaluation. Suggested adjustments to recruitment, hiring and training procedures complete.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>September 1, 1993</td>
<td>Adjustments implemented into program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>October 1, 1993</td>
<td>Recruitment efforts for second class begin.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
is a coeducational organization serving youth between the ages of 5 and 18 years in the metropolitan area and is chartered through a national organization. The mission of is "to provide through a program of informal education, opportunities for youth to realize their potential and to function effectively as caring, self-directed individuals responsible to themselves and to others; and as an organization, to seek to improve those conditions in society which affect youth." This is achieved locally through the delivery of three types of programs: club, self-reliance and outdoor. To help youth realize their potential, has set forth three overall program goals: self-development, skill development and social development.

Within the last few years, the number of youth exposed to abuse, delinquency, drugs and crime has increased dramatically. Families with little or no income have been forced to work harder at surviving and therefore have less time in which to respond to the developmental and personal needs of their children.

Currently, 12 weekly non-traditional club programs are being offered throughout the city that address the needs of children who live in low income, high crime areas or homeless shelters. These clubs meet weekly for 1-3 hours during the school year. Each club meeting takes place during the after school hours or early evening. Programs are designed for boys and girls in kindergarten thru sixth grade. Programming is flexible and offers a wide variety of activities. Youth receive a well rounded program including projects on self-awareness, group building, arts, personal safety, drama, respect for the environment, service projects, structure, stability and recognition. Youth come to with the understanding and knowledge that they are always welcome, accepted and protected.

The goals of the program are as follows:

To help children strengthen their self-identity and enhance their feeling of self-worth. To offer children positive, consistent adult role models. To provide children with the opportunity to learn skills and information that are beneficial, educational, innovative and enjoyable. To provide youth with a positive outlet for their time and creative talents. To provide youth with a sense of belonging and help promote compassion for one another.

This program acknowledges that many children living in homeless shelters and low income housing areas often receive little positive reinforcement. Parental attention is often directed at mere survival. It is felt that through the club program we are able to reach many of these youth and help provide them with the tools necessary to operate more safely and confidently in their surroundings and make positive choices about their lives. This is supported by positive comments we hear on a daily basis from youth, parents and site directors. A director from a homeless shelter writes "I admire the staff's dedication and patience to the program and unique way of providing a wonderful experience for the children. It's a 'normalizing' experience for the children." A young boy comments to his leader, "I'm going right home and tell my family what I learned about fire safety. I want them all to be safe."

Our present programs are supported in part by and grants. These monies cover only part of our expenses. As we reach out to serve more youth in need, we also need to secure new funding sources. It is our belief that all children
should be able to participate in programs regardless of ability to pay. During the past three years we have expanded such programs serving over 250 children with our weekly programs, which equates to roughly 16,000 hours of quality programs. Programs are implemented by both paid and volunteer staff. Adult and teen volunteers are recruited from the community areas surrounding the centers. These programs operate under close supervision of the Program Coordinator. The staff provides training, program support, assistance with youth and volunteer recruitment as well as financial support to each program site.

Funds requested from the would be used for support of this non-traditional club program as well as possible expansion during the 1991-92 school year. Please refer to the attached budget for specific use of funds requested.

is requesting $8,000. This money would go directly to our program for underprivileged or homeless youth. Without such support our services will need to be reduced or eliminated at several sites. It is our belief that dollars are much better spent on prevention programs rather than intervention after a problem has occurred. is prevention in focus and has the experience and expertise to serve children and their families through quality programming.
# Proposed Budget for 1992-93 School Year

**Non-Traditional**

Figures based on 32 weeks of programs with an average of 250 youth per week at 12 sites.

## Program Expense

### Cost per Youth

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost 1</th>
<th>Cost 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration Fee</td>
<td>$5.00</td>
<td>$1,250</td>
</tr>
<tr>
<td>T-Shirt</td>
<td>5.00</td>
<td>1,250</td>
</tr>
<tr>
<td>Craft Supplies</td>
<td>8.00</td>
<td>2,000</td>
</tr>
<tr>
<td>Field Trips &amp; Campouts</td>
<td>9.00</td>
<td>2,250</td>
</tr>
<tr>
<td>Transportation</td>
<td>2.50</td>
<td>625</td>
</tr>
</tbody>
</table>

Total Cost per Youth: $7,375

### Expense per Site

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost 1</th>
<th>Cost 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational Games &amp; Books</td>
<td>$100.00</td>
<td>$1,200</td>
</tr>
<tr>
<td>First Aid Supplies</td>
<td>10.00</td>
<td>120</td>
</tr>
<tr>
<td>Miscellaneous Supplies</td>
<td>60.00</td>
<td>720</td>
</tr>
</tbody>
</table>

Total Expense per Site: $2,040

### Staff

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coordinator</td>
<td>$15,000</td>
</tr>
<tr>
<td>Benefits</td>
<td>3,000</td>
</tr>
<tr>
<td>Program Delivery Staff (4 part time)</td>
<td>10,000</td>
</tr>
<tr>
<td>Mileage (10,000 miles @ .25)</td>
<td>2,500</td>
</tr>
</tbody>
</table>

Total Staff Expense: $30,500

### Indirect Cost

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clerical Support</td>
<td>$2,000</td>
</tr>
<tr>
<td>Postage &amp; Printing</td>
<td>500</td>
</tr>
<tr>
<td>Occupancy, Phone, Utilities</td>
<td>4,000</td>
</tr>
<tr>
<td>Fundraising, Executive Supervision</td>
<td>2,000</td>
</tr>
</tbody>
</table>

Total Indirect Cost: $8,500

### Total Expense

Total Expense: $48,415

## Income

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution (27%)</td>
<td>$19,710</td>
</tr>
<tr>
<td>Prevention Fund</td>
<td>10,700</td>
</tr>
</tbody>
</table>

Total Income: $36,410

**Expenses Over Income**

$12,005
WEEKLY PROGRAM SITES

HOMELESS SHELTER CLUBS

House, Street
Center, Street
3612 Street

CLUB LOCATIONS

Apartments, Plaza
Church, Streets
Church, Street
Church, Street
Church, Street
Church, Street
Library, Streets
Church, Streets
1. Applicant: Council

2. Address: Street (City) (State) (Zip)

3. Contact person for application: Executive Director
   (Name) (Title)
   (Telephone Number)

4. Federal Employer's I.D. Number: 47-

5. Has the organization been designated as tax exempt under 501(c)(3) of the Internal Revenue Code? Yes. If so, please attach a copy of the exemption letter.

6. Principal purpose of organization: To provide through a program of informal education opportunities for youth to realize their potential and to function effectively as caring, self-directed individuals responsible to themselves and to others; and, as an organization, to seek to improve those conditions in society which affect youth.

7. Is the organization tax-supported or affiliated with any tax-supported institution? No. If so, explain:

8. If the organization is an educational institution, has it been fully accredited by the appropriate accrediting association? N/A

9. Organization's fiscal year: January - December

10. Total amount of organization's current budget: $302,302
    Attach a copy of the organization's last annual budget including financial statements.

11. Amount of money the organization raised during the last fiscal year: $55,376.00 - Fund Raising $25,567.00 - Grants $4,001 - Due: $3,000.00 Contributions $17,237.00 - Prog. Fees $60,000.00 - Interest Income

12. Number of persons served annually by the organization: 16,000

13. On a separate page, attach a list of Directors of the Board of the organization, their addresses and terms of office.

14. On a separate page, attach a list of officers of the Board of the organization, their addresses and terms of office.
15. On a separate page, attach a list of staff members and their titles.

16. Provide a copy of the organization's Bylaws and Articles of Incorporation.

17. Specific project for which funds are requested: See Attached Sheet

18. Period for which funds are requested:
   From: January 1992 To: January 1993

19. Name and title of person responsible for directing this project: [Redacted], CMSW

20. a. Amount of funds requested: $10,655
    b. Additional funds needed to completely fund project: $6,245
    c. Funds available and/or pledges received for project: $7,500
    d. Total funding required for project: $24,400

21. Explain how the funds requested from the Foundation will be spent: The grant would be used to pay for materials, instructor/actor fees and all overhead costs associated with both programs. The council goal is to make these programs available to and inexpensive for the area elementary schools.

22. Identify other sources of funds from businesses, organizations, foundations, program fees or memberships supporting the project: United Way 1992 allocation request for "Bub" - $6,245. Financial Support of $5,000 from Target and $2,500 from the Exchange Club. Over the past several years, there have been a variety of corporate sponsors that have enabled us to serve 40,000+ youth with the United Way's procedures. The council will provide a list of past contributors if requested.
17. Our proposal includes two different programs, "The **Encounter**" and "I'm Peer Proof." Both programs offer opportunities for youth to become more self-reliant in their everyday life. Youth are taught assertiveness skills so that they can learn to stand up for themselves in situations that are unpleasant or make them feel uncomfortable. The program also shows them that there are numerous people in their lives that they can talk to about unpleasant or dangerous situations.

"The **Encounter**" is a sexual abuse prevention program which teaches children to recognize, resist and report all incidents of sexual assault. Through a live theatrical performance actors use humor, action and drama to fulfill the goals of the Project. Those goals are:

1) To educate children about forced sexual touch in an effort to prevent sexual abuse.
2) To educate teachers and principals about sexual abuse so that they may be better able to recognize and respond to children who have been sexually abused.
3) To train teachers and principals on the ways to make proper referrals in an effort to prevent the sexual abuse of children.
4) To educate/inform parents and child advocates in recognizing and preventing the sexual abuse of children.
5) To alleviate community fear by strengthening the prevention network.

"I’m Peer Proof" (IPP) is a national self-reliance course for children in fourth through sixth grade. The course teaches assertiveness skills as a means of building positive friendships and resisting negative peer pressure. A self-reliant child is confident of his or her own skills and judgements in relationships with peers.

The goals of the course are:

1) To help children gain more satisfaction and pleasure from peer relationships.
2) To help children resist peer pressure to engage in antisocial or dangerous behavior.
3) To help children and parents talk about concerns and experiences with peer relationships.

"IPP" is designed as a six-session course for groups of approximately twenty children. Course instructors may be classroom teachers, volunteers or staff. All individuals delivering the course are required to complete a training which enables them to effectively utilize the course materials. Course materials are presented through mini-lectures, use of posters, role plays, behavior identification and brainstorming activities. Opportunities are provided throughout the program for children to be involved in discussion, problem-solving, role playing and skill practice. This approach stems from commitment to "learning by doing" and to build program groups which are supportive of each person's effort to grow. Studies have indicated that these are the most effective ways to enable youth in this age range to develop personal life skills.
23. What will happen to the project at the end of the proposed funding period? Plan for future funding of the project:

An assessment will occur 6 months into the funding year to determine funding needs for 1993. Corporate/Foundation's support will be sought. It is our goal to make the "J.J e- Encounter" self supporting in 3 years.

24. What are the criteria by which the effectiveness of your project will be judged? Have you established measurable goals? The council will assess the number of youth served with these programs. The goal is to increase program participation by 5% each year. Written evaluations of program effectiveness will also be completed by youth, parent, staff and educators.

25. Who will benefit from the project? Children in the area will benefit from the education programs offered through this project. School districts and youth groups do not always have the funds available to purchase these programs. Sexual abuse is on the increase as well as pressure from peers. Both of these programs are preventive in nature and will provide children with the skills to be aware/resist these issues.

26. What provisions have been made for an independent audit of this project's expenditures? [Name] is employed by the council to provide monthly accounting services and a yearly audit.

Date: 9-30-91

[Signature]

Applicant's Signature

(The president of the organization should sign on behalf of the organization.)

ASB: lmc
PROPOSAL OUTLINE
(FOR USE ONLY WHEN FUNDING SOURCE HAS NO PREFERRED GUIDELINES)

I. Summary
- Develop clear, concise, specific description of the project.
- State what you propose to do and how much it will cost.

II. Introduction
- Establish your credibility as an organization by describing its purpose, history, and accomplishments, especially those related to the project.
- Explain why yours is the best organization to do the job.
- Convince the funder that your organization can make a difference in people's lives.

III. Problem Statement or Needs Assessment
- Document a specific problem.
- Use data, statistics, and quotes from authorities to support the idea that the problem is serious but can be solved.
- Explain the elements of the problem that can be addressed by your agency.
IV. Objectives
Develop sets of specific, measurable outcomes to be accomplished by the project. These outcomes, if accomplished, must clearly and significantly be or lead to a reduction of the problem.

V. Method
• Describe how your organization will accomplish the objectives.
• Explain how the project will function: Who will do what, how, and by when?
• Include a table of organization, job descriptions, and a timetable.
• Justify use of the method: How do you know this will bring about a reduction or resolution of the problem?

VI. Evaluation
• Describe how you will know if the objectives have been accomplished.

VII. Future of the Project
• State whether or not the project will continue after initial funding.
• Explain how any continuing activity will be supported.
VIII. Budget

- Supply a line-item budget for the cost of accomplishing the project.
- Match the tasks laid out in the methods section with the costs of accomplishment.
- Be sure that budget figures add up!
The principles of good proposal writing are basically the same as for any other effective business writing.

1. Make the proposal easy to read.
   - Send funder original copy only.
   - For error-free documents, proofread text and check all math carefully.
   - Use lots of white space to enhance readability.
   - Don't use an extravagant presentation.
   - Don't send multiple copies to multiple sources.

2. Write in plain English.
   - Don't use jargon.
   - Don't demonstrate your ability to write "governmentsese," i.e., bureaucratic gobbledygook.
   - Let someone outside the chapter read it to test clarity.

3. Be brief.
   - The proper length is: just long enough to clearly communicate your message.
4. Be positive.
   • Don't apologize.
   • Don't beg.
   • Don't discuss agency problems.
   • Present it as a challenge!

5. Avoid assumptions.
   • Don't assume the funder knows about Red Cross.
   • Don't assume he or she knows or understands the scope of
     the problem.
   • Omit words like "we believe."
   • Present evidence and proof of all statements.

6. Avoid overkill.
   • Avoid footnotes.
   • Avoid too many graphs and charts.
   • Strive for--
     --Clarity.
     --Simplicity.
     --Brevity.
SUPPORTING MATERIALS

I. Tax-Exempt Letters
II. List of Governing Board
III. Audited Financial Statements
IV. Current Operating Budget
V. Biographical Data on Key Staff
VI. Job Descriptions
VII. Statistical Data and Needs Assessment
VIII. Letters of Endorsement
IX. Publicity About Program/Organization
BUDGET OUTLINE

I. Personnel
   • Salaries
   • Fringe benefits
   • Consultants

II. Facilities
   • Rent
   • Utilities
   • Maintenance

III. Equipment (Rental, Lease, or Purchase)

IV. Consumable Supplies

V. Travel
   • Local
   • Out of town--
     --Transportation costs
     --Meals and lodging

VI. Telephone
   • Installation
   • Monthly costs
   • Long-distance costs
VII. Other

- Postage
- Insurance
- Memberships
- Subscriptions
- Publications

VIII. Indirect Costs (Percentage)
Name of organization: ________________________________
Name shown on IRS 501(c)3 letter: ________________________________
Address: ____________________________________________
Telephone: ( ) ________________________________________
Name and title of solicitor: ________________________________
Purpose of organization: __________________________________
Average number of persons served yearly: ____________________
Does the organization attempt to influence legislation: ________
Name of any Association from which your organization has received accreditation: ________________________________
Does the organization receive funding from any federal, state or local government sources, or is it affiliated with any institution that does? If so, list amounts received during the past year, identify source, and indicate percentage of total budget such funding represents. ________________________________
Is the organization a member of or does it derive funds from any United Way, independent college fund, allied arts council, or similar organization? If so, state name of organization, total amount of funding received during the past year, and percentage of total budget such funding represents. ________________________________
Total amount of organization's current budget: __________________
Amount raised during last fiscal year: ________________________
Amount requested from Foundation: _________________________
Total amount of current fund-raising appeal: __________________
Purpose for which funds are to be used and total cost of project/program: ________________________________
How has the need for this project/program been determined? ________________________________
How will this project/program be funded in the future? ________________________________
Will increased income or savings result? If yes, describe: ________________________________
Signed: ____________________________________________
Date: ____________________
<table>
<thead>
<tr>
<th>1. NAME, ADDRESS, CONTACT PERSON</th>
<th>YOUR ORGANIZATION</th>
<th>FOUNDATION</th>
</tr>
</thead>
</table>

| 2. YEAR ESTABLISHED | | |

<table>
<thead>
<tr>
<th>3. SUBJECT FOCUS/NEEDS (List in order of importance)</th>
<th>1.</th>
<th>1.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.</td>
<td>2.</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>3.</td>
</tr>
<tr>
<td></td>
<td>4.</td>
<td>4.</td>
</tr>
<tr>
<td></td>
<td>5.</td>
<td>5.</td>
</tr>
</tbody>
</table>

| 4. DONOR'S BACKGROUND | | |

| 5. PEOPLE (Principal officers, trustees and directors) | | |

| 6. GEOGRAPHIC FOCUS | | |

| 7. POPULATION GROUP(S) SERVED | | |

| 8. FINANCIAL DATA (Total assets, total grants) | | |

| 9. GRANTS RANGES AND SAMPLE vs YOUR NEEDS | | |

| 10. TYPE OF SUPPORT | | |

| 11. TYPE OF RECIPIENT | | |

| 12. START-UP DATE | | |

| 13. LENGTH OF FUNDING | | |

| 14. APPLICATION GUIDELINES | | |

| 15. ANYTHING ELSE? | | |
**1989 IRS FOUNDATION ANNUAL RETURN**

**Return of Private Foundation**

### Part I: Analysis of Revenue and Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GIFTS</strong></td>
<td></td>
</tr>
<tr>
<td>Contributions, gifts, grants, etc.</td>
<td></td>
</tr>
<tr>
<td>Special events</td>
<td></td>
</tr>
<tr>
<td>Other gifts</td>
<td></td>
</tr>
<tr>
<td>Dividends and interest from securities</td>
<td></td>
</tr>
<tr>
<td>Net gain or (loss) from sale of assets not on line 10</td>
<td></td>
</tr>
<tr>
<td>Capital gain, net income (form VI, line 2)</td>
<td></td>
</tr>
<tr>
<td>Long-term capital gain and income modifications</td>
<td></td>
</tr>
<tr>
<td><em>Misc.</em> (Exception)</td>
<td></td>
</tr>
<tr>
<td>Gross profit (loss) (attach schedule)</td>
<td></td>
</tr>
<tr>
<td><strong>GRANTS</strong></td>
<td></td>
</tr>
<tr>
<td>Expenditures on behalf of others</td>
<td></td>
</tr>
<tr>
<td>Other expenses</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
</tr>
</tbody>
</table>

---

**Line 15a. Legal fees (attach schedule)**

**Line 20. Occupancy**

**Line 21. Travel, conference, and meals**

**Line 25. Expenses and disbursements (add lines 20, 21, and 22)**

**Line 27a. Excess of revenue over expenses and disbursements**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee identification number</td>
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</tr>
<tr>
<td>State registration number (attach instructions)</td>
<td></td>
</tr>
<tr>
<td>Corporation or foreign country name</td>
<td></td>
</tr>
<tr>
<td>Individual only</td>
<td></td>
</tr>
<tr>
<td>If blank, see page 2, line 16 or 32</td>
<td></td>
</tr>
</tbody>
</table>

---

**Part VIII: Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

<table>
<thead>
<tr>
<th>Title of position</th>
<th>Full name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OFFICERS</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

**Part IX: Statements Regarding Activities (continued)**

1. If you answered "Yes" to any of questions 1.1 through 1.3, were the acts you engaged in excepted acts as described in Regulations sections 53.4942-6 and 47?
2. If you engaged in a prior year any of the acts described in 1.1, other than excepted acts, that were acts of self-dealing within the meaning of section 4942(a)(1) of the Internal Revenue Code of 1986, was the act a substantial contribution to an exempt purpose?
3. If you engaged in any act that required the approval of the Commissioner, did you notify the Commissioner of the act within the time prescribed by the regulations?
4. Did you file the return for the 1989 tax year beginning in 1989?
5. If you answered "Yes" to any of questions 1.1 through 1.9, were the acts you engaged in excepted acts as described in Regulations sections 53.4942-6 and 47?
6. If you engaged in any act that required the approval of the Commissioner, was the act a substantial contribution to an exempt purpose?
7. If you engaged in any act that required the approval of the Commissioner, did you notify the Commissioner of the act within the time prescribed by the regulations?
8. Did you file the return for the 1989 tax year beginning in 1989?
9. If you answered "Yes" to any of questions 1.1 through 1.8, were the acts you engaged in excepted acts as described in Regulations sections 53.4942-6 and 47?
10. If you answered "Yes" to any of questions 1.1 through 1.9, were the acts you engaged in excepted acts as described in Regulations sections 53.4942-6 and 47?
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61. Did you engage in any act that required the approval of the Commissioner, was the act a substantial contribution to an exempt purpose?
62. Did you file the return for the 1989 tax year beginning in 1989?
Part IV: Private Operating Foundations (see Instructions and Part VIII, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1989, enter the date of the ruling.

Check box to indicate whether you are a private operating foundation described in section 4944.2(f)(3)(B)(ii). 1989, 1988, 1987, and 1986

2a Enter the lesser of the adjusted net income from Part III for the minimum investment return, from Part IV for 1989, 1988, 1987, and 1986

Option (a) 1989 Option (b) 1988 Option (c) 1987 Option (d) 1986 Total


2c Support from general public and 5 or more exempt organizations as reported in section 4944.3(b)(6)(6).

2d Support from exempt organizations as reported in section 4944.3(b)(6)(6).

2e Largest amount of support from an exempt organization.

2f Gross investment income.

Part V: Supplementary Information (Complete this part only if you had $5,000 or more in assets at any time during the year—see Instructions)

1 Information Regarding Foundation Managers:

a List here any managers of the foundation who have contributed 2% or more of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000. (See section 527(a)(3)).

b List here any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 20% or greater interest.

2 Information Regarding Contributions, Grant, Gift, Loan, Scholarship, etc., Programs:

a Check here if you made contributions to individuals or organizations under other conditions, common-income basis—2, 3, 4, and 5.

b The name, address, and telephone number of the recipient or its organization should be addressed.

Applicant Information

a Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors.

b Any submission deadlines.
Expand your list of funding prospects with instant access to top health funders!

For the first time, those seeking foundation support or tracking health giving patterns can have immediate access to information on the top health funders in the nation in one convenient source. The National Guide to Foundation Funding in Health contains essential facts and data on more than 2,500 foundations which have a history of awarding grant dollars to hospitals, universities, research institutes, community-based agencies, and national health associations, for a broad range of health-related programs and projects.

With competition on the rise for the funding of crucial health programs, you'll need the best information available about foundations in order to direct your proposals to appropriate funders. To help you target those grantmakers who have a commitment to funding in your area of activity, you'll find a wealth of information, including:

- the programs and policies of more than 2,500 health funders
- additional information on leading grantmakers who award in health, including actual grants lists
- accurate information checked against foundation tax returns and, in many cases, verified by the foundations themselves

Here is how the National Guide to Foundation Funding in Health can help narrow your search for appropriate funding sources:

- save time by studying only those foundations that fund in your field—Every foundation in this comprehensive volume awards grants to health-related organizations.

- It's an all-in-one source of essential foundation data—In each foundation entry, you'll find crucial information that will help you target potential funders, including foundation program interests, contact persons, application guidelines, and much more.

- expanded information on the nation's top funders in health—For the largest foundations in the directory, we've supplemented entries with descriptions of foundation health programs and actual grants awarded.

- Its easy-to-use indexes guide you to foundations fast—Choose from 3 indexes that enable you to find foundation entries quickly and easily according to their state, subject interest, or foundation name.

The National Guide to Foundation Funding in Health also contains a useful bibliography of publications on health issues and philanthropic initiatives in the field as a guide to further study.

THE NATIONAL GUIDE TO FOUNDATION FUNDING IN HEALTH
Order Code: NGFH

Sample Entry—National Guide to Foundation Funding in Health

Abbott Laboratories Fund
Abbott Park, ARS
North Chicago, IL 60064 (312) 397-7075
Incorporated in 1951 in IL.
Donors: Abbott Laboratories, and others.
Financial data (yr. ended 12/31/87): Assets, $25,790,000 (M); gifts received $6,639,000; expenditures, $1,880,000, including $1,341,183 for 229 grants (high: $300,000; low: $75; average: $500-5,000) and $500,000 for 2,775 employee matching gifts.
Purpose and activities: Grants primarily to institutions for higher education, including medicine, pharmacy, and nursing, and for medical research and selected health and welfare causes, also matches contributions of company employees and retirees to higher educational institutions, hospitals, and non-public schools.
Health program description:
Health Hospitals: Support for federated or community fund drives in areas of company operations. The amount of support will be determined by the number of employees living in the area served by agencies and the level of employee support for such campaigns. Support for individual hospitals and health care institutions primarily to improve services and facilities.
Contributions to agencies which work primarily with disadvantaged youth and the aged, and to improve the socioeconomic position of women, minorities, and immigrant population groups.

Current address and phone number for direct access:
Financial data to pinpoint funding capacity and size of grants:
Giving limitations for a clear view of foundation funding patterns:
Application deadlines and contact name:
Giving interests to match your funding needs with foundation grant programs:
In-depth program descriptions included for the top health funders:
Who's who on the board and staff to broaden your research network:
Listings of recent grants awarded included for the top health funders:

Limitations: Giving primarily in areas of company operations. No support for social organizations, religious institutions, fundraising events or athletic programs. No grants to individuals, or for deficit financing, land acquisition, internships, employee-related scholarships, exchange programs, fellowships, or publications; no loans.
Publications: Application guidelines, program policy statement.
Number of staff: 1 part-time professional: 2 part-time support.
Employer Identification Number: 360069793
Recent health grants: American Academy of Pediatrics, Evanston, IL, $50,000. 1996.
Borgess Medical Center, Kalamazoo, MI, $10,000.
<table>
<thead>
<tr>
<th>Grant Number</th>
<th>Organization</th>
<th>City</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>20471</td>
<td>Mountainside Hospital</td>
<td>Montclair, NJ.</td>
<td>$10,000</td>
<td>For facility alterations and equipment for alcoholism rehabilitation center. 1987 AR.</td>
</tr>
<tr>
<td>20472</td>
<td>New Jersey Ballet Company</td>
<td>West Orange, NJ.</td>
<td>$5,000</td>
<td>Toward purchase of essential sound system to enhance quality of performances. 1987 AR.</td>
</tr>
<tr>
<td>20473</td>
<td>New Jersey Center for Visual Arts</td>
<td>Summit, NJ.</td>
<td>$25,000</td>
<td>For essential alterations and improvements of grounds to comply with city requirements and provide increased parking. 1987 AR.</td>
</tr>
<tr>
<td>20474</td>
<td>New Jersey Historical Society</td>
<td>Newark, NJ.</td>
<td>$20,000</td>
<td>For challenge grant toward purchase of computer and office equipment to increase effectiveness of administration and fund raising efforts. 1987 AR.</td>
</tr>
<tr>
<td>20475</td>
<td>New Jersey Shakespeare Festival</td>
<td>Madison, NJ.</td>
<td>$6,000</td>
<td>Toward purchase of essential lighting equipment to improve quality of programs. 1987 AR.</td>
</tr>
<tr>
<td>20476</td>
<td>New Jersey Symphony Orchestra</td>
<td>Newark, NJ.</td>
<td>$10,000</td>
<td>Toward purchase of software for organization project. 1987 AR.</td>
</tr>
<tr>
<td>20477</td>
<td>New York Academy of Medicine</td>
<td>NYC, NY.</td>
<td>$5,000</td>
<td>For essential equipment for conservation laboratory to provide for proper repair and protection of valuable library resource materials. 1987 AR.</td>
</tr>
<tr>
<td>20478</td>
<td>New York City Mission Society</td>
<td>NYC, NY.</td>
<td>$5,000</td>
<td>For essential construction of new multipurpose center at Camp Green Acres to meet critical need in effectiveness of summer camp programs. 1987 AR.</td>
</tr>
<tr>
<td>20479</td>
<td>New York University, College of Dentistry</td>
<td>NYC, NY.</td>
<td>$10,000</td>
<td>Toward purchase of equipment to enhance outreach program for homeless hotel children. 1987 AR.</td>
</tr>
<tr>
<td>20480</td>
<td>Newark Community School of the Arts</td>
<td>Newark, NJ.</td>
<td>$6,000</td>
<td>Toward purchase of grand piano to enhance effectiveness of programs. 1987 AR.</td>
</tr>
<tr>
<td>20481</td>
<td>Northern Ocean Hospital System Foundation</td>
<td>Point Pleasant, NJ.</td>
<td>$5,000</td>
<td>For construction of and equipment for coronary care unit at Brick hospital. 1987 AR.</td>
</tr>
<tr>
<td>20482</td>
<td>Ovary School Summit, NJ.</td>
<td>Summit, NJ.</td>
<td>$5,000</td>
<td>Toward essential renovations to facilities to provide safe environment for its students. 1987 AR.</td>
</tr>
<tr>
<td>20483</td>
<td>Paper Mill Playhouse</td>
<td>Millburn, NJ.</td>
<td>$20,000</td>
<td>For alteration and expansion of facilities to enhance programs. 1987 AR.</td>
</tr>
<tr>
<td>20484</td>
<td>Plaid House, Morrisfn</td>
<td>Morrisfn, NJ.</td>
<td>$10,000</td>
<td>Toward essential expansion of facilities and purchase of furnishings to increase program for teenage girls. 1987 AR.</td>
</tr>
<tr>
<td>20485</td>
<td>Play Schools Association</td>
<td>NYC, NY.</td>
<td>$10,000</td>
<td>Toward purchase of equipment and related supplies to establish therapeutic services to juvenile delinquents in non-secure detention. Grant made in memory of John Jay and Eliza Jane Watson. 1987 AR.</td>
</tr>
<tr>
<td>20486</td>
<td>Preservation New Jersey, Belle Mead</td>
<td>Belle Mead, NJ.</td>
<td>$5,000</td>
<td>Toward purchase of computer and office equipment to increase effectiveness of administration. 1987 AR.</td>
</tr>
<tr>
<td>20487</td>
<td>Preventive Medicine Institute</td>
<td>Strong Clinic</td>
<td>NYC, NY.</td>
<td>$40,000</td>
</tr>
<tr>
<td>20488</td>
<td>Remapo Anchorage Camp</td>
<td>Ridgewood, NJ.</td>
<td>$5,000</td>
<td>Toward purchase of computer equipment and software for programs serving emotionally disturbed and learning disabled youth. 1987 AR.</td>
</tr>
<tr>
<td>20489</td>
<td>Rensselaerville Institute, Rensselaerville</td>
<td>NY.</td>
<td>$50,000</td>
<td>For enhancement of Trustee Development Fund which provides essential revolving working capital for its projects. 1987 AR.</td>
</tr>
<tr>
<td>20490</td>
<td>Riverdale Neighborhood House</td>
<td>Bronx, NY.</td>
<td>$5,000</td>
<td>Toward construction of new facility to expand programs. 1967 AR.</td>
</tr>
<tr>
<td>20491</td>
<td>Runyon Country Day School</td>
<td>Runyon, NJ.</td>
<td>$200,000</td>
<td>For challenge grant for modernization and expansion of facilities and other related costs of major capital campaign. 1987 AR.</td>
</tr>
<tr>
<td>20492</td>
<td>Rutgers, The State University of New Jersey Foundation, New Brunswick</td>
<td>NJ.</td>
<td>$10,000</td>
<td>For emergency support of Watson Institute of Microbiology’s research project on detection of cholesterol precipitating metabolites in human alcoholics. 1987 AR.</td>
</tr>
<tr>
<td>20493</td>
<td>Saint Barnabas Development Foundation</td>
<td>West Orange, NJ.</td>
<td>$20,000</td>
<td>Toward modernization and expansion of Hospital's applied clinical technology laboratories. 1987 AR.</td>
</tr>
<tr>
<td>20494</td>
<td>Saint Elizabeth Hospital</td>
<td>Elizabeth, NJ.</td>
<td>$15,000</td>
<td>For alteration of and equipment for cardiac catheterization laboratory. 1987 AR.</td>
</tr>
<tr>
<td>20495</td>
<td>State Police Memorial Association</td>
<td>West Trenton, NJ.</td>
<td>$5,000</td>
<td>Toward construction of facility for memorial museum and learning center. 1987 AR.</td>
</tr>
<tr>
<td>20496</td>
<td>Suburban Community Music Center</td>
<td>Madison, NJ.</td>
<td>$15,000</td>
<td>For establishment of essential revolving working capital fund. 1987 AR.</td>
</tr>
<tr>
<td>20497</td>
<td>Summit Child Care Center</td>
<td>Summit, NJ.</td>
<td>$5,000</td>
<td>Toward purchase of rice to expand day care programs. 1987 AR.</td>
</tr>
<tr>
<td>20498</td>
<td>Teen Challenge</td>
<td>Brooklyn, NY.</td>
<td>$5,000</td>
<td>Toward essential furnishings for Brooklyn facility to improve quality and effectiveness of programs. 1987 AR.</td>
</tr>
<tr>
<td>20499</td>
<td>Teen Skin Association</td>
<td>NYC, NY.</td>
<td>$5,000</td>
<td>Toward essential alterations to facility in Newark, New Jersey to improve capacity and efficiency of programs. 1987 AR.</td>
</tr>
<tr>
<td>20500</td>
<td>Trudeau Institute</td>
<td>Saranac Lake, NY.</td>
<td>$10,000</td>
<td>Toward purchase and installation of new telephone system to increase efficiency of programs. 1987 AR.</td>
</tr>
<tr>
<td>20501</td>
<td>United Way of Union County</td>
<td>Elizabeth, NJ.</td>
<td>$10,000</td>
<td>Toward purchase of computer equipment and software to improve effectiveness and efficiency of services to other non-profit organizations. 1987 AR.</td>
</tr>
<tr>
<td>20502</td>
<td>Walkley Rehabilitation Hospital</td>
<td>Chester, NJ.</td>
<td>$5,950</td>
<td>Toward purchase of computer equipment for Speech Therapy Department to enhance quality of programs. 1987 AR.</td>
</tr>
<tr>
<td>20503</td>
<td>Wexler School</td>
<td>Summit, NJ.</td>
<td>$10,000</td>
<td>For facility alterations and purchase of equipment for multi-purpose room to increase capacity of programs. 1987 AR.</td>
</tr>
<tr>
<td>20504</td>
<td>Women’ Action Alliance</td>
<td>NYC, NY.</td>
<td>$10,000</td>
<td>For preparation and printing of Women’s Center Guide for its alcohol and drug education project. 1987 AR.</td>
</tr>
<tr>
<td>20505</td>
<td>YMA-YWCA of Newark and Vicinity</td>
<td>Newark, NJ.</td>
<td>$10,000</td>
<td>For challenge grant toward purchase of vehicle for year-round programs. 1987 AR.</td>
</tr>
<tr>
<td>20506</td>
<td>YMA-YWCA of Madison</td>
<td>Madison, NJ.</td>
<td>$40,000</td>
<td>For essential facilities alterations and improvements and debt reduction to increase capacity and effectiveness of programs. 1987 AR.</td>
</tr>
<tr>
<td>20507</td>
<td>YWCA of Westfield</td>
<td>Westfield, NJ.</td>
<td>$40,000</td>
<td>For essential facility alterations and improvements to increase capacity and effectiveness of programs. 1987 AR.</td>
</tr>
<tr>
<td>20508</td>
<td>Youth Communication/New York Center</td>
<td>NYC, NY.</td>
<td>$5,000</td>
<td>Toward purchase of equipment for desktop publishing training program. 1987 AR.</td>
</tr>
</tbody>
</table>

The Robert Wood Johnson Foundation

LM: Giving limited to the U.S. No support for international activities, programs or institutions concerned solely with a specific disease, or basic biomedical research or broad public health problems, except as they might relate to the foundation’s areas of interest. No grants to individuals, or for ongoing general operating expenses, endowment funds, construction, or equipment (except for local purchases).

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<th>Description</th>
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<td>20510</td>
<td>Albert Einstein College of Medicine</td>
<td>Yeshiva University, Bronx, NY.</td>
<td>$120,000</td>
<td>For Minority Medical Faculty Development Program. 1987 Gl.</td>
</tr>
<tr>
<td>20511</td>
<td>Alpha Center for Health Planning</td>
<td>DC.</td>
<td>$2,377,735</td>
<td>For technical assistance and direction for Health Care for Uninsured Program and Program for Research and demonstration on Health Care. 1987 GL</td>
</tr>
<tr>
<td>20512</td>
<td>American Academy of Pediatrics</td>
<td>Elk Grove Village, IL.</td>
<td>$79,977</td>
<td>For meeting on state high-risk insurance plans for chronically ill children. 1987 GL</td>
</tr>
<tr>
<td>20513</td>
<td>American Medical Association Education and Research Foundation</td>
<td>Chicago, IL.</td>
<td>$395,467</td>
<td>For study of practice patterns of young physicians, phase II. 1987 GL.</td>
</tr>
<tr>
<td>20514</td>
<td>American Red Cross</td>
<td>DC.</td>
<td>$521,200</td>
<td>For program to improve disaster preparedness for disabled and frail elderly. 1987 GL.</td>
</tr>
<tr>
<td>20515</td>
<td>American Registry of Pathology</td>
<td>DC.</td>
<td>$129,970</td>
<td>For prospective study of risk management in the emergency department. 1987 GL.</td>
</tr>
<tr>
<td>20516</td>
<td>American Society, NYC.</td>
<td>$10,000</td>
<td>For conference on health care reform in United States and Canada. 1987 GL.</td>
<td></td>
</tr>
<tr>
<td>20517</td>
<td>Amberson College</td>
<td>Amberson, MA.</td>
<td>$5,575</td>
<td>For economic appraisal of medical malpractice reform laws. 1987 GL.</td>
</tr>
<tr>
<td>20518</td>
<td>Arizona State University</td>
<td>College of Business, Tempe, AZ.</td>
<td>$50,000</td>
<td>For Faculty Fellowships in Health Care Finance. 1987 GL.</td>
</tr>
</tbody>
</table>

20520. Arroyo Vista Family Health Foundation, Los Angeles, CA. $75,000. 1987. 3-year grant. For Primary Care Health Center Management Program. 1987 GL.


20522. Benedictine Hospital, Kingston, NY. $216,625. 1987. For technical assistance and direction for Program to Improve Maternal and Infant Health in New Jersey and Interfaith Volunteer Caregivers Program. 1987 GL.

20523. Beth Abraham Hospital, Bronx, NY. $699,670. 1987. 4-year grant for community care project for frail elderly under prepaid public financing. 1987 GL.

20524. Boston University, School of Medicine, Boston, MA. $119,882. 1987. 2-year grant. For Minority Medical Faculty Development Program. 1987 GL.


20529. Brigham and Women's Hospital, Boston, MA. $209,363. 1987. 3-year grant. For evaluation of cost-effectiveness of new coronary observation units. 1987 GL.

20530. Brigham and Women's Hospital, Boston, MA. $120,000. 1987. 2-year grant. For Minority Medical Faculty Development Program. 1987 GL.

20531. Brigham and Women's Hospital, Boston, MA. $20,000. 1987. Toward planning teaching hospital/HMO residency programs in internal medicine. 1987 GL.

20532. Broad Top Area Medical Center, Broad Top, PA. $74,775. 1987. 3-year grant. For Primary Care Health Center Management Program. 1987 GL.

20533. Bronx-Lebanon Hospital Center, Bronx, NY. $200,000. 1987. 2-year grant. For School-Based Adolescent Health Care Program at Taft High School. 1987 GL.


20535. Brown University, Program in Medicine, Providence, RI. $1,974,868. 1987. 4 2/3-year grant. For evaluation of AIDS Health Services Program. 1987 GL.

20536. Case Western Reserve University, School of Medicine, Cleveland, OH. $140,997. 1987. 2-year grant. For research on preventing premarital among high-risk urban women. 1987 GL.


20539. Cerebral Palsy Association of Middlesex County, Edison, NJ. $25,000. 1987. 1 1/4-year grant. For day care program for developmentally delayed and disabled children. 1987 GL.

20540. Children's Hospital Corporation, Boston, MA. $110,000. 1987. 1 2/3-year grant. For study of functional status of children after sexual abuse. 1987 GL.

20541. Children's Hospital Corporation, Boston, MA. $50,000. 1987. For policy analysis of programs for severely emotionally involved children. 1987 GL.

20542. Children's Hospital National Medical Center, DC. $518,492. 1987. For technical assistance and direction for School-Based Adolescent Health Care Program. 1987 GL.

20543. Coalition for Community Health Care, Milwaukee, WI. $271,864. 1987. 2-year grant. For Health Care for Homeless Program. 1987 GL.


20545. Columbia University, NYC. $304,680. 1987. 3-year grant. Toward monitoring health care changes in four major cities. 1987 GL.

20546. Columbia University, Center for Geriatrics and Gerontology, NYC, NY. $149,999. 1987. 2-year grant. For evaluation of treatment of elderly persons suffering from depression. 1987 GL.

20547. Columbia University, College of Physicians and Surgeons, NYC, NY. $119,858. 1987. 2-year grant. For Minority Medical Faculty Development Program. 1987 GL.


20550. Community Health Services, Cairo, IL. $75,000. 1987. 3-year grant. For Primary Care Health Center Management Program. 1987 GL.


20552. Consolidated Neighborhood Services, Saint Louis, MO. $199,999. 1987. 3-year grant. For Service Credit Banking Program. 1987 GL.

20553. Cornell University Medical College, NYC, NY. $216,553. 1987. 1 1/4-year grant. For technical assistance and direction for General Pediatrics Academic Development Program. 1987 GL.


20557. Crossroads Programs, Burlington, VT. $432,716. 1987. 1 1/2-year grant. For Cape Queen Mother Programs. 1987 GL.

20558. Delaware Nursing Centers, Wilmington, DE. $225,513. 1987. 5-year grant. For primary care health center project in central Wilmington. 1987 GL.

20559. Denver, City and County of, Department of Health and Hospitals, Denver, CO. $245,103. 1987. 3-year grant. For Health Care for Uninsured Program. 1987 GL.

20560. Duke University, Durham, NC. $149,955. 1987. 2-year grant. For work on development of voice-controlled electrical stimulation in quadriplegics. 1987 GL.

20561. Duke University Medical Center, Durham, NC. $120,000. 1987. 2-year grant. For Minority Medical Faculty Development Programs. 1987 GL.

20562. Duke University Medical Center, Durham, NC. $119,989. 1987. 2-year grant. For Minority Medical Faculty Development Program. 1987 GL.

20563. East Boston Community Health Committee, Boston, MA. $700,000. 1987. 4-year grant. For community care project for frail elderly under prepaid public financing. 1987 GL.

20564. Easter Seal Society of New Jersey, Raritan Valley Workshop, Milltown, NJ. $12,000. 1987. For computerized vocational testing and evaluation system. 1987 GL.

20565. Elderplan, Brooklyn, NY. $192,971. 1987. 3-year grant. For Service Credit Banking Program. 1987 GL.

20566. Emory University, School of Medicine, Atlanta, GA. $120,000. 1987. 2-year grant. For Minority Medical Faculty Development Program. 1987 GL.

20567. Enki Institute, Reseda, CA. $149,880. 1987. 2-year grant. For youth health promotion program. 1987 GL.

20568. Family Health Center, Klamath Falls, OR. $176,793. 1987. 3-year grant. Toward regional program to help local health centers enter occupational health field. 1987 GL.

20569. Federated Dorchester Neighborhood Houses, Kit Clark Senior House, Dorchester, MA. $200,000. 1987. 3-year grant. For Service Credit Banking Program. 1987 GL.
New Jersey—Johnson Foundation, Robert Wood

20570. Federation for Community Planning, Cleveland, OH. $700,000, 1987. 2-year grant. For Health Care for Homeless Program. 1987 GL.

20571. Florida International University, Miami, FL. $196,974, 1987. 3-year grant. For technical assistance for Service Credit Banking Program. 1987 GL.

20572. Florida State, Department of Health and Rehabilitative Services, Tallahassee, FL. $450,000, 1987. 3-year grant. For Health Care for Uninsured Program. 1987 GL.

20573. Fax Chose Cancer Center, Philadelphia, PA. $104,219, 1987. For technical assistance for Minority Medical Faculty Development Program. 1987 GL.

20574. Fremont Counseling Service, Tander, WY. $150,000, 1987. 2-year grant. For substance abuse prevention project on Arapahoe and Shoshone reservation. 1987 GL.


20576. General Hospital Corporation, Massachusetts General Hospital, Boston, MA. $214,019, 1987. For technical assistance to Program for Prepaid Managed Health Care. 1987 GL.

20577. General Hospital Corporation, Massachusetts General Hospital, Boston, MA. $112,300, 1987. For technical assistance and direction for Program for Prepaid Managed Health Care. 1987 GL.

20578. George Washington University, School of Medicine, Washington, DC. $119,396, 1987. 2-year grant. For Health Care for Homeless Program. 1987 GL.

20579. George Washington University, DC. $554,150, 1987. 2-year grant. For technical assistance and direction for program to enhance care of critically ill hospitalized adults. 1987 GL.

20580. George Washington University, DC. $172,975, 1987. For technical assistance and direction for Local Initiative Funding Partners Program. 1987 GL.

20581. George Washington University, DC. $148,038, 1987. 2-year grant. To provide AIDS policy information to states. 1987 GL.

20582. George Washington University, DC. $47,600, 1987. For Faculty Fellowships in Health Care Finance. 1987 GL.

20583. Georgetown University, School of Medicine, Washington, DC. $371,266, 1987. For analysis of health policy issues. 1987 GL.

20584. Georgetown University, School of Medicine, Washington, DC. $150,000, 1987. 1 1/2-year grant. For evaluation of Supportive Services for Older Persons and Service Credit Banking Program/Robins. 1987 GL.

20585. Geriatrics Service Complex Foundation, North Miami, FL. $200,000, 1987. 2-year grant. For Service Credit Banking Program. 1987 GL.

20586. Grantseekers in Health, NYC, NY. $150,000, 1987. 3-year grant. For educational program for staff and trustees in health philanthropy. 1987 GL.

20587. Greater Atlanta Coalition on Health Care, Atlanta, GA. $902,505, 1987. 2-year grant. For Atlanta Community Program for Affordable Health Care. 1987 GL.

20588. Greater Southeast Community Center for the Aging, DC. $199,555, 1987. 3-year grant. For Service Credit Banking Program. 1987 GL.

20589. Guildford County Department of Public Health, Greensboro, NC. $200,000, 1987. 2-year grant. For School-Based Adolescent Health Care Program at Gillespie High School. 1987 GL.

20590. Harvard University, Boston, MA. $374,217, 1987. For technical assistance and direction for School-Based Adolescent Health Care Program. 1987 GL.

20591. Harvard University, Boston, MA. $119,596, 1987. 2-year grant. For Minority Medical Faculty Development Program. 1987 GL.

20592. Harvard University, Medical School, Boston, MA. $367,732, 1987. For technical assistance and direction for Program for Chronically Mentally Ill. 1987 GL.

20593. Harvard University, Medical School, Boston, MA. $210,016, 1987. 2-year grant. For communications project for Program for Chronically Mentally Ill. 1987 GL.

20594. Harvard University, Medical School, Boston, MA. $120,000, 1987. 2-year grant. For Minority Medical Faculty Development Program. 1987 GL.

20595. Harvard University, Medical School, Boston, MA. $67,603, 1987. For technical assistance and direction for School-Based Adolescent Health Care Program. 1987 GL.

20596. Harvard University, School of Dental Medicine, Boston, MA. $172,064, 1987. 2-year grant. For Dental Services Research Scholars Program. 1987 GL.

20597. Harvard University, School of Dental Medicine, Boston, MA. $98,000, 1987. 2-year grant. For Dental Services Research Scholars Program. 1987 GL.

20598. Harvard University, School of Public Health, Boston, MA. $273,939, 1987. 2-year grant. For study of incidence and costs of medical malpractice. 1987 GL.

20599. Harvard University, School of Public Health, Boston, MA. $250,073, 1987. 3-year grant. Toward development of health policy and management program. 1987 GL.

20600. Harvard University, School of Public Health, Boston, MA. $230,000, 1987. For evaluation of new nursing home payment program under New York State Medicaid. 1987 GL.

20601. Harvard University, School of Public Health, Boston, MA. $194,833, 1987. 2-year grant. To expand evaluation of affects of New Jersey hospital prospective payment program. 1987 GL.


20603. Health and Hospital Corporation of Marion County, Indianapolis, IN. $935,847, 1987. 3-year grant. Toward community-based adolescent health center project in central Indianapolis. 1987 GL.

20604. Health and Hospitals of the City of Boston, Trustees of, Boston, MA. $749,501, 1987. 2-year grant. For Health Care for Homeless Program. 1987 GL.

20605. Health and Hospitals of the City of Boston, Trustees of, Boston, MA. $770,000, 1987. 2-year grant. For assessment of community-based geriatric rehabilitation program. 1987 GL.


20607. Health Care Foundation, Traverse MI, MI. $371,174, 1987. 2-year grant. For Hospital-Based Rural Health Care Program. 1987 GL.


20610. HealthStart, Saint Paul, MN. $200,000, 1987. 2-year grant. For School-Based Adolescent Health Care Program at Harding High School. 1987 GL.

20611. Home Care Council of New Jersey, Montclair, NJ. $48,141, 1987. 1 1/2-year grant. For establishment of commission on accreditation for home care. 1987 GL.


20613. Hospital Research and Educational Trust, Chicago, IL. $220,331, 1987. For technical assistance and direction for Community Programs for Affordable Health Care. 1987 GL.

20614. Hospital Research and Educational Trust, South Carolina Hospital Association, West Columbia, SC. $918,336, 1987. 2-year grant. For Hospital-Based Rural Health Care Program. 1987 GL.

20615. IHC Foundation, Salt Lake City, UT. $275,200, 1987. 2-year grant. For Health Care for Uninsured Program. 1987 GL.

20616. IHC Foundation, Salt Lake City, UT. $125,300, 1987. For Health Care for Uninsured. 1987 GL.

20617. Independent Sector, DC. $100,000, 1987. To increase funds and time donated to human service activities. 1987 GL.

20618. Indiana University Foundation, Indianapolis, IN. $250,093, 1987. 3-year grant. To study impact of Indiana Medical Malpractice Act on availability of services. 1987 GL.

20619. Indiana University Foundation, Indianapolis, IN. $102,120, 1987. 2-year grant. For Dental Services Research Scholars Program. 1987 GL.


20622. Institute for Medical Risk Studies, Pawtucket, RI. $321,000, 1987. 3-year grant. For assessment of early warning system to improve risk management. 1987 GL.

20623. Integrated Mental Health, Rochester, NY. $39,760, 1987. 1 1/2-year grant. For technical assistance and information project for Program for Chronically Mentally Ill. 1987 GL.
THE ROBERT WOOD JOHNSON FOUNDATION

Address: P. O. Box 2316
Princeton, New Jersey 08543-2316
Telephone: 609-452-8700
Contact: Edward H. Robbins, Proposal Manager

Purpose: Improvement of health services in the United States, with emphasis on projects to improve access to personal health care for the most underserved population groups, to make health care arrangements more effective and affordable, and to help people maintain or regain maximum attainable function in their everyday lives. Within these areas' support provided for the development and testing of previously untapped approaches; demonstrations to assess objectively the operational effectiveness of approaches shown to be effective in more limited settings; and the broader diffusion of programs objectively shown to improve health status or make health care more affordable.

Limitations: Giving is limited to the United States. No grants to individuals or for international activities, programs or institutions concerned solely with a specific disease, basic biomedical research, or broad public health problems, except as they might relate to the foundation's areas of interest. No support for ongoing general operating expenses, endowment funds, construction, or equipment (except for local purchases).

Financial Data (year ended 12/31/88): Assets (market value), $1,803,866,438; gifts received, $250; expenditures, $83,866,147, including $75,451,443 for 262 grants (high: $5,000,000; low: $5,998); and $94,605,533 for 262 grants authorized.

Officers: Leighton E. Cluff, M.D., President; William R. Walsh, Jr., Executive Vice-President for Finance and Treasurer; Richard C. Reynolds, M.D., Senior Vice-President; J. Warren Wood III, Vice-President and Secretary; Thomas P. Gore, Vice-President for Communications; Terrance Keplan, Vice-President for Special Programs; Allen B. Cohen, Vice-President; Ruby P. Heam, Vice-President; Jeffrey C. Morris, Vice-President.

Trustees: Robert H. Myers, Chairman; Edward C. Andrews, Jr., M.D.; Robert J. Dixon; Edward R. Ebertis; Lawrence G. Foster; Leonard F. Hill; Frank J. Hoennemeyer; John J. Horan; Richard B. Ogivie; Jack W. Owen; Norman Rosenberg, M.D.; Ian M. Ross; Richard B. Satias; Foster B. Whitlock.

Program Officers: Carolyn H. Astbury, Senior Program Officer; Paul S. Jehnkes, Senior Program Officer; Anna Lee Leash, Senior Program Officer; Stephen A. Sommer, Senior Program Officer; Nancy L. Barrand, Joel Cantor, Andrea Katoenell, Pauline Selz.

Number of Staff: Thirty-five full-time professional, fifty-five full-time and two part-time support.

Background: The Robert Wood Johnson Foundation was incorporated in 1936 in New Jersey. It was established by the late General Robert Wood Johnson (chief executive officer of Johnson & Johnson) as the Johnson New Brunswick Foundation to distribute funds for philanthropic causes, principally in the New Brunswick, New Jersey area. When Mr. Johnson died in 1965, the foundation became The Robert Wood Johnson Foundation and began its transition from a local institution to a national philanthropy concerned with the improvement of health care in the United States.

At the close of fiscal 1988, the foundation was ranked as the sixth largest foundation in the United States (by asset size, $1.8 billion).

Grant Analysis: In 1988, the foundation made payments on 262 grants totaling $94,605,533 (see Financial Data), representing a 43% increase over funding the previous year ($66,174,271) and a 64% increase over giving in 1984 ($57,734,244). Authorizations also increased in 1988, to $94,605,533 from $56,908,187 in 1985. This analysis, the chart below, and the list of sample grants review grants authorized in 1988.

As in the past, all authorized funding in 1988 supported programs and projects committed to improve health care in the United States. Once again, the majority of authorized funds (71%) was committed to programs for developing and testing new ways of providing health care services. Major funding in the category went to the National Academy of Sciences-Institute of Medicine ($5,041,180) for general support and an annual health advancement award, and to the Albert Einstein College of Medicine of Yeshiva University ($3,508,767 in two grants) for infant health programs and a family care center for children with AIDS. Yale University was awarded $2,135,538.

Education and training programs for health professionals received 17% of allocations. Substantial support went to the University of Pennsylvania ($1,591,084 in two grants), the University of California ($1,824,191 in two grants), and Cornell University Medical College ($1,500,030).

Eleven percent of authorized funds went towards research and evaluation of health care systems. The Rand Corporation was allocated $1,926,110 for evaluation of a prepaid managed health care program. The Florence Heller Graduate School for Advanced Studies in Social Welfare at Brandeis University was awarded four grants totaling $936,177. The remaining 1% of authorized funds was distributed to four worthy health causes. A grant of $498,360 was awarded to Middlesex General Hospital for property acquisition; the United Way of Central Jersey, Inc. received $150,000.

At the close of 1988, the foundation had outstanding commitments totaling $123.6 million.

<table>
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<tr>
<th>No.</th>
<th>Amount</th>
<th>Percent of grant dollars</th>
<th>General range of grants</th>
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<tbody>
<tr>
<td>Health Services</td>
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<tr>
<td>Development</td>
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<td>$567,495,771</td>
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<td>Education and Training</td>
<td>55</td>
<td>15,556,337</td>
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<tr>
<td>Research and Evaluation</td>
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<td>10,824,945</td>
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<tr>
<td>Other</td>
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<tr>
<td>Totals</td>
<td>255</td>
<td>$594,605,533</td>
<td>100%</td>
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Program Areas: The foundation funds and/or administers the following programs. Brochures are available concerning many of the individual programs.

Chronic Disease Care Program - Development of physician-directed, nurse-managed programs providing ambulatory care for patients with chronic diseases.

Clinical Nurse Scholars Program - Postdoctoral fellowships of advanced in-hospital clinical practice and research.

Clinical Scholars Program - Postdoctoral fellowships for young physicians to develop research skills in non-biological disciplines relevant to medical care.

Community Programs for Affordable Health Care - Aid for local coalitions wishing to initiate major, concrete projects to contain costs while maintaining health-care quality and access. Co-sponsored with The American Hospital Association and The Blue Cross and Blue Shield Associations.

Dental Services Research Scholars Program - Two-year fellowships in health services research for dental school faculty members.

Family Practice Faculty Fellowships Program - Preparation of physician faculty to develop careers in family practice.

Program for the Health-Impaired Elderly - Demonstration projects that integrate and coordinate all at a community level the array of services needed by elderly citizens with health problems.

Health Policy Fellowships Program - One-year fellowships with federal government for faculty from academic health science centers.

Program for Hospital Initiatives in Long-Term Care - Comprehensive service projects for defined elderly populations.

Research and Development Program to Improve Patient Functional Status - Initial or early-stage studies that focus on improving functional outcomes for patients impaired by disease or injury.

Rural Hospital Program of Extended-Care Services - Development of "swing bed" concept to provide long-term care in acute-care hospitals.

Rural Infant Care Program - Cooperative projects with state health departments to reduce infant mortality and morbidity in isolated rural counties.

Teaching Nursing Home Program - Nursing home-nursing school affiliations to improve long-term care of the elderly.

General Pediatrics Academic Development Program - Assistance to university departments in expanding and strengthening their programs in general pediatrics.

Program to Consolidate Health Services for High-Risk Young People - Assistance to teaching hospitals and public or voluntary agencies to co-sponsor the consolidation of health services for young people at risk for such multiple problems as venereal disease, drug and alcohol abuse, pregnancy, etc.

Teaching Hospital General Medicine Group Practice Program - Establishment of group practices by university-affiliated hospitals to improve ambulatory services for adult patients who use medical clinics and emergency rooms as a regular source of care.

The foundation also makes direct grants to many health services projects that are not conducted under the auspices of one of its programs. Recipients of these grants include hospitals, universities, and other health organizations and programs. (See Limitations.)

Types of Support: In general, support for seed money, research, special projects, and fellowships. The foundation awards both single- and multiple-year grants and provides continuing support. (See Limitations.)

Geographic Distribution: Priority is given to institutions, programs, and activities of regional or national impact within the United States, with the exception of a small number of local projects in the New Brunswick, New Jersey area, where the foundation originated.

Grants: The following is a partial list of grants that were authorized by the foundation in 1986.

**Health Services Development**

- National Academy of Sciences-Institute of Medicine, Washington, DC: $5,001,160
  - Five-year support, $5,000,000
  - Support for the 1986 Gustav O. Lienhardt Award for the advancement of health,
  - $1,061,160

- Albert Einstein College of Medicine, Yeshiva University, New York, NY: $3,308,757
  - Infant health and development program, $2,154,531
  - Three-year grant for model family care center for the treatment of children with AIDS, $1,004,236

- Yale University, New Haven, CT: $2,135,538
  - 29-month support for infant health and development program

- Aid Atlanta, Inc., GA: $800,000
  - Two-year support for out-patient hospital health and supportive services for patients with AIDS and AIDS-related disorders

- Ohio Presbyterian Homes, Columbus: $577,034
  - Multisite demonstration of home services for the elderly

- The University of the New York Hospital, NY: $400,651
  - Comprehensive health and social services program for the frail elderly

- University of Arizona, College of Medicine, Tucson: $145,775
  - Three-year model training program for caregivers of Alzheimer's disease patients

- Arlington Community Access Corporation, VA: $9,993
  - Program to improve access to care for non-English speaking immigrants

**Education and Training**

- University of Pennsylvania, Philadelphia: $1,991,084
  - School of Medicine - three-year support for young physicians to develop research skills in non-biological disciplines relevant to medical care, $1,008,807
  - School of Nursing - three-year support of postdoctoral fellowships of advanced in-hospital clinical practice and research, $982,277

- University of California, San Francisco: $1,024,191
  - School of Nursing - three-year support of postdoctoral fellowships of advanced in-hospital clinical practice and research, $1,045,864

- School of Medicine - three-year support for young physicians to develop research skills in non-biological disciplines relevant to medical care, $577,227
Cornell University Medical College, New York, NY 1,500,000
The Walsh McDermott Distinguished Professorship of Medicine

University of Utah, Salt Lake City 52,076
Three-year support for premedical enrichment program for minority high school students

Wake Forest University, The Bowman Gray School of Medicine, Winston-Salem, NC 197,866
Two-year support of the awareness program of medicine as a career for minority high school students

Medical Associates Research and Education Foundation, Philadelphia, PA 125,000
To expand research and training for academic careers in general pediatrics

University of New Orleans, LA 40,633
Program of study and field experience in health care finance for university faculty from related specialties

St. Peter's Medical Center, School of Nursing, New Brunswick, NJ 10,000
Support for a nurse training program

Research and Education

Rand Corporation, Santa Monica, CA 1,926,110
Evaluation of the Program for Prepaid Managed Health Care-Phase II

Brandeis University, Florence Heller Graduate School for Advanced Studies in Social Welfare, Waltham, MA 925,177
Two-year support of the evaluation of the Program for Hospital Initiatives in Long-Term Care-Phase II, $448,247
Two-year support for evaluation of a case-management program for high-cost illness, $267,414
Planning for a demonstration of life-care at home communities, $139,516
Study to identify key management issues in social health maintenance organizations, $50,000

The Urban Institute, Washington, DC 265,485
Two-year support for analysis of the effects of nursing home reimbursement changes

University of Oklahoma, College of Medicine, Oklahoma City 149,248
Evaluation of family factors as predictors of function after cardiac surgery

The University of Texas at Austin, Lyndon B. Johnson School of Public Affairs 9,490
Report on maternal and child health in the U.S.-Mexican border region

Other

Middlesex General Property Holding Corporation, New Brunswick, NJ 498,380
Property acquisition

United Way of Central Jersey, Inc. 150,000
Support of 1996 campaign

Township of Plainsboro, NJ 40,099
Development of an integrated public safety radio network

The Foundation Center, New York, NY 40,000
Film on grantmaking foundations

Foundation Publications: Annual Report, informational brochure, policy statement, occasional reports, a newsletter, and application guidelines are available.

Policies and Application Guidelines: Completion of an application form is not required. Applicants should prepare a letter which states briefly and concisely the proposed project as well as its objectives and significance; the qualifications of the organization and the individuals concerned; the mechanisms for evaluating results; and a budget. This letter should be accompanied by a copy of the institution's tax-exempt status under the IRC. Ordinarily, preference will be given to organizations that have qualified for exemption under Section 501(c)(3) of the IRC and that are not "private foundations" as defined under Section 509(a). Public instrumentalities performing similar functions are also eligible. Receipt of proposals is acknowledged. Interviews are granted after receipt of the proposal (one copy).

Funding Cycle:
Board meeting dates: February, May, July, October, and December
Application deadlines: None
Final notification: Six to twelve months

Sources: 1986 Annual Report. Information provided by the foundation. 3/88
3350—N.J.—NEW JERSEY

Limitations: Giving primarily in NJ and in other areas of company operations in New York, NY; Lexington, NC; and Charlottesville, VA.

Application information: Apply to local personnel manager. Application form required.
Deadline(s): None
Managers: Mary Catherine Gaynor, Alexander F. Jr., Douglas E. Jr., Barbara E. Leis
Employer Identification Number: 221713050

3351
Janet Memorial Foundation
3351
Ten Cherry St.
Newark, NJ 07102
(201) 527-9931

Financial data (yr. ended 12/31/87): Assets, $9,662,091 (M); Liabilities, $19,971 (M); Expenditures, $176,784, including $129,971 for grants.
Purpose and activities: Support primarily for health and welfare programs and youth-related organizations. Limitations: Giving primarily in Union County, NJ.
Application information: Initial approach: Letter
Write: Alvin W. Taylor, Exec. Dir.
Officer: Alvin W. Taylor, Exec. Dir.
Employer Identification Number: 221467216

3352
Jaqua Foundation
One Garrett Mountain Plaza
West Orange, NJ 07052
(201) 278-9790

Donor(s): George R. Jaqua

Financial data (yr. ended 12/31/88): Assets, $3,277,725 (M); Liabilities, $57,266; Expenditures, $313,601, including $263,500 for 18 grants (M); $27,500 low; $2,500 high.
Purpose and activities: Support primarily for education, health, and social services. Limitations: No support for private foundations. Grants primarily to local organizations.
Application information: Initial approach: Letter
Write: Eli Hoffman, Chair.
Officer: Eli Hoffman, Chair; David W. Courter, V.P.; John Menne, V.P.; Samuel Pollock, V.P.; Evans, Hand, Allabogh & Amoreano, Secy.
Employer Identification Number: 22086799

3353
Clara L. Jechy Charitable Residuary Trust
3353
c/o Summit Trust Co.
337 Springfield Ave.
Summit, NJ 07901

Trust established in 1969.
Donor(s): Clara L. Jechy

Financial data (yr. ended 12/31/88): Assets, $5,176,969 (M); Liabilities, $128,342 including $251,000 for grants.
Purpose and activities: Grants largely for the prevention of cruelty to animals and for higher education.
Application information: Initial approach: Letter

Write: Coleman Burke, Trustee
Summit Trust Co.
Employer Identification Number: 226138410

3354
The Jockey Hollow Foundation, Inc.
P.O. Box 462
Bernardsville, NJ 07924
Incorporated in 1960 in N.J.
Donor(s): Carl Shelley, Mrs. Carl Shelley
Financial data (yr. ended 12/31/87): Assets, $9,662,091 (M); Liabilities, $19,971 (M); Expenditures, $176,784, including $129,971 for grants.
Purpose and activities: Support primarily for scholarship funds, education, conservation, hospitals, and cultural programs. Limitations: Giving primarily in NJ and MA. No grants to individuals.
Application information:
Write: Betsy S. Michel, Pres.
Officers and Trustees: Betsy S. Michel, Pres. and Secy.; Joanne F. Summerville, V.P.; Carl Shelley, V.P.; Clifford N. Michel, Treas.; Virginia L. Hartmann, Betsy B. Shelley.
Employer Identification Number: 3217234138

3355
Johnson & Johnson Family of Companies Contribution Fund
One Johnson & Johnson Plaza
New Brunswick, NJ 08933
Incorporated in 1953 in N.J.
Donor(s): Johnson and Johnson, and subsidiary companies
Financial data (yr. ended 12/31/87): Assets, $129,767,676 (M); Liabilities, $7,730,750; Expenditures, $7,286,333, including $5,189,714 for 101 grants (M); $1,050,000; low: $3,000; average: $1,000-$2,000; high: $2,500,000.
Purpose and activities: Grants for projects or organizations which advance the science of medicine. Support also for higher education, arts and cultural programs, civic affairs and public interest organizations, social welfare agencies, including community funds, and an employee matching gift program.
Types of support: Operating budgets, continuing support, annual campaigns, emergency funds, matching funds, fellowships, research, technical assistance, special projects, employee matching gifts, general purposes, scholarship funds.
Limitations: Giving primarily in areas where company has facilities, to national and local organizations. No grants to individuals, or for deficit financing, capital or endowment funds, or publications; no loans.
Publications: Application guidelines, program policy statement.
Application information:
Initial approach: Telephone or letter
Copies of proposal: 1
Deadline(s): None
Board meeting dates: Mar., June, Sept., and Dec.
Final notification: 2 months

3356
Barbara Piasecka Johnson Foundation
Eight Lawrenceville Rd.
Princeton, NJ 08540
Incorporated in 1976 in DE
Donor(s): J. Seward Johnson, Sr.; Barbara Piasecka Johnson
Financial data (yr. ended 12/31/88): Assets, $2,544,060 (M); Liabilities, $1,244,060 including $994,639 for 12 grants (M); $710,000; low: $2,000; and $154,381 for 22 grants to individuals.
Purpose and activities: To support movements which promote human rights in Poland; promote institutions of Polish character in the U.S. and abroad; and support art projects, scientists, primarily those who are Polish or of Polish extraction, and institutions which support such individuals.
Types of support: Grants to individuals, conferences and seminars, fellowships, publications, research, special projects, student aid.
Publications: Application guidelines.
Application information: Scholarships and fellowships are for graduate, Doctoral and postgraduate education only; no undergraduate program considered. Application form required.
Initial approach: Letter or telephone
Copies of proposal: 1
Deadline(s): Mar. 1 and Sept. 1; all considered within three-month basis
Board meeting dates: July
Write: Beata P. Balaj, Secy.
Officers and Trustees: Barbara Piasecka Johnson, Chair., Beata Balaj, Secy.; John M. Peach, Treas.; Gregory Gierszynski, Christopher Piasecki, Gregoire Piasecki, Wojciech Piasecki.
Number of staff: 1 part-time professional, 1 part-time support.
Employer Identification Number: 51020793

3357
The Robert Wood Johnson Foundation
P.O. Box 2316
Princeton, NJ 08543-2316
Incorporated in 1936 in NJ.
Donor(s): Robert Wood Johnson
Financial data (yr. ended 12/31/88): Assets, $2,054,534,000 (M); Liabilities, $97,952,000, including $87,552,000 for grants; and $1,414,000 for loans;
Purpose and activities: Improvement of health services in the U.S., with emphasis on projects to improve access to personal health care for the most underserved population groups; to make health care arrangements more effective and affordable; and to help people maintain or regain maximum attainable function in their everyday lives. Within these areas, support provided for the development and testing of...
previously untied approaches; demonstrations to assess objectively the operational effectiveness of approaches shown to be effective in more limited settings; and the broader diffusion of programs objectively shown to improve health status or make health care more affordable.

Types of support: Seed money, research, special projects, fellowships, continuing support. Limitations: Giving limited to the U.S. No support for international activities; programs or institutions concerned solely with a specific disease, or basic biomedical research or broad public health problems, except as they might relate to the foundation's areas of interest. No grants to individuals, or for ongoing general operating expenses, endowment funds, construction, or equipment except for local purchases.

Publications: Annual report, informational brochure, program policy statement, application guidelines, occasional reports, newsletter.

Application information:
- Initial approach: Letter
- Copies of proposal: 1
- Deadlines: None

Final notification: 6 to 12 months

Write: Edward H. Robbins, Proposal Mgr. Officers: Leighton E. Cluff, M.D., * Pres.; William R. Walsh, Jr., * Exec. V.P. for Finance and Treasurer; J. Warren Wood III, V.P., and Secretary; Thomas P. Gore, V.P., for Communications; Terrance Keenan, V.P., for Special Projects, Alan B. Cohen, V.P.; Ruby P. Hearn, V.P.; Jeffrey C. Merrill, V.P.; Richard C. Reynolds, M.D., V.P.


Number of staff: 35 full-time professional; 55 full-time support; 2 part-time support.

Employer Identification Number: 226029397

Blanche and George Jones Fund, Inc. (226029397)

3358 Box 306M
Morristown 07960

Established in 1981 in NJ.

Financial data (yr. ended 2/28/88): Assets, $1,381,140 (Mi); expenditures, $179,336, including $60,000 for 25 grants (high: $5,000; low: $1,000).

Purpose and activities: Support primarily for hospitals and health organizations, higher and other education, religious organizations, and youth and child welfare programs.

Application information:
- Initial approach: Letter
- Write: Phyllis J. Stitzer, Pres.

Officers and Trustees: Phyllis J. Stitzer, Pres.; Barbara J. Foreman, V.P.; William E. Bardusch, Jr., Secy.-Treas.

Employer Identification Number: 136028786

Kaplen Foundation (226029397)

3359 100 Huguenot Ave.
Englewood 07631

Financial data (yr. ended 7/31/87): Assets, $3,542,318 (Mi); gifts received, $1,020,514; expenditures, $101,097, including $84,225 for grants.

Purpose and activities: Contributions to Jewish organizations; support also for general charitable giving.


Employer Identification Number: 226048152

Harry Katz Memorial Fund (226029397)

3360 c/o First Fidelity Bank, N.A., N.J.
765 Broad St.
Newark 07101

Financial data (yr. ended 12/31/87): Assets, $1,210,186 (Mi), expenditures, $74,370, including $59,000 for 8 grants (high: $10,180; low: $2,500).

Purpose and activities: Support primarily for Jewish education and community and family services.

Application information:
- Initial approach: Letter or proposal
- Deadlines: None

Trustees: Florence K. Bernstein, First Fidelity Bank, N.A., NJ.

Employer Identification Number: 51017174

Keating-Crawford Foundation, Inc. (226029397)

3361 738 Schuyler Ave.
Lyndhurst 07071

Established in 1948 in NJ.

Financial data (yr. ended 12/31/87): Assets, $1,899,377 (Mi); funds received, $149,883, including $148,650 for 31 grants (high: $83,625; low: $100).

Purpose and activities: Support primarily in NJ. No grants for scholarships.

Application information:
- Initial approach: Letter or proposal
- Write: Mary C. Fry, Secy.

Officers and Trustees: Bernard K. Crawford, Pres.; John R. Kennedy, Jr., Secy.-Treas.; John R. Kennedy III, V.P.

Employer Identification Number: 226028755

Peter & Cynthia K. Kellogg Foundation (226029397)

3362 39 Stewart Rd.
Short Hills 07078

Established in 1983 in NJ.


Financial data (yr. ended 6/30/87): Assets, $2,535,819 (Mi); gifts received, $212,150; expenditures, $197,532, including $108,985 for grants.

Purpose and activities: Support for education, with emphasis on higher education, and for health and social services.

Limitations: No grants to individuals.

Application information: Contributions only to pre-selected organizations. Applications not accepted.

Officers: Peter R. Kellogg, Pres.; Cynthia K. Kellogg, Secy.; Margaret Gorman, Treas.

Employer Identification Number: 221477914

The John R. Kennedy Foundation, Inc. (226029397)

3363 75 Chorus Ridge Rd.
Morristown 07960

Incorporated in 1951 in NJ.

Financial data (yr. ended 12/31/87): Assets, $3,632,055 (Mi); expenditures, $146,107, including $116,359 for 12 grants (high: $58,500; low: $5,000).

Purpose and activities: Grants largely for higher education, Roman Catholic church-related programs, social services, and hospitals.

Limitations: No grants to individuals.

Application information:
- Initial approach: Letter
- Write: John R. Kennedy III, V.P.

Officers: John R. Kennedy, Jr., Pres.; James W. Kennedy, V.P., and Secy.; John R. Kennedy III, V.P., and Directors: Elizabeth Kennedy, Paula Kennedy.

Employer Identification Number: 22114822

Quentin J. Kennedy Foundation (226029397)

3364 75 Chorus Ridge Rd.
Morristown 07960

Incorporated in 1986 in NJ.

Financial data (yr. ended 12/31/87): Assets, $4,032,976 (Mi); gifts received, $25,000; expenditures, $149,883, including $149,300 for 15 grants (high: $25,000; low: $2,000).

Purpose and activities: Support primarily for Catholic giving, including welfare; support also for hospitals and for higher education.

Limitations: No grants to individuals.

Application information:
- Initial approach: Letter
- Write: Quentin J. Kennedy, Pres.

Officers: Quentin J. Kennedy, Pres. and Treasurer; Mary Elizabeth Kennedy, V.P.; Quentin J. Kennedy, Jr.

Employer Identification Number: 222653050

The James Kennedy Foundation (226029397)

3365 685 Parkway Ave.
P.O. Box 7794
Trenton 08628-0774

Incorporated in 1934 in NJ.

Donors: Members of the Kennedy family.

THE FOUNDATION DIRECTORY

NEW JERSEY—Kennedy—3365

495
urning body or distribution committee representative of community interests. Investment funds are managed professionally, usually by trustee banks.

### Figure B. GENERAL CHARACTERISTICS OF FOUR TYPES OF FOUNDATIONS

<table>
<thead>
<tr>
<th>Foundation Type</th>
<th>Description</th>
<th>Source of Funds</th>
<th>Decision-Making Activity</th>
<th>Grantmaking Requirements</th>
<th>Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Foundation</td>
<td>An independent grant-making organization established to aid social, educational, religious, or other charitable activities.</td>
<td>Endowment generally derived from a single source such as an individual, a family, or a group of individuals. Contributions to endowment limited as to tax deductibility.</td>
<td>Decisions may be made by donor or members of donor's family; by an independent board of directors or trustees; or by a bank or trust officer acting on donor's behalf.</td>
<td>Broad discretionary giving allowed but may have specific guidelines and give only in a few specific fields. About 70% limit their giving to local area.</td>
<td>Annual information returns 990-PF filed with IRS must be made available to public. A small percentage issue separately printed annual reports.</td>
</tr>
<tr>
<td>Company-sponsored</td>
<td>Legally an independent grantmaking organization with close ties to the corporation providing funds.</td>
<td>Endowment and annual contributions from a profit-making corporation. May maintain small endowment and pay out most of contributions received annually in grants, or may maintain endowment to cover contributions in years when corporate profits are down.</td>
<td>Decisions made by board of directors often composed of corporate officials, but which may include individuals with no corporate affiliation. Decisions may also be made by local company officials.</td>
<td>Giving tends to be in fields related to corporate activities or in communities where corporation operates. Usually give more grants but in smaller dollar amounts than independent foundations.</td>
<td>Same as above.</td>
</tr>
<tr>
<td>Operating Foundations</td>
<td>An organization which uses its resources to conduct research or provide a direct service.</td>
<td>Endowment usually provided from a single source, but eligible for maximum tax deductible contributions from public.</td>
<td>Decisions generally made by independent board of directors.</td>
<td>Makes few, if any, grants. Grants generally related directly to the foundation's program.</td>
<td>Same as above.</td>
</tr>
<tr>
<td>Community Foundations</td>
<td>A publicly-sponsored organization which makes grants for social, educational, religious, or other charitable purposes in a specific community or region.</td>
<td>Contributions received from many donors. Usually eligible for maximum tax deductible contributions from public.</td>
<td>Decisions made by board of directors representing the diversity of the community.</td>
<td>Grants generally limited to charitable organizations in local community.</td>
<td>IRS 990 return available to public. Many publish full guidelines or annual reports.</td>
</tr>
</tbody>
</table>
Grantsmanship/Proposal Writing

OVERVIEW
Summer Institute
Thursday, July 14
Sessions 2-4

Grantsmanship/Proposal Writing

I. Objectives
A. Understand grant funding.
B. Know how to obtain foundation funds.
C. Know the research tools and how to use them to identify appropriate funding sources.
D. Know how to write a grant proposal.

II. Agenda
A. Introduction
B. Foundation and Grant Funding
C. Matching Programs with Foundation Funding Sources L U N C H
D. Policies and Procedures Regarding Grants
E. Preparing the Proposal
F. Writing the Proposal
   B R E A K
G. Evaluating the Proposal
H. Wrap-up/Preview

III. Methods
A. Lecture
B. Discussion
C. Group work
D. Handouts
OUTLINE
GRANTSMANSHIP/PROPOSAL WRITING

I. Foundation and Grant Funding
   A. Foundation
      NON-PROFIT GOVERNED, Etc.

   B. Foundation Facts
      1. Facts
         30,000 (27,000 FAMILY-HELD, 85% ASSETS AND AWARD 75% OF FUNDS)
         1500 CORP. FOUNDATIONS
         23% HOLD ASSETS OF $1 MILLION OR MORE
      2. Characteristics
         a. Large Foundations
            1. MILLION+
               STAFFING, BROAD GEOGRAPHIC FOCUS, BUT
               NARROW INTEREST
               APPLICATION PROCESS
         b. Small Foundations
            MORE NARROW FOCUS OF COMMUNITY

   C. Types of Foundations
      1. Independent
      2. Company-sponsored
      3. Operating
      4. Community

   D. Foundation Research Resources
      1. The Foundation Center
      2. The Taft Group
II. Matching Programs with Foundation Funding Sources
   
   A. Prospect Research Techniques
   Prospect research analysis:
   • Areas of support
   • Geography
   • Type of support
   • Range of grants
   • Demographics
   • Similar organizations

   B. Cultivation Strategies

C. Approaching Potential Funders
   1. Telephone
   2. Letters
   3. Personal
III. Policies and Procedures Regarding Grants
   A. Project Coordination

   B. Internal Controls

   C. Limitations of Grant Funding
      \[ \text{Balance Revenue Sources} \]

   D. Project Considerations
      \[ \text{How to Fund at End of Grant Cycle: -- On-Going Support} \]

IV. Preparing the Proposal
   A. Proposal Guidelines

   B. Basic Elements of a Proposal
      1. Summary

      2. Introduction

      3. Problem statement or needs assessment

      4. Objective
5. Method

6. Evaluation

7. Future of the project

8. Budget

9. Supporting material

C. Principles of Proposal Writing
   1. Make the proposal easy to read
   2. Write in plain English
   3. Be brief
   4. Be positive
   5. Avoid assumptions
   6. Avoid overkill

D. The Cover Letter

V. Writing the Proposal

VI. Evaluating the Proposal
VII. Wrap-up
   A. Review

   B. Preview Friday
      1. Special Events
      2. Project Planning and Development Evaluation
      3. Case Study (ASSIGNMENT)
      4. Institute Closure
SPECIAL EVENTS
I. Objectives
   A. Understand special event funding
   B. Know how to obtain special event funding.
   C. Know how to assess the effectiveness of special events.

II. Agenda
   A. Introduction
   B. What is a special event
   C. Developing plans
   D. Pros/Cons
   E. Steps to Success
   F. How to--examples

III. Methods
   A. Lecture
   B. Discussion
   C. Handouts

SUMINT51.OTL
OUTLINE
SPECIAL EVENTS

I. What is a special event
   A. Examples
      B. Defined
         C. Purposes

II. Developing plans
    A. Maximizing profits
       - INCREASE INTEREST IN PAST PARTICIPANTS
       - DO NEW EVENT FOR PAST PARTICIPANTS
    B. Working with celebrities

NOTE: DON'T DESIGNATE SPEC. EVENT FUNDS FOR ANY SPECIFIC PROJECT.
C. Organization
1. Chairmen
   a. Honorary
   b. "Real"

2. Committees
   a. Financial
   b. Staffing
   c. Invitations
   d. Publicity
   e. Acquisitions
   f. Arrangements
   g. Decorations
   h. Entertainment
   i. Special guest
   j. Special needs
III. Pros/Cons
   A. Positive Aspects

   B. Negative Aspects

TIME CONSUMING; CAN LOSE A LOT OF MONEY IF POORLY PLANNED; VERY LABOR INTENSIVE; DISRUPTIVE TO OVERALL OPERATION; INVOLVE SOME LIABILITY; OPPORTUNITY TO "FLOP" WITH AUDIENCE;

VI. Steps to Success

V. How to---Examples and resources
   A. Dinner, Theater Party and Fashion Show
   B. Resources
PROJECT PLANNING AND FUNDRAISING EVALUATION
OVERVIEW
Summer Institute
Friday, July 15
Session 2
Development Evaluation/Project Planning

I. Objectives
   A. Understand how to evaluate the effectiveness of development activities.
   B. Understand how to plan a project.

II. Agenda
   A. Development Evaluation
      1. Why is it important
      2. Critical Success Factor (CSF) concept
      3. CSF applied to development
   B. Project Planning
      1. The context
      2. Project planning overview
      3. A method of project planning
      4. Project planning applied to personal learning

III. Methods
   A. Lecture
   B. Discussion
   C. Individual Worksession
   D. Handouts

SUMINT52.OTL
12 STEPS TO SUCCESS

1. Board & Volunteer endorsement

2. Set Goals

3. Choose type of event

4. Outline committee needs

5. Establish workplan for each committee/task

6. Appoint chairs
7. Create checkpoints for each committee

8. Hold the event

9. Thank everyone

10. Create a list of donors/attendees

11. Conduct a postmortem

12. Secure commitments from next year's leaders
OUTLINE
Development Evaluation/Project Planning

I. Development Evaluation
   1. Why is it important
   2. Critical Success Factor (CSF) concept
   3. CSF applied to development

II. Project Planning
   1. The context
      a. Problem Solving
   b. Projects/Solution
2. Project planning overview

3. Methods of project planning
   Method One:

   Method Two:

4. Project planning applied to personal learning
<table>
<thead>
<tr>
<th>PROJECT TITLE</th>
<th>ASSIGNED TO</th>
<th>DATE ASSIGNED</th>
<th>ROUGH PROJECT REPORT</th>
<th>UPDATE PROJECT REPORT</th>
<th>FINAL PROGRESS REPORT</th>
<th>DUE DATE</th>
<th>DATE OF COMPLETION</th>
<th>COMMENTS</th>
</tr>
</thead>
</table>

*This is a blank table for tracking project assignments and progress.*
ADDITIONAL RESOURCES

SPECIAL EVENTS FUND-RAISING
PUBLICATIONS AND ORGANIZATIONS

The Anatomy of an Art Auction
Arnold Harvey Associates
Commack, NY

Ayer Fund Raising Dinner Guide
Ayer Company Publications
Salem, NH

Bazaars, Fairs, and Festivals
Kerry Dexter
Morehouse-Barlow Publishing
Wilton, CT

Black Tie Optional
Harry A. Freedman and Karen F. Smith
The Taft Group
12300 Twinbrook Pkwy., Suite 450
Rockville, MD 20872
1-800-877-TAFT

“Checklist: Securing and Insuring Special Events”
Jurg W. Mattman
Public Relations Journal (March 1987)

The Encyclopedia of Fund Raising: A Three Volume
Work on How to Organize Fund Raising Special
Events (Illustrated)
Gerald M. Plessner
Fund Raisers, Inc.
Arcadia, CA

The Event Marketing Manual
David G. Wilkinson
The Event Management and Marketing Institute
1220 Sheppard Ave. East
Willowdale, Ontario, Canada, M2K 2X1

The Fund Raising Formula
(50 Creative Events Proven Successful Nationwide)
Kathryn Kraatz and Julia Haynes
KNI, Inc.
Anaheim, CA
1-800-523-2106

Handbook of Special Events for Nonprofit
Organizations: Tested Ideas for Fund Raising and
Public Relations
Edwin Reisinger Leibert and Bernice E. Sheldon
New Century
Bloomfield, NJ

“How to Get a Celebrity to Attend your Special Event”
Stephanie Phillips
Fund Raising Management*

How to Raise Top Dollars from Special Events
Mira Sheerin
Public Service Materials Center
1-800-424-3761

International Special Events Society
(Professional organization)
7080 Hollywood Blvd., Suite 410
Los Angeles, CA 90028
1-800-344-ISES

International Events Group
(Professional organization)
213 West Institute Place, Suite 303
Chicago, IL 60610

“Is an Auction in Your Future?”
Joe E. Small
Fund Raising Management*

Leading the Way: How to Get the Most from Yourself,
Staff, and Volunteers During Special Events
ChrysMarie Suby
National Association of Hospital Development
Falls Church, VA

Money Makers: A Systematic Approach to Special
Events Fund Raising
Charles E. Alberta and George S. Macko
Whitcomb Associates
Evanston, IL

“Not Only an Auction”
Kathryn L. Cunningham
Fund Raising Management*

“On Running” (Article on race sponsorship
by charities)
Len Wallach
Runner’s World Magazine (July 1982)

“Planning the Special Event: Negotiating
the Do’s and Don’ts”
Mira Sheerin
Fund Raising Management*

“Put the ‘Special’ Back in Special Events”
Jan Arthur Sainsburgh
Fund Raising Management*

---

* Indicates article in Fund Raising Management Magazine.
Reprints available through Hoke Communications in
Garden City, NY.

7-39
"Rise to the Occasion: Match Events With Goals"
Donald H. Winkler
CASE Currents (June 1980)

"Secrets of Success in Special Events"
Alice H. Davidson
Fund Raising Management*

"Selecting a Special Event"
Fran Liner
Fund Raising Management*

"Special Events Fund Raising"
Grantsmanship Center
Los Angeles, CA

"Special Events in the 1980s: A Case for the Marketing Approach"
Joan Loykovich
Fund Raising Management*

Special Events Magazine
Miramar Publishing Company
6133 Bristol Parkway
P.O. Box 3640
Culver City, CA 90231-3640

Special Events: Planning for Success
April L. Harris
Council for Advancement and Support for Education (CASE)
Price: $32 (includes shipping)
CASE Publications Order Dept.
2700 Prosperity Ave.
Fairfax, VA 22031-4307
1-800-336-4776
(703) 204-0411 (in VA)
FAX: (703) 204-3411

"Special Events Report" (Biweekly newsletter on special events)
International Events Group
213 West Institute Place, Suite 303
Chicago, IL 60610

"Special Events Require Top Volunteer Help"
Shirley A. Brown,
Fund Raising Management*

Special Events: The Art & Science of Celebration
Joe Jeff Goldblatt
Van Nostrand Reinhold
Price: $38.95

Successful Special Events
Virgil Ecton
Non-Profit Network
Arcadia, CA

"There's More to Special Events than Raising Money"
Thomas J. Mulligan
Fund Raising Management*

"Vital Ways and Means in Planning a Major Benefit"
Lee Katz
Fund Raising Management*

Winning Techniques for Athletic Fund Raising
Patti Alberger
Council for Advancement and Support of Education
(see address above)

"Why an Auction May be the Right Event for You"
Betsy Beatty and Libby Kirkpatrick
Fund Raising Management*

GENERAL REFERENCES

The Amy Vanderbilt Complete Book of Etiquette
Letitia Baldrige
Doubleday
Garden City, NY

Letitia Baldrige's Complete Guide to Executive Manners
Letitia Baldrige
Rawson Associate
New York, NY

Best CASE Book
Charles M. Helmken and others
Council for Advancement and Support of Education
(see address above)

Philip Lesly
Prentice Hall
Englewood Cliffs, NJ

Publicity & Public Relations Worktext, 5th ed.
Raymond Simon
Grid Publishing
Columbus, OH

Entertaining
Martha Stewart
Clarkson N. Potter
New York, NY
HOW TO CONDUCT A FASHION SHOW

What's new in fashion has always been of interest to women. For this reason, fashion shows—if well presented and well publicized—are popular fund-raisers. Don't discount the interest men have in attending fashion shows either, whether you are showing feminine or masculine attire. The prospective audience may be much larger than you think.

This type of fund-raiser has been used successfully for years by the Yakima Valley Chapter in Washington. The event is almost completely underwritten by a prominent local department store and is held at the downtown convention center. A special touch added by the chapter is to have Red Cross volunteers dress in antique uniforms and act as hostesses. Promotion for the event has included having the ABC-TV local affiliate produce a 30-second PSA free of charge, and running a feature in the local newspaper a week before the event. Net profits from the fashion show, which uses both male and female models, are in the $10,000 range.

The basic principles for conducting all special events apply to fashion shows. These principles are outlined in the "Introduction" and "Guidelines for Success in Conducting Special Events" sections of this chapter. What follows are some specific points to consider when conducting fashion shows.

Arranging for the Fashions
Many major department stores and some better dress shops will be willing to provide fashions, including jewelry and accessories. When selecting stores to approach, evaluate the types of women who will be attending the event. The fashions shown should be compatible with the interests and price range of the audience. The store has a right to expect increased business as a result of showing its fashions.

Where and How to Show the Fashions
A luncheon-type restaurant is a popular place for a fashion show. Make sure that the room is large enough to accommodate your anticipated crowd. When you evaluate restaurants, make sure the restaurant can provide—
- Enough space for a runway or aisle for models to exhibit fashions.
- Space for sufficient electrical equipment, including microphones and spotlights.
- Space for a piano or small orchestra.
- Adequate dressing rooms for the models, with space to hang the outfits to be modeled.

Fashion Details
If the store providing the fashions does not have the professional staff to manage the coordination and commentary, the committee will have to make arrangements, including model recruitment.

Use volunteer models if possible—professional models are expensive. Also, if you can find well-known community figures or celebrities to model, ticket sales will increase. Be certain that the models represent all figure sizes and types, including the mature figure.

Tickets and Invitations
Selling tickets and sending invitations are major committee responsibilities. You can find information on handling tickets and invitations in the section "How to Conduct a Theater Party."

Program and Special Effects
A fashion show must be colorful, tasteful, and elegant. Many fashion shows have a central theme, and the decorations (flowers, napkins, tablecloths, etc.) should carry out this theme. If the fashion show is held in a luncheon setting, select the menu with diet-conscious people in mind. Table favors such as perfume or cosmetics are popular.

Commentator
Selecting the right person as commentator cannot be overemphasized. You need an experienced speaker. Consider asking a local television or radio station personality to do the commentary.

Cue Coordinator
A competent cue coordinator with experience in theater production is needed backstage to give the models their walk-on cues. This coordinator should examine each model's outfit before he or she appears before the audience.

To assist the coordinator, several wardrobe assistants are necessary to place outfits on a rack, tagged in order of their appearance, and to help models change into these outfits. Keep quick-repair equipment (needles, thread, pins) on hand.
Musical Accompaniment
Musical entertainment lends a festive air to the event and serves as the background for the models' appearances. If possible, the music should tie in with the theme of the fashion show.

Script
Conducting a fashion show requires a good sense of timing and drama. The movement of the models and the pace of the show should be brisk. Script preparation should be the responsibility of someone who possesses a theatrical flair for fashion. The commentary must allow adequate time for the models to walk out, pivot, and display outfits while the commentator reads the script. To avoid confusion as the models walk on, have them hand cue cards showing their name and outfit description to the commentator. Be sure to allow adequate time for outfit changes for each model.

Program
The program cover should reflect the theme of the fashion show. The menu, the names of the committee members, and lists of door prizes, sponsors, and patrons should all be included in the program.

Door Prizes and Raffles
Fashion show attendees look forward to the drawing of door prizes. The committee is responsible for asking local merchants for donated items. Usually, the department store or specialty shop contributing the fashions will donate several items or one of the outfits worn in the show.

Holding a raffle increases the show's income. Station a group of hostesses at the door to sell raffle tickets and have them circulate among the tables selling chances, right up to raffle time. Many organizations sell raffle tickets well in advance to increase sales.

Publicity
Follow the same guidelines as those listed in the introductory sections.
Activities Before the Event

- Appoint the chairman and the committees suggested below:
  - Fashion Coordinator.
  - General Arrangements.
  - Tickets.
  - Decorations.
  - Luncheon.
  - Publicity.
  - Prizes and Program.
- Meet with the committees and plan the action steps.
- Select the date and location of the show.
- Make arrangements with a department store or a dress shop for fashions, and recruit models.
- Set up ticket sales.
- Solicit raffle and door prizes.
- Print and sell advance raffle tickets.
- Make arrangements for the seating chart, menu, decorations, spotlights and microphones, commentator's and models' dressing rooms, and ramp or runway.
- Develop the script in collaboration with the store or shop.
- Recruit the commentator, cue coordinator, and wardrobe assistants.
  - Develop and print the program.
- Make arrangements for the music.
- Set up raffle sales or door prize arrangements.
- Develop and implement publicity.
- Hold rehearsals for the models.

Activities During the Event

- Check with the department store or dress shop to finalize all details.
- Check on all equipment, such as microphones and lighting.
- Confer with the commentator, cue coordinator, and wardrobe personnel on last-minute details.
- Place the ticket committee at the entrance.
- Check with the raffle and door prize committee on last-minute details.
- Inspect the models' arrangements and accessories.
- Distribute programs and collect tickets.

Activities After the Event

- Check with the luncheon committee on the number of luncheons served.
- Collect and return all equipment.
- Collect decorations and programs.
- Have the ramp or runway taken down.
- Knowledge all volunteer help, donor contributions, etc.
  - Pay all invoices.
- Critique the show and file information for future events.
HOW TO CONDUCT A FLEA MARKET

It's human nature for people to look for bargains, so flea markets—where a variety of items are sold in one location—can raise thousands of dollars. Successful flea markets require good planning, months of lead time for preparation, and talented, imaginative volunteers.

One of the advantages of holding this type of event is the opportunity to attract new people to a Red Cross-sponsored function. Many special events are attended by a core group of supporters that are called on again and again. Flea markets have the potential to attract families, as well as a wider group of people from the community.

For a flea market with a different twist, a chapter might consider holding a "black-tie" flea market. Black-tie events have been held with good results in Columbus, Ohio; Mobile, Ala.; and Albany, N.Y. The event can include a sit-down dinner or cocktails and hors d'oeuvres. Flea markets can also be held in unusual locations, such as a factory, an unused convent, or an airplane hangar. This has become a popular fund-raising event for many charities, so before committing to this idea, check to make sure that it hasn't been overdone in your community.

In order for a large-scale flea market to be successful, many volunteers are needed to collect items throughout the year. A place to store all the items must be found, and more volunteers are needed to price everything. The event can be combined with an auction, or donated door prizes can be awarded throughout the evening.

There are two methods of conducting a flea market. One method is to rent space to other groups or exhibitors, charging them based on the size of the space rented. For a country crafts fair, this space might be a booth or a room in a warehouse or other enclosed building; for a flea market, the space could be just a card table in a parking lot, a fairground, or park.

In addition to paying for the space, renters are expected to share a percentage of their profits with the chapter. The chapter can handle the administrative details itself or hire professionals to manage the event. This organization would then handle food concessions and parking arrangements and be responsible for maintaining order, security, and rest room facilities. It should provide a first aid station as well.

The potential for raising sizable funds by this kind of rental arrangement is limited, but since this method requires less effort and fewer volunteers, it may be more feasible for chapters with limited resources.

Another method of conducting a flea market is to have the chapter be responsible for all activities. The size and scope of this activity will determine the number of volunteers required. Most events of this type require a committee of 30–40 workers.

To coordinate activities, subcommittees should be formed to handle the following:
- Site location and rental arrangements.
- Decorations and general arrangements.
- Prizes and publicity.
- Merchandise (picking it up, categorizing, pricing, storing, delivering to site).
- Entertainment.
- Food arrangements.
- Booth and table arrangements.
- Clean-up.
- Parking and admission.

Timing and Site Suggestions
It's better to hold the event during the weekend, because attendance will be higher, particularly if activities for children and young people are planned. Select a rain date if the event is to be outdoors.

Where to hold the event depends on the following factors:
- Local zoning and health laws (permits may be required).
- Parking facilities.
- Adequate space.
- Accessibility to transportation.
- Visibility.
HOW TO CONDUCT A THEATER PARTY

Theater parties can be as simple or as ambitious as the situation demands. For a chapter hosting this special event for the first time, the committee may just want to purchase a block of theater tickets at a reduced price and sell them for a small profit. A more experienced chapter may want to arrange for a special benefit performance of a play being performed by a national touring company, and assume responsibility for selling out the entire house.

Another possibility is for the chapter to make arrangements with a local theater company to perform, sometimes offering an unusual evening of entertainment. This is just what they did in Charlotte, N.C. The Greater Carolinas Chapter hosted “A Whimsical Evening With Shakespeare” that raised more than $18,000.

A theater party offers the latitude to raise either modest or large sums. The following suggestions may increase the amount of funds raised:

- Choose a play with a track record of being immensely popular.
- Hold the performance in a theater with a large seating capacity.
- Plan to have a second fund-raiser in conjunction with the theater party, such as an auction or sales of souvenir booklets.
- Entertain top donors at a pre- or post-theater party to provide an opportunity to increase the ticket price.
- Solicit sponsorship gifts to keep expenses low.

Whatever fund-raising goal is set must be realistic. The amount of money raised is influenced by the following factors:

- The type of production selected and its ability to attract a large audience.
- The type of community—urban, suburban, or rural—which influences what price can be set for tickets.
- The number of seats for sale.
- An estimate of expenses.
- The chapter’s financial needs.

For more information on how to conduct a theater party, please refer to the section “How to Conduct a Red Cross Ball or Dance” for a description of committee structure and guidelines for success. Other points to consider in conducting a theater party are discussed here.

Tickets—Prices and Sales
After setting the fund-raising goal, the committee is ready to set ticket prices. It is preferable to set several price categories for tickets. Higher-priced tickets should offer special benefits to donors. For example, a patron’s ticket could be sold for $100, which would include a pre-theater party or a post-theater dinner. To make this type of ticket cost-productive, underwriters or sponsors of the party must be recruited. Their contributions may be in cash or in-kind services such as food or beverages.

One successful theater benefit raised $104,000 for a hospital. Tickets were offered to Super Stars (donors of $1,000 or more), Stars ($500 and up), Best Supporting Performers ($100 and up), Understudies ($50 and up), and Chorus ($25 and up). Each ticket category received special benefits: a pre-theater champagne party for the Super Stars, a post-theater buffet party for the Stars, etc.

How Many Tickets to Sell
Several arrangements regarding ticket purchase can be made with the management of a theater production. One arrangement is for the chapter to “take the whole house”—be responsible for selling all the seats in the theater. Another is for the chapter to accept responsibility for a portion of seats. The latter method is recommended for chapters with limited resources.

Once the agreed method of ticket sales has been established, a written agreement setting forth the conditions of the agreement should be prepared and signed by the appropriate chapter personnel and the theater manager.
Activities Prior to the Event
- Appoint the chairman and committee.
- The chairman appoints the following committee heads:
  - Invitations.
  - Patrons/underwriters.
  - General arrangements.
  - Publicity.
  - Entertainment and music.
  - Decorations.
  - Finance.
- Select the date, site, and theme.
- Determine the admission price and arrange for printing of invitations and tickets.
- Develop the invitation list and/or ticket prospects.
- Solicit patrons and/or underwriters.
- Mail invitations or initiate ticket sales as soon as printing is completed.
- Select and confirm in writing all details with the orchestra and entertainers.
- Make arrangements with the management of the event site, including the menu, floral arrangements, special table arrangements, electronic equipment, anticipated number attending, etc. Confirm all arrangements in writing.
- Check on details such as dressing rooms for entertainers, amplifying equipment, security, parking, insurance coverage, and possible souvenir items for guests.
- Prepare appropriate decorations to carry out the theme.
- Arrange for a publicity calendar, including the appointment of a publicity chairman and committee.
- Send complimentary tickets to the news media.
- Arrange for a photographer to cover the event.
- Establish a system of handling expenses and returns.
- Prepare a seating list and coordinate table numbers.

Activities During the Event
- Recheck all details at the site with the management prior to the arrival of the guests.
- Check with the orchestra and entertainers about equipment and facilities.
- Post seating arrangements.
- Distribute souvenirs to tables.
- Check with media representatives about photo possibilities.
- Have the reception committee greet guests.
- Assign committee members to the hospitality table to check guests’ reservations.
- Be alert throughout the evening to any problems with the coordination of activities.

Activities After the Event
- Check with the management on the number of dinners served.
- Remove all decorations.
- Deposit monies in a night depository.
- Complete all details in regard to outstanding bills.
- Contact members of the ticket committee to obtain outstanding monies.
- Write appropriate thank-you notes.
- Determine the proceeds and report them to the media.
- Hold a critique session to determine how to improve the next event.
**Ticket Sales**

Selling the tickets is, by far, the committee's most important job. Without adequate sales, the benefit cannot raise enough funds to meet the goal.

The first committee responsibility is to organize ticket sales. You can assess the number of people needed to sell tickets by figuring that each committee member can realistically sell 10 tickets. If there are 1,000 seats to sell, the chapter will need a committee of 100 people. The goal is to sell all the tickets, but be certain that the theater management agrees that unsold tickets can be sold to the public at regular prices.

The best method of selling tickets is personal solicitation, and the committee should consider all the following as prospects: friends, business acquaintances, and Red Cross family members, such as volunteers, blood donors, etc. It is also advisable to set up and widely publicize convenient locations where tickets may be purchased, such as a centrally located department store.

A less effective method of selling tickets is to send informal invitations to a wide range of prospects. The invitation should list information such as the date, type, and time of the event; where it is to be held, and how to pay for tickets. Also include information about the honorary chairman of the affair and enclose a reservation card for ticket orders. If the reservation card states, "I cannot attend but enclosed is a contribution," additional funds may be raised. Mail out the invitations well in advance of the event to allow enough time for people to return the reservation cards. Be sure to include a return envelope.

When the reservation cards are received by the committee, mark each one with the date of receipt. **File these cards by price categories—not alphabetical order.** This is important because contributors who donate the largest amounts are given the best seats in the theater.

**Be sure to have a seating chart of the theater.**

This is essential to manage guest seating. Seating arrangements should be made by a small committee. **After seat assignments are made,** the tickets may be mailed to contributors.

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**Effective Publicity**

As with other special events, the theater party must be publicized effectively. Be certain that news releases are prepared for the local media, and arrange for as many radio and television PSAs and interviews as possible.

Invite a local celebrity to participate in your benefit as the host or hostess. If the play selected has "star" performers, tape interviews with these individuals and the celebrity host or hostess for both radio and television. If the star of the production is not available for publicity spots, you might have an actor impersonate the star (with his or her permission) for the interviews.
Activities Prior to the Event

☐ Select the event.

☐ Set the date for the event, avoiding any conflict with other large-scale community activities.

☐ Arrange for the agreement with the theater management.

☐ Appoint the chairman and the committee.

☐ Make up the invitation list and set up ticket sales.

☐ Arrange for the printing and mailing of invitations.

☐ Appoint the souvenir program committee.

☐ Set up the publicity calendar.

☐ Arrange for intermission activities.

Activities During the Event

☐ Greet guests at the door and usher them to their seats.

☐ Distribute programs.

☐ Check on all details with the theater management.

☐ Conduct intermission activities.

☐ Have the chairman and the honorary chairman officially open the program.

Activities After the Event

☐ Check with the theater management to make sure that their attendance records agree with the committee's.

☐ Check the theater for remaining materials, such as souvenir programs that belong to the chapter.

☐ Hold post-theater parties, if scheduled.

☐ Prepare and mail statements to those donors who have not paid for their tickets.

☐ Prepare and mail bills to companies and individuals who purchased advertisements in the souvenir program.

☐ Pay all invoices.

☐ Send thank-you notes to appropriate individuals.

☐ Critique the event and establish a file for future theater events.
Serving food has always been a natural way to socialize... and raise funds for community needs as well. Who hasn't been to a spaghetti supper, a pancake breakfast, or a potluck dinner to help raise money for a local church, school, or charity? These types of fund-raisers are still popular, and they can be highly profitable if most items are donated.

If an additional fund-raising project is done in conjunction with a dinner, the profit margin will increase. Such projects may include an auction, a car raffle, or something seasonal, such as a holiday ornament competition and sale.

The Red Cross chapter in Greenwich, Conn., has held a dinner for several years which incorporates a car raffle. The raffle alone has netted more than $60,000. While it is not necessary to tie a raffle directly to a dinner or ball, the more visibility the raffle gets, the more successful it will be.

The Greenwich Chapter is able to buy the car at dealer's cost. The event also includes other raffle prizes. Shopping sprees, jewelry, fitness club memberships, weekend getaways, and a mobile phone are some of the prizes that have been offered. Every effort is made to get the raffle prizes donated. The chapter sells tickets for $50 each and displays the car for as many community events as possible. Before planning a raffle, check with state and local authorities for any legal restrictions or permits that might apply.

A slightly different event that can be tied into a seasonal fund-raiser was devised by the Mid-South Chapter in Memphis, Tenn. The chapter held a black-tie, invitation-only holiday party where it sold more than 300 individually crafted holiday ornaments. The chapter asked artists—painters, sculptors, potters, and fabric artists—to create holiday ornaments which would then be entered in a competition for prize money and gift certificates. After the judging took place, the ornaments were sold to benefit the Red Cross.

One of the most traditional ways to enhance the returns of a fund-raising dinner is to pay tribute to a well-known volunteer, community leader—even a group of distinguished citizens from the community. This type of testimonial increases potential attendance and gives a theme to the occasion. A long-standing volunteer who deserves recognition and who is prominent in the community will encourage attendance. The selection criteria should be carefully debated, because it is crucial to the success of the dinner.

The following action steps and checklist will help your chapter plan and conduct a successful fund-raising dinner.

**ACTION STEP 1: Recruiting the Chairman and Committee**

Recruit the chairman and the planning committee based on guidelines described earlier in “Guidelines for Success in Conducting Special Events.” It's important to include members from all sectors of the community—corporations, businesses, labor, nonprofits, government, etc. You may want to consider appointing an honorary chairman, selecting a person such as the governor, a senator, or the mayor to add prestige to the event. A high-visibility chairman makes it easier to achieve publicity and boosts attendance at the event.

**ACTION STEP 2: Selecting the Site**

The planning committee must estimate how many people will attend the dinner. This determines the scope of the event. If the dinner is to include dancing and post-dinner activities for a large group, a major hotel is a good choice. If only dinner and after-dinner speeches are planned, the event can be held at a smaller site—perhaps a rented hall with kitchen and catering facilities.

**ACTION STEP 3: Determining Ticket Costs**

The committee must first set the fund-raising goal. Next, it must determine the meal cost based on the size of the invitation list and estimated attendance. Remember that the total cost of the ticket is not tax deductible, only the difference between the ticket price and the what the meal actually costs. For more information, refer to “How to Protect Your Chapter: Compliance and Risk Management” on pages 5 and 6 of the booklet *Be Special—In Any Event!* (ARC 4637).
WORKING WITH CELEBRITIES

Hiring a leading personality to headline a special event is one sure way to attract a crowd to a fundraiser. The hero-worshipper in everyone enjoys meeting a celebrity. Professional athletes, entertainers, movie stars, politicians, and journalists usually generate the most "star power."

Securing a commitment from a celebrity for a special event usually takes months of planning. If you have a large budget for the speaker's fee, then your chapter can enlist the aid of a consultant or a speakers bureau to make the job easier. Keep in mind that a fee for a top personality can run from $10,000 to $25,000 or more for an appearance. You can still contact a speakers bureau if you are hoping to get the celebrity to donate his or her time to charity, but your job will be more difficult. Some celebrities will agree to appear without charge if their travel expenses are reimbursed, but these may be substantial.

The following tips will help you in your search for the perfect celebrity for the perfect special event.

Contact a celebrity's publicist instead of the agent, if you have a choice. Publicists generally receive a flat fee for promoting the star; agents receive a percentage of the star's income from an event. An agent's goal is to find high paying engagements, a publicist's is to gain exposure for the star.

Consider the star's public image before selling the idea to your board of directors. Be sure the image the star projects is appropriate for the American Red Cross. Also, have the board initially agree to two or three speakers. This way, if the first speaker can't make the event, you can follow up on the others without having to get separate approvals for each speaker.

It may be easier to recruit a hometown celebrity who "made good." Check with your local Chamber of Commerce for a list of favorite sons or daughters. This gives the celebrity an opportunity to see family and friends and to make a contribution to the community he or she grew up in.

If your city or town is headquarters to a corporation that has a national spokesman, consider asking that corporation to sponsor your event. As sponsor, they may be willing to ask their national spokesman to make a personal appearance. The product endorsed by the corporation must be in keeping with the standards of the Red Cross and be consistent with the public image the Red Cross endeavors to maintain.

Try to find a celebrity who has a personal interest in the Red Cross. Brainstorming with volunteer committee members sometimes produces surprising personal connections.

Contact the local office of your congressional representative or senator if that's the personality you have in mind. You may get better results by contacting the local office than by going through the office in Washington, D.C.

Local television stations and network affiliates can help you recruit on-air talent. These include news anchors, talk show hosts, and others.

Check the advance entertainment bookings for local and regional performing arts centers, clubs, and theaters. Celebrities who will be in town for extended runs may be available for appearances.

Clearly define whether you want the celebrity to make an appearance, give a speech, or perform. The cost of a performance may be much higher, including transportation, hotel, and meals for the star's musicians, back-up singers, make-up artists, etc.

Even if a celebrity agrees to appear for no honorarium, you will have to cover expenses. This usually includes first-class round-trip airline tickets for two, luxury hotel accommodations, transportation, meals, and out-of-pocket expenses. Check to see if the local airline offices or hotels have a policy of reserving tickets or rooms for charity functions. If they don't, it's possible they will give you a reduced rate.

Expect the unexpected. Even the best-laid plans can't account for unexpected circumstances. The celebrity may get sick, the sports star may get injured, or the journalist may be on a plane that can't leave due to bad weather. A good way to avoid this situation is to recruit two celebrities to attend the event. When this is not possible, a contingency plan should include a substitute speaker and how guests will be reimbursed, if necessary.

Be sure to confirm the celebrity commitment and spell out all the details of the event in a signed contract. This will also help avoid last-minute cancellations.
ACTION STEP 4:  
**Developing the Invitation List**

The advantage of having a committee recruited from the total community is that when committee members compile the invitation list, it will be representative of all segments of the community. Include friends and benefactors of the chapter on the invitation list, as well as other community leaders.

ACTION STEP 5:  
**The Invitation**

Use a formal invitation and have it printed professionally. Include the date, time, and place of the dinner, the dress expected, and the price of the ticket. If possible, list the committee members who are organizing the event on the invitation, as well as on the dinner program.

It is particularly important to mention on the invitation that a contribution to the Red Cross can be made if the person receiving the invitation cannot attend the dinner.

In addition to sending invitations by mail, the committee should telephone prospective attendees to encourage their attendance.

ACTION STEP 6:  
**Planning the Program and Entertainment**

The program and entertainment for a dinner event must be of the highest quality. The entire program must be coordinated by an experienced master of ceremonies—with a polished approach—to make sure the program is entertaining. If funds are available, consider hiring a professional person for this function. If funds are not available, ask a local media personality to volunteer as master of ceremonies.

ACTION STEP 7:  
**Selling a Souvenir Program**

A dinner event lends itself to having a souvenir program as a memento of the occasion. In addition to listing the program agenda, it is appropriate to include a summary of Red Cross activities as well.

ACTION STEP 8:  
**Tailoring Publicity**

A dinner event needs good advance publicity. If a well-known honorary chairman is chosen, or if committee members are part of the community’s leadership, the event may have more news value and stimulate additional attendance.

ACTION STEP 9:  
**Timing as a Key Factor**

Allow adequate time to implement this type of special event. A timetable for a dinner held in December might look like the following:

- **August 1**: Recruit the chairman and committee.
- **September 1**: Select the site.
- **September 15**: Confirm the guest speaker, entertainment, and master of ceremonies. Begin sending out publicity materials.
- **October 1**: Invite all guests.
- **November 1**: Complete follow-up telephone invitations. Finalize all details.
- **December 1**: Hold the dinner!
Arrangements
☐ Select the site.
☐ Make reservations for out-of-town guests.
☐ Make head table assignments.
☐ Make pre-dinner or after-dinner arrangements.
☐ Select the site and timetable for all committee meetings.
☐ Decorate the site and tables.
☐ Arrange for the lectern, lighting, and microphones.

Program
☐ Recruit the guest speaker and the master of ceremonies.
☐ Arrange for the music and entertainment.
☐ Invite a minister for the invocation.
☐ Prepare the script for the program.
☐ Coordinate all program events.
☐ Work with the master of ceremonies on the coordination and timing of events.
☐ Prepare an award for the honoree(s).
☐ Greet guests and usher them to the head table.

Invitations
☐ Have the invitations designed and printed.
☐ Mail the invitations.
☐ Arrange for telephone follow-up invitations.
☐ Determine the price of dinner tickets.
☐ Accept reservations and mail tickets to guests.
☐ Develop the seating arrangements and chart.
☐ Confirm the number of attendees in collaboration with the arrangements committee.

Dinner Arrangements
☐ Arrange for the number of dinners to be served and for all details for payment.
☐ Select the menu.
☐ Arrange for dinners for the press and entertainers.
☐ Coordinate seating arrangements with the facility manager in collaboration with the invitation committee.
☐ Check out cloakroom facilities.
☐ Distribute souvenir programs to tables.

Acknowledgments and Billing
☐ After the dinner, prepare and mail all thank-you notes.
☐ Send out bills on outstanding tickets, program advertisements, and any other invoices.
☐ Add income and expenses and submit a financial report to the chairman.
FUNDRAISING CASE STUDY
XYZ AIDS SUPPORT SERVICES, INC.

XYZ AIDS Support Services, Inc. was established in 1986 to provide supportive care to individuals with AIDS. Tom Brown was the founder. In 1991 he died of AIDS. The agency had a "rough beginning". Tom and five friends worked countless hours using their own financial resources to start the 501 (c)(3) agency and provide initial services. In the early days a Board--primarily Tom and his friends--provided leadership, governance, fund raising, and direct service support.

During 1986 the agency provided weekly visits to 93 AIDS patients--20 died during this year. In 1991, the year of Tom's death, XYZ served 200 AIDS patients with twice weekly visits, sponsored 10 support groups for family and friends of People with AIDS (PWA's), conducted 40 safe sex seminars, distributed 20,000 condoms, and received 1730 calls to the AIDS Hot Line.

The paid and volunteer staff has grown, although many turbulent times have past. Tom Brown and three of the original five supporters have died of the virus. One is in the final stages of the disease. Currently, there are approximately 300 active volunteers representing a diverse mix of individuals--gender, sexual orientation, and profession. While the diversity is perceived by most to be very positive, problems have occurred. During the late 1980's a large number of volunteers left due to a conflict over how volunteers were being treated by the Executive Director. He was also perceived to be a poor administrator. The Board fired him after nearly six months of ongoing complaints and a series of negative press articles--in both the "gay" and "straight" media.

The Board of Directors

The Board is elected from a slate of nominees. Terms are for three years. No Board member may serve more than two consecutive three year terms. The Board is comprised of 12 members: four females; five "straight"; two African-American; two HIV-positive; one PWA; one unemployed; six senior managers/executives.

The committees are: Executive, Finance, Personnel, Public Relations/Communication, and Client Services. Committees are not extremely active.

Almost all Board members are financial donors--five do not make financial contributions. The average gift is $80. Four members have been involved in seeking support from their businesses. Two have assisted with grant proposals.

Four members are involved (approximately 20 hours per month) in providing services--e.g., hot line, safe sex seminars, etc.
The Paid Staff

The agency employees a paid staff of five: an executive director—Sam Manning; one program director; one program specialist (a registered nurse); one social worker; and one secretary. One employee is HIV positive; two are female; three are gay; one is African-American. The paid staff is extremely dedicated. The professional staff typically work 55-65 hours per week and are involved in the gay community.

Finances

The agency has an annual operating budget of $276,000. The sources of support are:

- $150,000 Robert Smith Jones Foundation grant
- 25,000 United Way of the Southland venture grant
- 45,000 State of Millard, Department of Social Services grant
- 20,000 City of Rockbrook grant
- 30,000 Benefit concert
- 15,000 Local interior designers group fund raiser
- 10,000 Miscellaneous donations from individuals
- 4,000 Corporate gifts

$229,000 TOTAL

The grants are annual with the exception of the Robert Smith Jones Foundation. This is a three year grant to fund the Hot Line and support groups. This is the second year. Next year XYZ will receive $125,000.

The benefit concert is new. A group of local musicians have committed to organize and conduct the concert.

This includes all funding sources.

At the end of last fiscal year XYZ had a deficit of $2,000. The previous year the agency had a budget of $124,000, but raised only $110,000. So, this year may be the first year to end the year with a surplus of funds in five years. The agency has a small reserve of $25,000 which is the result of two planned gifts and about $5,000 received from unsolicited memorial gifts since the agency was founded.

Public Image

XYZ AIDS Support Services is widely known in the "gay" community (estimated to be 27,000). After recovering from the negative publicity related to the treatment of volunteers, the agency has regained its positive view with the community. Much of the "straight" community would rather ignore the disease than face it—
most believe AIDS is a "gay disease". The African-American community is familiar with the agency due to several limited impact efforts to provided services to this segment of the community. In addition, a well respected and influential African-American community leader serves on the Board of XYZ.

The local media focused on the impact of the disease when Magic Johnson and Arthur Ashe announced that they were HIV-positive. Media attention was drawn to a local business leader who recently announced that he was HIV-positive. When Tom Brown, XYZ founder, died the local newspaper (The With-It Herald) ran a large story. The local "gay" and African-American press regularly carry ads about XYZ. The publishers donate the ad space.

**Strategic Issues**

XYZ is six years old. It has had three executive directors plus its founder, Tom Brown, as leaders. Each has brought new ideas and addressed a variety of challenges.

Sam Manning, the current executive, has been with the agency for nine months. While no formal strategic plan has been developed, Sam has discussed several key issues with the paid staff and Board. These include:

- The need to hire a development professional to provide leadership and support to the fund raising and communication activities.
- The need to develop a long range fund raising plan.
- The need to expand educational programs to the African-American communities.
- The need to clarify the desired image of the agency.
- The need to add paid staff—especially social workers.
**Critical Success Factor (CSF)**

**Question:**

**Critical Information Set (CIS)**

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<tr>
<th>What information is needed to answer CSF question?</th>
<th>Source of this information</th>
<th>Who needs to receive this information?</th>
<th>What format should information be in?</th>
<th>How often is information needed?</th>
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PULLING IT ALL TOGETHER
Effective Oversight: A Guide for Nonprofit Directors

by Regina E. Herzlinger

More than ever, the public is looking to the nonprofit sector to address the social problems that are hobbling the United States—problems that business and government have failed to solve. Nonprofit organizations hold more promise than businesses do, because they are relatively free of the unrelenting need to increase profits, which so often results in a compromised quality of services. And, unlike government agencies, nonprofits are directly accountable to their boards of directors and to the contributors on whose support they depend. But to flourish in an economy that demands increased organizational efficiency and in a society that demands increased accountability, nonprofits need powerful and proactive boards of directors to provide oversight. And those boards need to devise systems of measurement and control.

Nonprofits have a record of promoting literacy, providing health care, supporting the arts, and offering a safety net for the poor that neither business nor government can match. New York City even recruited the nonprofit Salvation Army to run some of its shelters for the homeless—shelters the homeless cite for efficient operations and compassionate workers. But nonprofits can also stumble, as recent revelations about abuses of funds and organizational inefficiency suggest.

Some organizations have rewarded executives with the kind of salaries and perks once reserved for corporate heavyweights. The public was shocked, for example, by the 1992 disclosure that the president of the United Way earned $463,000 per year—while the average U.S. family got by on $36,000. Meanwhile, tuition at nonprofit colleges grew by more than twice the general rate of inflation between 1980 and 1990. And then there was the well-publicized attempt by the Christian Science Church to diversify, resulting in a $325 million loss and prompting some constituents to call for the resignation of the board.

Other nonprofits, such as hospitals, have been charged with providing too few services, particularly to the poor, who should be their primary concern. A 1987 Harvard Business Review article concluded that the nonprofit hospital chains studied did not provide sufficient charity care to warrant their exemption from paying income taxes. Indeed, the poor would have benefited more if the considerable profits earned by those so-called nonprofit hospitals had been taxed and the proceeds used to pay for their hospital care. In 1989, a General Accounting Office study confirmed this controversial conclusion when it reported that 57% of the nonprofit hospitals it examined provided charity care whose value was less than the tax benefits they received.

As a result of such revelations about some nonprofits, all nonprofits face increased scrutiny from both benefactors and government regulators. And the role of the board member has become that much more critical. Most board members take seriously their legal responsibility to act with care and good faith, but they don’t always know how to translate their life experiences into effective oversight of these unique organizations. Traditional measures of corporate performance, such as profits or return on investment, are hardly relevant.

Nonprofits lack the guidance the market provides corporations. The reactions of clients to the products and services that nonprofits offer are not as revealing as the responses of customers to the products and services sold by a for-profit company. Because nonprofits are usually subsidized and their services are frequently free, clients are more likely to forgive poor quality and ignore inefficiency. Consequently, board

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members cannot rely on a key indicator of corporate success—the value of services sold—to evaluate their organization's performance. Market signals may also mislead when nonprofits provide innovative services that are intended to shape public opinion rather than appeal to the masses. If patrons fail to throng to an avant-garde art exhibition but critics find it provocative, a museum may well have accomplished its goal.

Board members of nonprofits may also be perplexed about their appropriate roles. Some are so intimidated by the talent and professional expertise of the organization's employees that they abandon their oversight role. How can I tell a symphony orchestra how to play Beethoven? they ask themselves. How can I tell a doctor how to operate? At the opposite end of the spectrum are the enthusiastic amateurs who become excessively involved in the organization's work. Such board members may give unsolicited—and unwanted—counsel on orchestra programs, museum exhibitions, educational curricula, surgical and diagnostic protocols, or social service intervention strategies. Other overseers pour themselves into fund-raising, perceiving their mission solely in terms of securing the organization's financial welfare. Finally, some board members use their appointment to add a notch on their social-climbing belt. Events planned ostensibly to help the organization are actually vehicles for enhancing a board member's status.

But the role of a director is neither to counsel conductors nor to climb on their coattails. Goals like fund-raising are important but ultimately secondary to the primary mission of overseeing the organization. If the board of a nonprofit is to be effective, it must assume the roles that owners and the market play in business. The board must ensure that the nonprofit's mission is appropriate to its charitable orientation and that it accomplishes that mission efficiently. In the absence of concrete measures and market signals about mission, quality, and efficiency, that is no easy task. Consequently, the board must devise its own system of measurement and control.

Based on studies of hundreds of nonprofit organizations during the last 25 years, I have developed four questions that can help board members create such a system:

1. Are the organization's goals consistent with its financial resources?
2. Is the organization practicing intergenerational equity?
3. Are the sources and uses of funds appropriately matched?
4. Is the organization sustainable?

Together these questions can offer a framework to help board members provide the critical oversight that nonprofit organizations need in order to survive.

When the former executive director of the Girl Scouts of the U.S.A., Frances Hesselbein, assumed her position in 1976, she found an organization with substantial strengths: membership in the millions; a devoted, skilled executive staff and volunteers, most of whom had been Scouts in their youth; and numerous camp properties. The Girl Scouts' historic mission of providing girls with opportunities to define their identities, bond with other females, and identify more closely with nature was consistent with the emerging feminist and environmental movements of the time.

But the organization was also showing signs of strain: membership was declining; some individual councils were operating with small but steady losses; some camps were underutilized and poorly maintained; and the organization was increasingly dependent on the sale of its famous cookies as a source of revenue. Hesselbein realized that the trend of steady, small losses would ultimately deny Girl Scout services to future generations of girls; that an excessive investment in camping properties would reduce the councils' ability to provide other kinds of services, and that over-reliance on cookie sales as a source of revenue would expose the councils to great financial risk if sales declined. Her observations form the heart of the four questions.

Frances Hesselbein helped some Girl Scout councils change from organizations that were losing money into ones with sound fiscal practices and a bright future.

When she asked whether there were too many camps, she was questioning whether the councils’ goals and financial resources were consistent. For example, if only 10% of a council’s middle-class members attended a camp, should the council devote a larger percentage of its expenses and assets to subsidizing them? In many cases, the councils concluded that the answer was no and reluctantly dispatched camping properties that had been the source of fond memories for many of their adult members but were no longer an appropriate use of the organization’s resources.

When the councils lost money in their yearly operations, they were most likely depriving future Girl Scouts of the benefits received by the present generation. That kind of loss results in a lack of intergenerational equity—a jaw-breaking term that means “fairness in dealing with future generations.” Because many of the people who served on the boards of the councils were former Scouts, they found this issue compelling. At Hesselbein’s urging, they acted to reverse their losses, insisting that their councils break even or generate profits.

When some councils analyzed their activities, they found that although most of their expenses were fixed, such as those of operating the camps and paying their executive staffs, a sizable portion of their revenues was variable and outside their control. The amount of a United Way grant to a local council, for example, could not be anticipated. Furthermore, the revenues the councils did control, such as those from membership and camping fees, did not cover their fixed expenses. It was hardly surprising that some camp properties were run-down. Hesselbein saw that there was a clear mismatch between the sources and uses of funds. Some councils corrected the mismatch by increasing their fixed revenues and the proportion of their variable expenses. They increased membership and hired temporary employees, for example, if fixed revenues were not available to match the fixed expenses of permanent staff.

Hesselbein observed that councils that concentrated a large proportion of their resources in any one activity put their sustainability in jeopardy. For example, a council that derived the bulk of its revenues from cookie sales would be in serious trouble if cookie sales declined. (One year sales did plummet after unsubstantiated reports circulated that some cookies contained pins.) Similarly, the future of a council whose assets were invested primarily in camping properties would be in jeopardy if camping waned in popularity or if the areas abutting camps were turned into dumping grounds. The many councils that acted to diversify their activities greatly increased their chances of survival.

Although nonprofit organizations lack many of the concrete measures and market signals that for-profit corporations enjoy, there are key indicators on which boards of directors can rely. Answering the four questions can help nonprofits develop such measures.

Are the organization’s goals consistent with its financial resources? Many organizations have excessively modest goals relative to their resources. Nonprofit charitable foundations control vast assets of approximately $120 billion. But their assets have grown much faster than the amounts they give away. For example, while the Robert Wood Johnson Foundation’s investment holdings have tripled since 1981, its grants have grown by only 9%. In 1990, with assets of $2.6 billion, it spent $130 million—but only $66 million of that was in grants, according to Gilbert M. Gaul and Neill A. Borowski’s “Warehouses of Wealth: The Tax-Free Economy” (Philadelphia Inquirer, April 24, 1993).

Conversely, some nonprofits have overly ambitious goals given their resources. For example, the directors of the Christian Science Church invested $325 million in a variety of nonprint media in an effort to bring the Christian Science Monitor into the age of electronic journalism. The cable television venture ended in 1992, although the shortwave radio ventures continue. Some
Two ratios help measure the consistency between goals and financial resources. The asset turnover ratio measures the relationship between sales revenues and assets, and provides an indication of how much service activity (as measured in sales revenues) the assets generate. Organizations with high asset turnover are probably generating more service activity than those with low asset turnover. Low-turnover organizations are more likely to be investing their assets to earn income than to provide services. The liquidity ratio measures the relationship between assets and liabilities and also helps to determine the consistency of goals and resources. A highly liquid organization usually has overly modest social goals, whereas an organization with low liquidity may be excessively ambitious.

Both ratios must be carefully computed and cautiously interpreted. For example, neither should include assets whose use has been restricted by donors or the revenues those assets generate. For such restricted resources, the ratios should be computed separately. Similarly, the sales revenues included in the turnover ratio should be valued at their market price if prices have been discounted for indigent users.

There is no absolute right level for these ratios just as there is no one right body temperature. Ratios are meaningful only if they are interpreted in the context of similar organizations. Industry groups publish comparative data. A comparison of dissimilar nonprofit organizations cannot provide useful information for oversight purposes. The fact that a social service agency has an asset turnover ratio of 4, for example, while a hospital has a ratio of 1 is not particularly illuminating, because the hospital cannot achieve the ratio of the social service agency any more than an elephant can achieve the speed of a sparrow. But it is useful for directors to know that their hospital has an asset turnover ratio of 0.8 while the average for hospitals its size is 1. In this context it is not only appropriate but also useful to ask, Why is our elephant at the rear of the herd?

Directors should determine the social and demographic characteristics of the users who generate the sales revenues to ensure that the organization is serving the truly needy and the other groups it intends to serve. A hospital should track its charity patients, a school its scholarship recipients, and a museum its visitors to make sure that they are not inadvertently serving only the well-to-do.

Sometimes financial resources are not well matched with goals because they are derived or used in ways that are inconsistent with the organization's mission. When nonprofit organizations invest in subsidiary activities whose sole purpose is to generate funds to support the organization's charitable mission, such as museums that run gift shops or religious organizations that sponsor rummage sales, those activities can take on a life of their own and dominate the agenda of the organization. In the case of one prominent museum, the revenues earned from merchandising sales were reportedly 17 times higher than the revenues from admissions—an imbalance that could cause a museum to focus more on merchandising than on art.

Other fund-raising activities may also be inappropriate given the stated goals of an organization. The driving force of a nonprofit should be a desire to do good, not to serve commercial interests.

One can question, for example, the appropriateness of a public broadcasting station's airing a long statement of gratitude to a corporate sponsor. After all, the nonprofit station exists solely to provide commercial-free broadcasting, and the statement of gratitude may serve the same function as a commercial. And is it appropriate for nonprofit, tax-exempt universities to create subsidiaries like those that sell computer equipment and software, and compete with tax-paying businesses primarily on the basis of lower costs due to their tax-exempt status? Nonprofit organizations certainly were not given their tax-free status to gain...
SOCIAL ENTERPRISE

Selected Indicators for Answering the Four Questions

Questions

1. Consistency between goals and financial resources
2. Intergenerational equity
3. Match between sources and uses of funds
4. Sustainability

Indicators

1. Asset turnover; liquidity; sociodemographic characteristics of clients; distribution of expenses
2. Inflation-adjusted balance sheet
3. Analysis of controllability of fund sources and uses
4. Integrated financial and strategic plan; dispersion measures

an advantage in competing with tax-paying businesses.

Further problems arise when nonprofits spend money on activities and gifts that appear extravagant to the public. Some Blue Cross-Blue Shield plans—nonprofit health-insurance organizations once known for their charity—are a case in point. Last year, the New York Times reported that while insurance rates skyrocketed, the Maryland Blue Cross-Blue Shield plan bought a $300,000 skybox at a baseball park and the New York State plan spent $15,000 on a gift of silver punch bowls for board members—the very people responsible for making sure funds are used to advance the nonprofit's social goals.

Nonprofits should not sacrifice present generations of users for the benefit of future generations.

...ing a massive fund drive or unusual administrative work. Too often, administrators become self-serving, permitting administrative expenses to grow while the expenses of the service component shrink. A landmark national survey by James Cook, "Charity Checklist" (Forbes, October 28, 1991), indicated that expenses for program services as a percentage of all nonprofit expenses averaged 76% and ranged from a high of 99% (for the Jewish Communal Fund of New York) to a low of 2%. The percentage of contributions spent on fund-raising averaged 18% and ranged from 0% (for the Jewish Communal Fund) to 90%.

Comparative surveys can provide nonprofits with some guidance on how much to spend on administration, but, again, no magic formulas exist. While a start-up may well spend all its money on administration, a mature organization should not. Oversight of this issue requires board members to understand the costs of providing different services and the accounting methods used to compute them.

Such data are easily misunderstood, as the Girl Scouts of the U.S.A. discovered when an irate volunteer alleged that her local council was spending too much money on administration and not enough on program services. She failed to understand that the administrative expenses included salaries for people engaged directly in designing services for the Girl Scouts—from programs to teach wilderness survival skills to campaigns to promote responsible sexual practices—and recruiting a diverse population of girls and volunteers. In fact, the program expenses for the Girl Scouts in 1992 represented 75.5% of revenues—a figure solidly within the average range for all nonprofits.

Is the organization practicing intergenerational equity? In general, nonprofits should not sacrifice present generations of users for the benefit of future ones and vice versa. When a charity saves an excessively large proportion of its resources to help future users, it denies benefits to present users. Conversely, when it consumes virtually all its assets to serve present users, it denies the benefits of the organization’s services to future users.

Barring extraordinary circumstances, an established nonprofit organization whose financial resources are well matched with its
goals should practice intergenerational equity by conserving its capital so that present and future generations have equivalent opportunities to benefit from its resources. (This measure excludes organizations that were created to accomplish a time-limited goal. For example, an organization created to bring benches into a city park should be dissolved when its goals are achieved and need not be concerned about intergenerational equity.)

An inflation-adjusted balance sheet provides a good financial measure of whether the goal of intergenerational equity has been achieved. If the fund balance account on the current period's balance sheet carries the same value as the previous period's inflation-adjusted account, the total capital available to the users of the organization's services (the fund balance) has neither increased nor decreased and intergenerational equity has been achieved. (Of course, new or rapidly expanding nonprofits cannot follow this principle: by their very nature, they are investing now—decreasing the resources available to present users—to benefit future users.) Maintaining intergenerational equity usually requires that the organization earn a profit sufficient to permit it to replace its net assets. In this case, profit is not a return to the owners but an allowance for the replacement of depleted capital.

Some people in business and government question the value of an inflation-adjusted balance sheet. They contend that it is rendered useless by the dubious assumptions it requires about replacement values. I disagree. After all, conventional financial statements are filled with assumptions about items such as pensions, depreciation, and amortization. And market values are readily available for measuring the inflation-adjusted values of monetary assets and liabilities. Of course, the replacement values assigned to real assets may be somewhat crude at times. But the valuable information that inflation accounting provides more than compensates for that.

Are the sources and uses of funds appropriately matched? Some expenses incurred by nonprofits are fixed in the sense that they are exceedingly difficult to reverse. The compensation of a tenured professor at a college is a fixed expense, as is that of a noted conductor of a symphony orchestra. Mandated expenses that cannot be controlled by the organization are also fixed, such as the obligation to provide certain kinds of retirement benefits. Other expenses are more readily reversible. Generally, those expenses are controllable and represent resources that can be purchased or not as the organization sees fit.

Fixed expenses should be funded by sources that can be readily controlled and that yield a fairly even stream of income over time—for example, the income from endowment capital invested in a well-diversified portfolio that, on average, yields roughly the same return over a long period of time. Uncontrollable, variable sources of capital are not a good way to fund fixed expenses.

To assess the match between sources and uses of funds, each must first be categorized as fixed or variable. The ideal match is between fixed revenues and all of an organization's expenses. If such a match is not possible, as is often the case, fixed expenses should be matched with fixed revenues and variable expenses with variable revenues.

Despite the rather obvious nature of these observations, they are frequently ignored. For example, many colleges and universities match the expense of compensating tenured professors with revenues earned from research grants. This combination of fixed expenses and variable revenues creates an unsustainable financial situation. Such poor matching caused students at Columbia and Yale to protest—with good reason—the unexpected downsizing of their universities. Similarly, a public broadcasting station that had matched the cost of building a large production complex with foundation funds that would be provided only if viewers matched them found itself near bankruptcy. Another public broadcasting station that had grown more cautiously, hiring staff only for a given new production and dismissing them if the production was not renewed for another season, was far more successful.

Is the organization sustainable? If the answers to the first three questions are satisfactory, the status quo of the organization can be sustained if it is maintained on an inflation-adjusted constant value. To accomplish this goal, management should prepare a strategic plan and pro forma financial statements to demonstrate that continuation of the present policies will enable the organization to survive. If the organization is planning new programs, management should present a plan that discusses the separable financial consequences of each of the programs and their combined effects on the organization. The very discipline of creating a plan that integrates strategic and financial planning often identifies some activities whose impact has not yet been fully considered.

A major impediment to the sustainability of any organization is an excessive concentration on any one item—revenue sources, objects of expense, assets, or liabilities. It is startling to note how few nonprofits disperse their financial resources adequately. They become entranced with one person or project and concentrate their resources in one place. Concentration greatly increases the organization's risk. For example, revenues derived primarily from endowments invested in equities are vulnerable to stock market cycles; expenses concentrated in any one person—say, a "star" curator—are captive to that person's escalating
demands, assets excessively concentrated in one category, such as a downtown campus, are subject to deterioration in value, and liabilities too heavily derived from one source—say, a savings and loan—risk the collapse of the funding resource. Dispersion in all financial categories will enhance an organization's sustainability.

If the entire board were to address all four questions, they would find the process time-consuming and unwieldy. Subcommittees provide the best forum for tackling the questions and determining relevant measures and systems of control—as long as their members have the necessary credentials and experience. Unfortunately, some nonprofit organizations place people on boards simply because they're professionals, they're wealthy, or they represent a particular group—woefully inadequate criteria for board participation. Ideally, board members should have "footprints"—a record of productive involvement with the boards of other organizations and a personal history of social service. Potential members can be screened and trained by serving on other committees of the organization.

Board members should be willing to commit the substantial time needed to serve effectively. They should be broadly familiar with the type of industry in which the nonprofit operates or have operating experience at the top levels of management. For example, a top-level executive from a company that operates budget hotels would be a good candidate for the board of a nonprofit shelter for the homeless.

Professionals in the actual field of endeavor of the organization might seem like the best candidates for the board. But many of them lack crucial managerial experience, and they may be tempted to spend too much time second-guessing the work of the nonprofits' professionals—a role beyond the purview of the board. Professionals who are also managers, however, are often exceptionial board members. A teacher who has served as a headmaster or a physician who was a hospital CEO may combine oversight experience with a special sensitivity to the mission of the organization. In general, board members who have track records of mentoring and development are less likely to cross the line from oversight to overmanagement.

Balance and diversity are particularly important to staffing subcommittees. The board, which should consist of 8 to 12 members regardless of the organization's size, should bring together people qualified to serve on the four most important committees: planning, compensation, auditing, and regulatory compliance. Detail-oriented financial executives should serve on the auditing committee. The compensation committee requires managers who are used to evaluating employees. And the planning committee needs creative visionaries.

The planning committee is key to answering the four questions. To ensure intellectual discipline, the planning process should be integrated with the budgeting process so that plans do not deteriorate into vague or extravagant statements of purpose. This subcommittee should include the most original thinkers on the board, those who are most likely to challenge the status quo. They are the people who can best articulate the organization's mission and determine whether its resources are fulfilling that mission.

Members of the compensation committee perform a particularly critical role as public scrutiny of salaries at nonprofits heightens. Although compensation committees usually perform their reviews by comparing the levels of compensation in their organization to those in other comparable nonprofit or business organizations, this process is not always sufficient. Clearly the public's opinion is that executives of nonprofit organizations should not earn the same compensation as equivalent business executives. The public has spoken with its purse and reduced its charitable donations to nonprofits whose executives earned what they viewed as excessive compensation. While the public probably does not expect nonprofit executives to take vows of poverty, it also does not expect them to receive lavish perks and earn salaries more than ten times the average U.S. family income of $36,000 per year, as many currently do.

Still, some board members believe that executives should earn an amount equivalent to what they could earn in the private sector. They argue strongly that nonprofits must compete for managerial talent on a level playing field with for-profit organizations. Kenneth Hodder, the national commander of the $1.3 billion Salvation Army, widely admired for its managerial excellence, receives cash compensation of about $25,000 per year.

Compensation committee members should evaluate openly and honestly whether the organization's public constituency may find the compensation of its executives excessive. They should avoid the practices of some compensation committees, which engage in considerable subterfuge, hiding portions of their executives' compensation in bonuses and other perks or in unconsolidated subsidiaries to avoid clear disclosure of the total amount. Committee members should be prepared to explain publicly why they pay the salaries they do. A good way to check on their comfort with compensation levels is to ask how they would feel if their names appeared in a front-page story in the local newspaper about nonprofit executive compensation.

The auditing committee should supervise the organization's external and internal auditors, if they exist; oversee the preparation of its an-
annual financial statements; and, most important, report the results to the other board members. Nonprofit accounting usually relies on fund accounting, a measurement system that greatly multiplies the complexities of the financial report. Because most board members are not familiar with this method of accounting, they may ignore the important information contained in the financial statements. An auditing committee's report that consists of a mind-numbing trip through these foreign-sounding statements is generally useless. Instead, the committee's presentation should explain how the financial statements answer the questions discussed above. It should also include a review of the social and demographic characteristics of the organization's clients.

The regulatory compliance committee, which oversees the work of the organization's internal auditing staff and monitors the organization's adherence to the requirements of key government agencies, may prove helpful to heavily regulated nonprofits, heading off potentially serious problems. MIT, Harvard, and Stanford were among the research universities whose accounting for overhead expenses was challenged by the federal government. The expenses of Stanford University's yacht were allegedly among the inappropriate overhead expenses billed to the government. The challenges ultimately resulted in the return of substantial funds to the government and in considerable embarrassment to the institutions.

To prevent such problems, this committee would spell out the policies governing compliance and audit their implementation. At its best, it could inspire adherence to the spirit and not merely to the letter of the law. Outside compliance auditors, when they are used, should report to this committee.

To a limited extent, the members of these subcommittees should overlap, so that they are familiar with one another's work. But as overlapping membership increases, the ability of each committee to provide checks and balances on the others' work diminishes. If feasible, these committees should be supported by appropriate staff people, such as the top-level executives in the planning, financial, controllership, and human resource functions.

Nonprofit boards frequently ask too much or too little of their members. Some boards deluge their members with information about every event and hold weekly meetings, while others may send out a two-line agenda for an annual meeting that reads: “Item 1: Approval of Prior Meeting's Minutes. Item 2: New Business.” Clearly neither approach is useful. Instead, board members should be asked to meet as frequently as necessary. The boards of small or entrepreneurial nonprofits should generally meet more frequently than those of larger, well-established ones. Organizations in crisis must meet more often than stable ones. A calendar of three to seven meetings a year is usually a good starting point.

Open communication is crucial to making the four questions work. They will remain a theoretical exercise unless all board members understand them and are well versed in their measures. The board of directors of Bowdoin College in Brunswick, Maine, provides a good example of how to disseminate information effectively. All its members receive a thorough introductory grounding in their responsibilities on the board and in the measures associated with their work, as well as continuing education in issues relevant to the college. At each meeting, the chair of each subcommittee gives a full report, which is followed by an open debate. The voices of recent graduates are as welcome as those of more experienced board members, such as Leon Gorman, president of L.L. Bean.

Some Girl Scout councils take this process one step further, reporting results to the public as well. At a recent gathering of a Girl Scout council in Worcester, Massachusetts, administrators and board members hosted a public discussion about the organization's use of funds. One Girl Scout council had just been criticized on a national newsmagazine show, “Eye to Eye,”
which suggested that the council’s staff members were hoarding most of the profits from cookie sales instead of using them to provide services for local troops. Rather than becoming defensive, the council discussed its revenue sources before an audience of nearly 200, consisting of Girl Scouts, volunteers, staff, and board members, and outlined how it used those funds to develop programs, maintain camps, and so on—the kind of full disclosure befitting an organization with an ethical agenda. Most important, the council solicited open debate on how best to use its resources.

This kind of debate is critical to finding the best answers to the four questions—solutions that will allow board members to oversee productive organizations. Nonprofits form the backbone of the U.S. system for providing higher education, health care, and culture. And they represent the best hope for creating a more humane, literate society. But without effective oversight, nonprofits can easily lose sight of their mission, misusing funds or focusing on tangential issues. Only an informed and proactive board can ensure that an organization will fulfill its function, providing useful services for generations to come.

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