Grassroots Fundraising Journal

Volume 7
Number 2
April, 1988
$3.50

In This Issue:

New CFC Regulations Dangerous

So You Want Your Board To Raise Money

Basic Principles of Fundraising

Warehouse of Resources

Writer's Guidelines

*The **Grassroots Fundraising Journal** is happy to consider articles for publication. Please submit copy **typed, double-spaced.** If computer-generated, please submit highest quality printing possible (no dot matrix printouts, please). Please do not submit material typed in all capital letters.*

*Articles will be considered for publication during the nine months following submission. When an article is accepted, you will be notified in which issue of the **Journal** it will appear. The **Journal** provides three copies of published material to the author, and pays $35 per article after publication.*

If you want unpublished articles returned, please provide a self-addressed envelope with adequate postage.

*If you have any questions, feel free to contact co-publisher Kim Klein at (615) 637-6624 or copy editor Nancy Adess at (415) 669-7404, or write to the **Journal**.*

Advertising Rates

Classified:
$.50 a word, minimum 10 words

Display:
(width precedes depth)

1/8 page, 3½" x 2¼"	$ 25
¼ page, 3⅜" x 4½"	$ 50
½ page, 3⅜" x 9"	$100
½ page, 7¼" x 5"	$100
Full Page, 7½" x 9¾"	$200

Deadlines:

February issue: January 1
April issue: March 1
June issue: May 1
August issue: July 1
October issue: September 1
December issues: November 1

Ads must be received one month prior to publication. Camera ready copy only. Full payment must accompany ad, unless other arrangements are made in advance.

In This Issue

The *Grassroots Fundraising Journal* is published six times a year: February, April, June, August, October, and December. It is published in Knoxville, Tennessee.
ISSN No. 0740-4832.

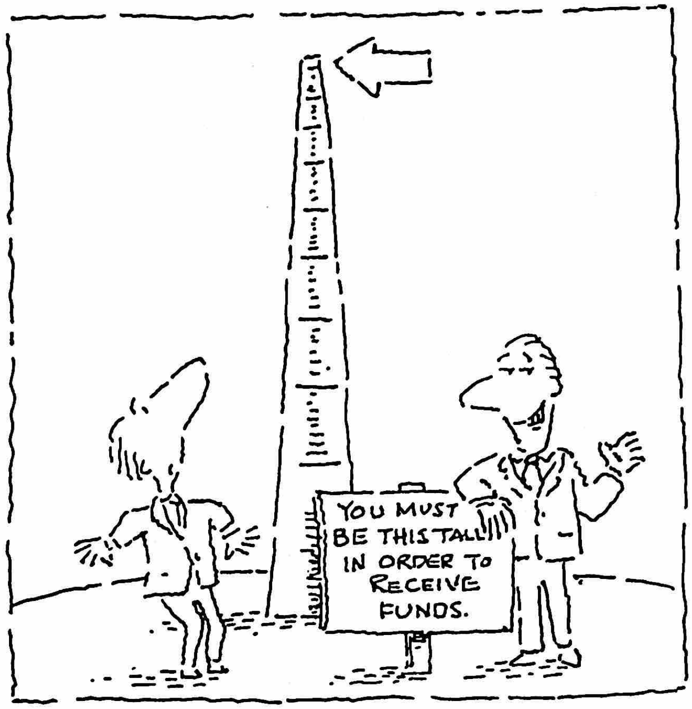
Publishers and Editors
Kim Klein and Lisa Honig

Copy Editor
Nancy Adess

Contributing to this Issue:
Kim Klein, Tom Conroy, Lisa Honig

Design:
Lee Walker

Address all inquiries to:
517 Union Ave.
Suite 206
Knoxville, TN 37902
or call 615/637-6624



New Regulations Destroy Intent of Legislation

In December, 1987, Congress enacted excellent legislation concerning the eligibility of organizations for Combined Federal Campaign participation. The Office of Personnel Management was asked to draw up the regulations to implement this legislation. These regulations seriously undermine the new law.

Summary of the new legislation

Henceforth "advocacy" charities will be eligible on the same basis as all other charities, and any charity meeting "human health and welfare" needs remains eligible, regardless of how this is accomplished.

The legislation, however, will change how the CFC is run. There will be two eligibility processes:

1. For national charities wanting automatic eligibility in all 500+ CFC locations, the U.S. Office of Personnel Management in Washington, D.C. will decide their eligibility; and . . .

2. For local and other charities seeking eligibility in any one of the 500+ local CFCs, Local Federal Coordinating Committees will decide their eligibility.

No longer will write-in contributions be allowed. And no longer will charities receiving money last year automatically be included in a local CFC brochure (the PCFO report). All charities have to pass one of the two eligibility tests above. (See sideboard on page four for details on the new legislation.)

The new regulations

Basically the proposed new regulations erect major *new* eligibility barriers that keep out legitimate charities. Ostensibly "advocacy" is not the problem anymore. But several new, seemingly benign, eligibility tests have been proposed, and *you may be one of many charities barred from participating in the CFC this fall* because of them.

1. There's a new test for *fundraising costs* that could drive your fundraising and administrative costs way above the allowed 25% limit (though some flexibility is allowed). "Fundraising" costs would include "all expenses of mail that includes requests for financial support; all expenses associated with membership drives; all expenses associated with newspapers, magazines, radio, TV, or other advertising." Nonprofit accountants will be appalled.

2. You would have to state how you deliver "substantive health and welfare benefits to people." The definition of this phrase would be up to the federal official examining your activities. It would be difficult to convince a Federal official if that person did not like your organization.

3. If you don't qualify as a nationally eligible charity, you would have to have a "staffed facility...open at least 20 hours per week" to qualify for local CFC. This virtually eliminates rural and statewide groups or regional organizations who will not have a staffed office in all the counties they serve. Under the old rules, a group had to show a substantial presence in their community, and this was defined to include home visits, a free phone call, or general knowledge in the community of the group's existence.

4. To meet the public support test you would have to receive more than half of your revenues from sources other than the federal government and at least 20% in contributions from the general public. Last year only one of these two tests was required (either one).

5. Your publicity and promotional activities could not include any "exaggerated" claims. Again, the problem of definition of such a vague word would lead to arbitrary enforcement.

6. Only one compensated person, your "paid staff head," may serve on your Board of Directors. Last year up to a majority of compensated persons could serve.

7. The titles and total compensation of your three most compensated employees would be listed in the CFC brochure if you became eligible.

The appeals process:

Local appeals: You would have five days to appeal for a rehearing of a Local Federal Coordinating Committee (LFCC) decision, and 10 days after the appeals decision to appeal to OPM in Washington, D.C. BUT, the LFCC would *not* have to notify you of either its *initial* or *rehearing* decision.

Most devastating of these rules for small federated groups or new groups is the new requirement that you must have a minimum of 15 member agencies to qualify for "local federated group" status. There was no such minimum requirement in the old regulations, and the legislation from which these new regulations are created specifically says, "Any requirement for eligibility shall remain the same as the criteria in the 1984 regulations."

What You Can Do

If any of these eligibility requirements would keep your organization out of the CFC, you need to call your congressperson or senator today. Tell them that OPM is undermining the intent and the wording of the legislation enacted in December. Tell them why your groups would not qualify under these regulations.

If you do not receive CFC dollars or participate in CFC, it is still important to contact your representatives. Regulations or legislation that inhibit the work of grassroots organizations or advocacy groups inhibit all of us concerned with social justice. ■ KK

Information for this article was supplied by Bob Bothwell of the National Committee for Responsive Philanthropy. If you have further questions about these regulations or the legislation that they arose from, call or write: NCRP, 2001 S St., N.W. #620, Washington, D.C. 20009, (202) 387-9177. Please send a copy of your correspondence with your senator or congressperson to NCRP for their records.

Major New Legislation for Combined Federal Campaign

This legislation affects eligibility, roles of federations, responsibilities of Principal Combined Fund Organizations (PCFOs), undesignated funds and more.

Intended as permanent legislation, it was supported not only by NCRP, National Service Agencies (NSA) and advocacy charities generally, but also by other major CFC players: International Service Agencies (ISA) and United Way of America. It was not opposed by the U.S. Office of Personnel Management (OPM).

The legislation calls for OPM to issue new regulations in conformance with 12 legislative rules or the CFC shall once again be run under 1984 regulations (as it was from 1984-87). Draft rules were issued on February 17, 1988.

Eligibility: General

1. Advocacy charities are eligible on the same basis as all other charities.
2. Write-in contributions are no longer allowed and a charity will not be granted automatic eligibility in future CFC campaigns based on receipt of write-in contributions in any past year.
3. Any charity meeting "human health and welfare" needs remains eligible.
4. All eligibility rules concerning public accountability shall remain "similar" to the 1984-87 rules...
5. ...except that smaller organizations may submit IRS-Form 990 instead of an independent audit.
6. A national eligibility process is instituted.
   a) Organizations must meet all the above requirements.
   b) Organizations must show activity in 15 or more states during the last three years.
   c) National eligibility status will mean automatic eligibility in all 530 local CFCs (i.e. no "local presence" must be shown).
   d) Previous CFC litigant charities are automatically eligible nationally, providing they meet regular public accountability requirements.
7. OPM can bar for one year a charity failing to comply with reasonable requests for information on its "accounting and auditing practices."

Eligibility: Federations

1. There is no change in basic requirements for charities to be classified as approved national or local federations.
2. However, new national federations must have at least 15 member agencies, each of which meets national eligibility requirements (see number 6 above).
3. OPM can withdraw federation status from new or old federations for up to one year if regulatory requirements are unmet.
4. Approved local or national federations may certify eligibility of their members. OPM, however, may challenge such certifications.

Undesignated Funds

In the past nearly one-fourth of CFC contributions were not designated to any specific charity. The PCFO (usually United Way), which ran a local CFC, was allowed to decide who got 100% of these undesignated monies.

1. PCFO shall no longer decide on distribution of funds, but the following formula shall direct it.

82% goes to United Way
7% to International Service Agencies (ISA)
7% to National Voluntary Health Agencies (NVHA)
4% to others (by decision of Local Federal Coordinating Committees): a) other national federations with at least 4% of designated contributions in the local CFC; b) local, non-affiliated charities meeting 4% designated test; or c) local federations.

2. The formula takes effect fully in 1990, and shall be "adjusted" thereafter.
3. The formula is to be phased in during 1988 and 1989.

Principal Combined Fund Organization

The PCFO plans and runs a local CFC campaign.

1. Competition as to who shall be PCFO is encouraged. All approved local and national federations shall be allowed "to compete fairly for the role of PCFO."
2. However, federations aspiring to be PCFOs may find their hands tied in the use of consultants.
3. PCFOs are ordered to be more cooperative with participating local and national federations in planning and conducting a local campaign.
4. PCFOs must provide to participating local and national federations, "timely access to all reports, budgets, audits and other records."

Other Issues

1. The official CFC information leaflet must contain brief descriptions of each eligible charity (preferably of at least 25 words), although CFCs raising less that $100,000 per year do not have to comply.
2. In the leaflet charities must be arranged by federated group.
3. Names of contributors will be released to designated charities, unless contributors say "no."
4. Protections against employee coercion "shall be strengthened and clarified." □

Sooner or later, every organization comes to the conclusion that they should try to involve their Board of Directors in raising money. Sometimes, this conclusion is reached in the first few months of development, when the founders of the organization are discussing the role of the Board. Sometimes it is reached after-many years of a Board serving in a purely advisory capacity. At either stage, this kind of involvement is not easy to achieve and, more importantly, it won't happen overnight.

So, You Want Your Board to Raise Money

The following article is written primarily for those organizations whose Boards of Directors have been relatively inactive and involved in little or no fundraising, and it is directed to the staff of those organizations who have concluded that the Board's involvement in fundraising is crucial.

What does it take to get a Board of Directors to fundraise? Perhaps the most essential ingredient in the making of an active fundraising Board is motivation. And, for Board members to feel motivated, they must feel that they are a part of the organization. For this reason, a staff cannot expect a Board to become active in raising funds unless its members are active in other aspects of the work.

It is this "activism" that presents some of the most difficult problems for many organizations. The problem is often stated by staff members as, "We want them to raise money, but we want them to leave the decision-making to us." Many staff, run organizations never successfully involve their Boards in fundraising simply because, out of fear of losing control, they are unwilling to share ownership.

What does it mean to share ownership?

To share ownership means involving the Board in actual decision-making that affects the organization. Often, organizations that are trying to increase the Board's involvement in decision-making lose sight of which decisions are Board decisions and which should remain with staff. An organization trying to make this transition should be aware that it is easy for the staff to feel resentment at times at the seeming loss of power, and for the Board to resist, at times, the burden of new responsibilities. A transition of decision-making responsibilities must be a slow and careful process in which both the staff *and* the Board members must be willing to make changes.

People initially join Boards of Directors because of their commitment to the work of the organization. However, they often find themselves frustrated by the seeming lack of role for themselves in that work. Particularly where there is an active paid staff doing the day to day work, Board members find themselves only being able to contribute advice on an irregular basis. Paid staff often resist asking for more involvement out of a fear of asking for too much. The question from staff becomes, "If we get paid to do the work, why should someone who do does not get paid be asked to help." The answer is, people join Boards because they *want* to help.

Often, the only thing keeping a Board member from becoming more active in an organization is simply that they were never asked. Or, if they were asked, it was in terms of, "What do you want to do?"

Board members need to be asked to be involved in concrete ways. The staff, being the most involved group of individuals, must help identify areas where assistance is needed. And, these areas should include, but not be limited to, raising money. To simply ask a Board member what they want to do to help, is like asking a volunteer who walks in off the street the same question. It will leave the Board member feeling that it is his or her complete responsibility to develop an active role in the organization. Given that responsibility, they will probably remain inactive. It can also result in the Board member feeling that his or her help isn't really needed. In the case where the Board member does come up with something to do, the chances are great that the activity will not fit in with the current priorities of the staff, or will simply be inappropriate. The staff will then have to find a way to quell the Board member's enthusiasm without alienating him or her and eventually losing him or her as a Board member.

A much healthier process is for the staff and the Board to discuss areas which need involvement. In this process, the staff must provide leadership. At the beginning, the staff should not be too worried about asking too much of the Board members. The Board members can say no, and will probably feel flattered that their assistance was valued enough to be requested.

Policy making decisions are the most natural decisions for the Board involvement. Boards, because of their fiscal responsibility for the organization, should be involved in all policy making decisions related to fundraising, spending, banking, investments and budgeting. This does not mean asking them to approve every check written. But it does mean asking them what kind of investments are acceptable, getting their approval of long-range fundraising plans, and involving them in the review and adoption of an annual budget.

Board involvement in long range planning of any sort can be useful simply because of the objectivity that can be brought by individuals who are not immersed in the day-to-day dealings of the organizations.

Board members can be helpful in the planning of events. Some will even be willing to help in such seemingly mundane activities as organization of bulk mailings or addressing envelopes. What is essential is to identify all possible areas in which there is a need for assistance, and encourage Board members to get involved.

Because each Board member brings different experiences and skills to the Board, their levels of involvement will be and should be different. One of the first steps in trying to involve Board members must be getting to know them.

People contribute time to an organization for the same reasons that they contribute money. At the top of that list of reasons are commitment to the issues and personal relationships with other people involved in the organization. For Board members to want to raise money to pay the salaries of the staff, it is helpful for them to feel a sense of personal involvement with and commitment to the staff members. This does not mean that the staff members should make the Board members their best friends. It does mean developing some sort of ongoing relationship between staff and Board, outside of Board meetings. If the organization has an Executive Director, this should be his or her responsibility. The ongoing relationship could take the form of a phone call every few weeks to chat about the current activities of the staff. It could mean having lunch or a drink every few months. It does *mean someone taking the time to get to know each individual member of the Board. The staff should know why each Board member feels strongly enough about their work to be on the Board; they should know what kind of time each person has to give, and what their hobbies and other interests are.*

Once this kind of familiarity with each Board member is developed it will not be that hard to find ways to involve them. For example if you find out that one person is particularly interested in one project or issue that you are working on, begin to give him or her regular updates on the project's progress. Send him or her clippings related to the issue. *Keep the Board member involved.* It is this involvement that will motivate the Board member to raise money.

Involvement alone however, will not get your Board to raise money. For the same reasons that you cannot expect Board members to become involved by asking the what they want to do, you cannot expect them to raise money by simply asking them to do so. You, as a staff must identify specific tasks or roles in the fundraising process that Board members can take on.

For example, you cannot decide that the organization needs to raise some money from foundations and go to the members of the Board of Directors and ask them to do that. It is the staff's responsibility to do the research to identify foundations likely to contribute, and to write the proposals and develop support materials. However, a Board member might know one of the people on the distribution Board of the foundation, in which case a cover letter should go from that Board member. It might be helpful to ask Board members to be involved in meetings with the foundation representatives to discuss the proposal.

If the organization decides to start looking for contributions from individuals, it is helpful for the staff to begin by presenting names of potential donors for the Board to review. Many organizations have made the mistake of going to their Board of Directors and saying, "We need to raise money from individuals. Do you know anyone who has money?" and receiving no suggestions. If you want your Board to identify potential donors, provide them with a list and ask what they know about each person on it. If you want them to solicit contributions for you, you must tell them who to ask, what amount to ask for, and provide them with all of the support materials necessary to enable them to sell your organization.

Every aspect of fundraising that involves Board members, involves staff as well. Ideally, the implementation of any fundraising plan should be a team effort.

As you begin to explore ways in which the Board can participate and assist you in your fundraising efforts, keep in mind that Board members, like anyone else, can be apprehensive of asking for money. They need to be trained, coached, and encouraged throughout the process.

You must remember that, depending on each Board member's level of involvement in the day to day work of your organization, they may or may not be comfortable talking about it. It is the staff's job to make sure that every Board member is familiar enough with the organization's activities and finances to answer whatever questions might be raised in a fundraising meeting.

One final word. In the early stages of involving your Board in fundraising, start small. Don't expect the Board to raise your entire budget if, in the past, they have raised no part of it. Set realistic goals. If your goals are unreasonable, and the Board fails to meet them, the Board will probably become demoralized and will be unwilling to try raising money in the future. If, on the other heand, they raise more than the goal they will be proud of their efforts and willing to continue to assist in this kind of work probably for many years to come. ■ LH

Reprinted by popular demand. Originally published in February 1983.

The Four Basic Principles of Fundraising

Four basic principles govern all fundraising, and can be extrapolated from organizations with successful fundraising records. These principles are as follows:

1. *People give out of self-interest.*

Your organization is a business. Perhaps it is incorporated and has tax-exempt status from the federal government as a Section 501(c)3 or Section 501(c)4 organization. Certainly, someone must keep track of money coming in and going out, and provide budgets, financial reports, and so on. From a fundraising standpoint, the fact that your organization is a business means that your donors are customers who "buy" your "products" which are your services, your organizing, your advocacy, or whatever it is you do.

People will give their money to your organization when it serves their self-interest to do so. Some rewards of giving to support social change are that a donor helps to move the world a little closer to his/her vision of what it should be. Maybe a local situation is changed and the "little guys" win. Or maybe the donor is recognized by friends as a generous or caring individual. Sometimes self-interest is more direct: the donor's water is cleaned up, the donor's candidate wins, the donor is no longer discriminated against because of sex, race or sexual orientation.

The first task is effective fundraising is to figure out the different rewards donors will have if they give to your group. Each donor will have multiple motives, and donors will have different motives from each other. However, if you do not touch on one of their motives, you will not get your gift.

2. *Fundraising is a long term process.*

It is not enough to get a donor to give; we must always be thinking about how to get that person to give again, to give more, to encourage friends to give, and to become involved. The first gift is just that. As you develop strategies to raise money, you need to balance your fundraising plans by including some strategies whose main purpose is to bring in new donors (i.e. direct mail, special events, canvassing), as well as strategies to encourage donors to give bigger gifts (i.e. personal solicitation, pledge programs) and strategies to encourage donors to give several times a year (i.e. special mail appeals, phone-a-thons, house parties).

3. *Personal contact is the most effective.*

In general, the most effective strategies for raising money involve personal contact with the donor. The most effective specific strategy is for one person to ask someone he/she knows

---

***Editor's Note:** About once a year, the* Journal *prints an article reminding readers of the basics of grassroots fundraising. We do this ostensibly for those people who are new to this line of work. However, it is important for all of us to be reminded of these cornerstones, so as we pursue our various fundraising strategies with ever more sophisticated methods, we ground them in the very simple but profound ground rules of our work. The following brief article is taken from the introduction to Kim Klein's training workshops on grassroots fundraising.*

in the context of a personal visit. As a rule, the closer you get to the the donor, the more likely you are to get the gift.

4. *Diversify funding sources.*

To implement principles 1, 2, and 3, you need two things: diversified sources of funding and an active volunteer force involved in fundraising. (An active volunteer force means five or more people committing 8-10 unpaid hours a month to your organization. For service organizations, this group of people would be in addition to hot-line volunteers, crisis counselors, and so forth.) This volunteer force should be generally led by the main decision-making body of the organization. An organization cannot maintain successful diversity without also having a large number of people working on fundraising. Further, an organization which relies on one or two people, whether paid or volunteer, to do all the fundraising is no more secure than an organization with only one or two funding sources. The same things happen to people that happen to funding sources: they die, they move, they move on, they get mad, they run out of energy, or they change their priorities.

Summary

Successful fundraising is built on marketing and sales principles, a fact of life that sometimes makes progressive people and organizations queasy.

It is important to understand that, like money itself, marketing and sales are neutral. Positive values and behavior can be marketed, such as wearing seat belts, or practicing safe sex. Important "products" can be "sold" such as a bilateral, verifiable nuclear arms freeze, or pay equity. "Abolish Apartheid" is as much a sales slogan as "Coke is It."

There are now 1.2 million registered 501(c)(3) and (c)(4) nonprofit tax-exempt corporations in America, and up to eight million organizations which may not have any kind of tax exemption. With all of these groups raising money, there is a great deal of competition for the billions of dollars available. As more and more organizations are forced to raise private sector dollars to replace previous federal funding, the competition increases every day. The organizations that will survive and grow in the next few years will be those who apply the adage "work smarter, not harder" to their fundraising by implementing effective fundraising techniques. ■ KK

Warehouse of Resources at Bargain Prices

One reason your small non-profit organization often has to raise funds is the acquisition of new equipment, desks, filing cabinets, typewriters, copy machines, etc. Whether your organization is new, or well established and expanding, you probably need some office item. Finding needed items "for nothing" or at bargain prices is still very much a part of fundraising. Money saved on such purchases remains available for the salaries of new personnel or assistance to clients who cannot pay for the services your organization offers.

Every organization wishes it had a giant storeroom with an inventory of supplies and equipment from which to select needed items. Such a warehouse exists, and it supplies much-needed equipment to more than 8,000 member paying a yearly fee of $395 plus the cost of shipping.

The organization, NAEIR—National Association for the Exchange of Industrial Resources—has an 11-acre warehouse in Galesburg, Illinois, filled to the rafters with the very supplies and equipment on your shopping list. The constantly changing inventory of computers, copiers, typewriters, books, auto parts, and office furniture is available to members with only one stipulation—they must be non-profits.

NAEIR is the brainchild of Norbert C. Smith, a former executive in the fields of electronics, aeronautics and metal working. He had started and successfully operated several small companies and had been a gifts-in-kind consultant to large corporations in the early 1970s. In 1976, when he contemplated retirement, Smith recalled the millions of dollars' worth of surplus material lying dormant in warehouses, useful materials that could be put to good use by many non-profit organizations that were actually raising money in order to buy such items.

He surveyed many non-profits to determine their equipment needs and then began contacting friends in corporate giving departments to see how the two could get together. He saw that he could act as a middleman in the transactions. At the same time, new tax laws in 1976 offered donor corporations an above-average tax deduction for their contributions of merchandise. Thus was formed the National Association for the Exchange of Industrial Resources. NAEIR provides the documentation in the donor needs for their tax forms and the donation process carries no charge to the corporations. By January, 1977, a new non-profit was officially in business...NAEIR.

Through NAEIR's work, donor corporations saw millions of dollars in merchandise that otherwise would be sold to liquidators for a fraction of its worth or even scrapped, go to small organizations that needed it.

Through his long career in the business world, Smith has made the contacts with the men and women within industry who make decisions concerning donations. NAEIR's donor roster now reads like a "Who's Who of Industry": Bissell, Inc., Dennison Manufacturing Co., Fuller Brush Co., Georgia-Pacific Corp., Gillette Co., Rand McNally and Co., Reader's Digest, Westinghouse Electric Co., Brunswick and hundreds of other manufacturers, wholesalers, distributors and retailers throughout the United States.

Membership for receipt of donated merchandise is open to any non-profit, tax-exempt 501(c) organization in the United States. The 8,000-plus membership is comprised of colleges, universities, school districts, hospitals, nursing homes, church groups, camps, senior citizens centers, rehabilitation centers and a wide array of other non-profit groups. Originally, Smith had planned to limit the number of NAEIR memberships to 4000, but he soon discovered that the more members NAEIR had the easier it was to recruit corporate donors.

For the annual membership dues of $395, participating non-profit members receive an average of $6,000-worth of new supplies and equipment in a year's time. NAEIR publishes a quarterly 700-page catalog listing items in the Galeburg, IL warehouse. Typical materials shipped out every week include office supplies, books, computer accessories, clothing, arts and crafts materials, hardware, maintenance supplies, plumbing fixtures, heaters and air conditioners, sporting goods, paper stock, electric motors and hundreds of other products. The most recent catalog had over 9,000 items, representing a total value of $20 million.

Smith admits that one of NAEIR's greatest ongoing problems is credibility. All new members are offered a moneyback guarantee. "If, after the

---

Tom Conroy is a consultant to non-profit organizations specializing in large special events. He lives in Walnut Creek, CA.

first year, the value of the materials received as a new NAEIR member is not worth at least twice the cost of the annual fee, NAEIR will either give the second year's membership free or refund the member's dues."

On the other side the equation, how do manufacturers find themselves in a position where they over-produce and have huge excess supplies of merchandise? A typical situation: The ABC Co. is optimistic concerning the company's annual sales. The company has been selling an average 3,000 typewriters a month for several years. With this in mind, the company plans to produce a year's supply in a six-month time, improving both company efficiency and customer service. At the same time, a rival manufacturer of a similar product has introduced a new line that is equal in efficiency but lower-priced. So, the ABC Co.'s sales drop to only 1,000 units a month. Soon, the company has thousands of units on hand. To match their competition, they too design a more competitive typewriter. The surplus typewriters are good in every way, but dated. How does ABC Co. get out of this dilemma? The typewriters are donated to NAEIR and stored in the 11-acre warehouse. ABC Co. gets a huge tax-deduction for its donation and is happy to clear its shelves of slow-moving merchandise.

NAEIR lists the typewriters in the catalogs sent to its 8,000 non-profit member organizations. The new typewriters soon find homes in small non-profit organizations in all parts of the country and some of their hard-earned dollars are saved.

As a fundraiser myself, I know the agony of seeing funds raised through special benefit events dwindle with a few major purchases. For example three Honda hatchback automobiles needed for a Meals-on-Wheels operation, recently cost $25,000, though purchased below cost. We would have preferred to see the money go to a pair of employees as salary for working on other programs. Sometimes, however, equipment needs must take greater priority.

This is why a service such as that offered by NAEIR is worthy of investigation. Send for their catalog and check out the items they have in their inventory. Are the items on hand applicable to your present needs? Then measure the annual dues of $395 against the cost of these items from retailers where you may get a break, discount or below cost. This will help you decide whether to join. Ask for a copy of NAEIR members. Are there organizations similar to yours? Their members seem to be all over the country. You should be able to find one organization near you. Phone their fundraiser and see what their experience has been.

For more information, write to NAEIR at P.O. Box 8076, Galesburg, IL 61402, or call (309) 343-0704 ■

Funding on the rise for AIDS-Related Programs

The Foundation Center, the national service organization for information on foundation philanthropy, has just released a new report on "AIDS: A Status Report on Foundation Funding." The findings offer encouraging news about foundation response to the AIDS crisis: grants for AIDS-related programs have increased significantly over the past four years and are being distributed across a broad geographic base.

"Early last summer we learned of increasing interest and activities among foundations in formulating responses to the epidemic proportions of AIDS," explained editor John Clinton, as he described the origins of the AIDS study. "However, based on actual grants data we had at the time, only 30 foundations had reported awarding AIDS-related grants, for a total of only $2.4 million. This data appeared inconsistent with recent activity in the foundation community. Consequently, we undertook a survey of foundations to gain a broader and clearer perspective on foundation funding in this area."

Analysis of statistical data on AIDS-related funding offers encouraging news for those concerned with the availability and dispersal of foundation dollars for research and support services for AIDS populations:

- Foundation activity is occurring at all funding levels, from small community foundations to the very largest independent foundations of national scope.
- Geographic distribution of grants, although concentrated in New York and California (which have the highest incidence of AIDS cases), now spans 28 states and the District of Columbia.
- In addition to the 85 foundations in this report, other foundations indicated that they are evaluating programs for future funding
- AIDS-related funding levels have increased markedly since 1983, from $216,000 to over $13 million in 1986.

The Foundation Center's report focuses on AIDS-related funding by independent, company-sponsored, and community foundations. The foundation population surveyed included 568 foundations meeting the following criteria: those with a stated interest in the health or medical fields; all active grantmaking community foundations; and those foundations who have indicated some interest in funding AIDS-related proposals. Of 568 foundations, 170 responded to the survey, with 85 foundations indicating that they had awarded grants specifically for AIDS-related programs. These 85 foundations awarded 253 grants from 1983 up through August, 1987—accounting for over $18.6 million in AIDS-related funding.

The body of the AIDS report consists of descriptions of the 85 foundations that reported awarding AIDS-related grants, along with corresponding grants lists that include information about the recipients, the amounts and dates of the awards, and the purposes to be served. The descriptive information for each foundation is intended to clarify the foundation's purposes, geographic and program limitations, and type of support restrictions of each grantmaker. The report is facilitated by four indexes, listing recipient name and location, a subject index, and a foundation location index.

Also included in the report is a statistical analysis of AIDS-related funding which interprets data presented in eight broad categories, including:

- grants for AIDS by foundation
- grants for AIDS by type of foundation
- yearly distribution of grants for AIDS by subject categories
- the top 15 recipients of AIDS-related grants
- grants for AIDS by state of recipient
- grants for AIDS by type of recipient
- grants for AIDS by type of support given
- grants for AIDS by the population groups served

Copies of *AIDS: A Status Report on Foundation Funding* are available from The Foundation Center for $20 plus $2.00 postage and handling for the first copy and 50¢ for each additional copy. Credit card customers may call toll-free 800-424-9836. Prepaid orders may be sent to The Foundation Center, 79 Fifth Avenue, Dept. HX, New York, NY 10003. Discounts are available on orders of five or more copies. □

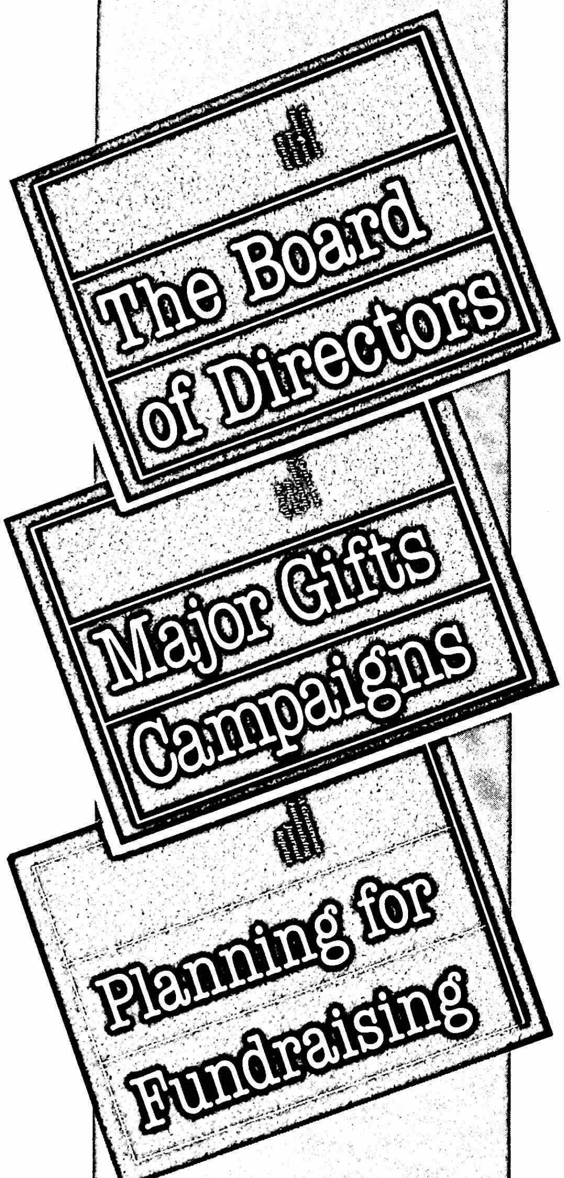
Connecticut foundations give over $150 million annually

D.A.T.A.'s survey of Connecticut's grantmaking foundations, completed in January 1988, found that over $150 million was distributed in fiscal year 1986. D.A.T.A. Inc., a technical assistance and research organization with offices in Hartford, New Haven, and Norwalk, surveyed over 900 foundations for its 4th edition of the *Connecticut Foundation Directory*.

Of over 900 grantmaking foundations incorporated in the state, 74 are corporate and 23 are community foundations. Over 200 are managed by local banks. Operating foundations (those whose funds are usually derived from a single source to support a specific service or research function) were not surveyed. More than 100 Connecticut cities and towns are represented in the directory. □

The Best of the Journal

Three unique collections from the first five years



For a limited time only, order all three reprints, and get the Index free.

The Board of Directors:
Our best articles on one of the most basic issues facing community organizations today: how to develop a Board of Directors who are willing and able to raise money.
16 PP.; $6.00

Major Gift Campaigns:
From getting over your fears, to the letter, the phone call, and the meeting itself—these articles tell you what you need to know to put together a campaign to solicit large contributions from individuals.
20 PP.; $7.00

Planning for Fundraising:
Includes many of the Journal's most requested articles, now out of print. How to handle severe budget cuts, use summer efficiently, hire staff and consultants, and more.
16 PP.; $6.00

The First Five Years: An Annotated Index:
And now, the Grassroots Fundraising Journal is at your fingertips: If you ever felt frustrated because you read something in the Journal and couldn't remember later which issue, or ever wondered if we've written something on benefit concerts, products for sale, or phoning prospects, this index is what you need. It's a must for long time subscribers and helpful to new subscribers wanting to know which back issues are best for them.
6 PP.; $2.50

Postage and handling included in all orders. To order, send check or money order to: *Grassroots Fundraising Journal*, 517 Union Ave., Suite 206, Knoxville, TN 37902

Back Issues

VOLUME THREE

Number 1 (February 1984): Cash Management for Smaller Non-Profit Organizations; Using Phonathons for Renewal; Free Advice for a Price (how to hire and use a consultant).
Number 3 (June 1984): Computers for Non-Profits (Part Two); Setting Up a Canvass (Part Two); Fundraising Luncheons (Part One).
Number 6 (December 1984): Developing a Membership Base; How to Break Through the Bureaucracy (getting access to government money); But Will They Open the Envelope? (designing carrier envelopes for direct mail appeals).

VOLUME FOUR

Number 3 (June 1985): Membership Record Keeping: If We Only Had an Endowment (What to consider in starting an endowment fund); A Community United (case study of a farming community's fundraising efforts to help a family in need).
Number 4 (August 1985): Through Rain, Sleet and Snow (the personal experiences of a canvasser); Major Donor Prospecting; Hiring a Development Director; Rapidly Growing Women's Funds; Long Beach "Friendraiser" (case study of a special event designed for publicity).
Number 5 (October 1985): Planning and Running a Phonathon; When Money Isn't the Problem; Philanthropy 1984 Summary.
Number 6 (December 1985): How to Use the Media; Grassroots Fundraising: Back to Basics.

VOLUME FIVE

Number 1 (February 1986): State of the Journal; Raising Money from Churches; Creating a Successful Renewal Program.
Number 2 (April 1986): Seven Deadly Sins, Part One (Organizational Development); Marketing for Grassroots Organizations, Part One; So You're On The Air: Writing PSA's.
Number 3 (June 1986): Seven Deadly Sins, Part Two; Logistics of a Major Gifts Campaign.
Number 5 (October 1986): Marketing, Part Three; Personal Giving Plans, Part Two; Beating The Numbers Game.
Number 6 (December 1986): Changes in the Tax Law; Marketing, Part Four: Using Your Donor Surveys; Fundraising is a Song and Dance (Case Study of a Benefit Musical); Creating Slide Shows.

VOLUME SIX

Number 1 (February 1987): Strategic Planning for Voluntary Non-Profits; A Personal story: Raising Money for a Trip to the Soviet Union; Twenty Words That Sell.
Number 2 (April 1987): The Art and Science of Direct Mail Copywriting, Part One; "Spelling for Dollars"; How to Hold a Better Meeting.
Number 3 (June 1987): Direct Mail Copywriting, Part Two; The Celebrity Auction.
Number 4 (August 1987): Philanthropy in 1986; The State of the Journal; The Meaning of Self-Sufficiency; Federal Policy and Nonprofit Postal Rates.
Number 5 (October 1987): Keeping in Touch with Major Donors; A Few Words on Better Board Meetings; Why Throw Money Away?
Number 6 (December 1987): Penetrating the Mystique of Philanthropy; How to Hire an Executive Director; How to Do a Raffle.

VOLUME SEVEN

Number 1 (February 1988): Confessions of a Grantsperson; Tax Reform has Neutral Impact; Stock Mark Crash.

ORDER FORM

Qty.	Item		Total
	BACK ISSUES		
	Vol. 3, No. 1	3.50	
	Vol. 3, No. 3	3.50	
	Vol. 3, No. 6	3.50	
	Vol. 4, No. 3	3.50	
	Vol. 4, No. 4	3.50	
	Vol. 4, No. 5	3.50	
	Vol. 4, No. 6	3.50	
	Vol. 5, No. 1	3.50	
	Vol. 5, No. 2	3.50	
	Vol. 5, No. 3	3.50	
	Vol. 5, No. 5	3.50	
	Vol. 5, No. 6	3.50	
	Vol. 6, No. 1	3.50	
	Vol. 6, No. 2	3.50	
	Vol. 6, No. 3	3.50	
	Vol. 6, No. 4	3.50	
	Vol. 6, No. 5	3.50	
	Vol. 6, No. 6	3.50	
	Vol. 7, No. 1	3.50	
	The Board of Directors	$6.00	
	Major Gifts Campaigns	$7.00	
	Planning for Fundraising	$6.00	
	Five-Year Index	$2.50	
	TOTAL ENCLOSED		

Groups wishing to order bulk copies of the reprints may do so at a discount of 30% on orders of ten or more of the same issue. Also, there is a 40% discount for orders of ten or more of the same copy of any back issues. For groups wishing to order multiple subscriptions for their local and regional chapters, there are substantial savings. All offers subject to availability. Write for more information.

Send to:
Name ____________________
Address ____________________
City ____________________
State __________ Zip __________

Subscriptions

I want to subscribe:

☐ **New subscriber:** ☐ One Year ($20) ☐ Two Years ($40) ☐ Three Years ($60)

☐ **Renewal:** ☐ One Year ($20) ☐ Two Years ($40) ☐ Three Years ($60)

Change of address: enclose mailing label and write new address below:

Name ____________________ Organization ____________________

Address ____

(Please allow six weeks for processing new subscriptions.)
Make checks payable: ***Grassroots Fundraising Journal.*** Send to: 517 Union Ave., #206, Knoxville, TN 37902

Grassroots Fundraising Journal
517 Union Ave.
Suite 206
Knoxville, TN 37902

Bulk Rate
U.S. Postage
PAID
Knoxville, TN
Permit No. 716

Address Correction Requested

Moving? Please send us your new address.