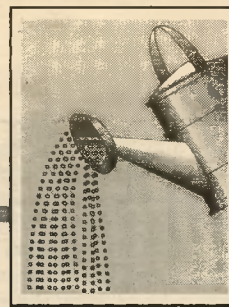


Fund Raising



Why they give
A third of people who give to hospitals are "repayers," who have benefited from the institutions they support, says a new poll by the Chronicle of Philanthropy.

Financial insecurity

American Red Cross overhauls development structure

The American Red Cross enjoys public support and respect. But it is financially vulnerable, depending on a weakened United Way for funds. With a new nationwide marketing initiative, it hopes to change that.

By SUSAN GRAY

Mary Gorsline's voice sounds confident.

"Our mission is to translate your caring and concern into immediate action," she says from her American Red Cross office in Charlotte.

Gorsline's job demands confidence. She's the financial development specialist for the American Red Cross chapters in North Carolina, and she's in charge of increasing private donations to the state's 70 chapters.

"The demand for the Red Cross services have increased in recent years and the public's expectation for service to victims of disaster are higher than ever," Gorsline says. "So, like I said, our mission now is to translate your caring and concern

into immediate action."

Throughout the U.S., the American Red Cross is overhauling development operations under a new "marketing positioning project."

Alarmed by the 1992 scandal that shook up its major funder, the United Way, the international relief group is seeking greater financial independence.

Currently, about 45 percent of Red Cross funding comes from the United Way. That's a decrease from previous years, and many individual chapters receive as much as 95 percent of their funds from the United Way.

In Charlotte, the Greater Carolinas Chapter received about 60 percent of its funding from the United Way in the fiscal year ended June 30, 1994. The Wake County chapter received about 68 percent during that same period.

When the public learned that William Aramony, former president of the United Way of America, may have used United Way dollars to pay for lavish trips with friends to Las Vegas, donations to the United Way dropped. That shook up American

Red Cross leaders, who had grown accustomed to a steady flow of United Way dollars since World War II.

Their concern grew with the steady onslaught of natural disasters such as the midwest floods, Los Angeles earth quakes and Texas flash floods that called for Red Cross relief work.

To cope, the Red Cross hired an outside consultant, Yankelovich Partners Inc., to assess its development operations. Yankelovich reported that the Red Cross wasn't getting a fair financial return on its positive public image.

Although media reports occasionally have criticized the Red Cross, Yankelovich found that the nonprofit is the most respected among top charities, especially with young adults ages 21 to 34. But the Red Cross suffers from a public misperception that it is part of, or funded by the government, Yankelovich reported.

"People seem to be aware of what we do, but we seem to have an invisible logo with the public," says Gorsline, who was hired in the past



American Red Cross chapters across the country are preparing for a major fundraising drive and public awareness campaign.

year in the wake of the Yankelovich report. "We kind of do things quietly and unobtrusively. We really want to bring it to the public's full attention what we're doing."

The Red Cross hired Gorsline and about 30 other development specialists to help its more than 2,500 chapters in the U.S. raise private donations. The development specialists

are assigned by Red Cross headquarters in Washington to assist chapters in individual states.

In January, the Red Cross plans to unveil a major multi-media advertising campaign, letting the public know it needs more support. In March, it will publicly launch its

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NCCU to launch \$50 million campaign

North Carolina Central University is assembling leaders and raising money as it prepares to launch a campaign to strengthen the school's faculty, students, programs and facilities.

By TODD COHEN

DURHAM

North Carolina Central University is finishing plans for a \$50 million capital campaign.

Leaders are being recruited for the campaign, which has already raised or secured commitments for \$5 million. NCCU leaders have drafted a working paper that presents the case for the campaign, and they are discussing it with groups of community leaders at private dinners. The campaign is expected to begin this month or in January.

"This issue is, can we get out there in the community and get our story out there better, and will this



Chambers



Royall



Lea



Collins

case statement we're developing provide a real good case for the investment itself," says William Lea, vice chancellor for developmental affairs.

A capital campaign has been a top priority of Chancellor Julius Chambers, who says funds are needed to improve the quality of the school's faculty, students, programs and facilities. But he concedes that as an historically black school, NCCU has a tough job soliciting support.

"The biggest problem is cultivating people to give and making some connection to people able to give, not necessarily graduates," Chambers says. "You have to demonstrate why it's in their interest to support this institution."

Chambers has enlisted two co-chairman, Bert Collins, president and chief executive officer of North Carolina Mutual Life Insurance Co., and former state Sen. Kenneth Royall, both of Durham. He hopes to recruit a third co-chairman.

Campaign donors so far include

Wachovia Bank, \$500,000; NationsBank, \$667,000; David and Lucille Packard Foundation, \$400,000; Duke Power Co., \$333,000; First Union National Bank, at least \$300,000; C.D. Spangler Foundation, \$250,000; Durham businessman Franklin Anderson and his wife, Susie Powell, \$667,000; The News and Observer Foundation, \$50,000; and the Charles and Ann Sanders Foundation, \$48,000. Many of these gifts will be matched with state funds.

Proposals also are before CCB, Carolina Power & Light Co., N.C. Mutual Life, Mechanics and Farmers Bank, Mutual Community Savings Bank, the William R. Kenan Jr. Charitable Trust and the National Endowment for the Humanities.

People who have agreed to be on the campaign leadership team include Charles Sanders, chairman of Glaxo Inc. in Research Triangle Park, and Los Angeles artist and Durham native Ernie Barnes.

Fundraising stewards

State employees tighten rules on annual fund drive

Leaders of the State Employees Combined Campaign want to make sure the annual fund drive stays accountable to donors.

Following a public hearing last month, campaign leaders approved a series of rule changes that:

- More clearly define the rights and responsibilities of the statewide campaign manager, local campaign managers and participating nonprofits.
- Require deposit of all collected funds in an interest-bearing account.
- Require timely reporting of information about nonprofits that receive funds through the campaign.
- Provide for "decertification" of any participating nonprofit that does not follow campaign rules.

Jack Harper, assistant state revenue secretary for tax administration and a member of the campaign advisory board, says the changes, which went into effect Dec. 1, are

part of an ongoing effort to maintain donor trust.

"We want to preserve the integrity of the campaign," he says. "We are a growing campaign and we want to be sure our accountability structure grows, too."

Last year, the campaign raised \$1.1 million for United Way agencies and other charities across the state, Harper says. This year, organizers hope to raise \$2 million.

The rule changes won praise from Meredith Emmett, executive director of North Carolina Community Shares - a Durham-based coalition of nonprofits that has been pressing for greater access to workplace fundraising.

However, Emmett urged campaign leaders to review the policy on use of "undesignated funds" raised by the campaign.

BRIEFLY

Accounting group has advice on charitable giving

The North Carolina Association of CPAs has information on how to make the best tax use of donations to charitable organizations. For details, call (800) 722-2836.

Duke seeks donors for new music hall

The Duke University Department of Music is renovating the rehearsal hall in the Mary Duke Biddle Music Building. To contribute, write to: Duke University, Arts & Sciences Development, Box 9046, Durham, NC, 27708-0046.

Ronald McDonald House fundraiser

Greenville's Ronald McDonald House has launched its annual "Light a Luminary" holiday fundraiser. Luminary kits are on sale for \$6 each. For details, call Lob Proctor, (919) 756-0665.

Campaign begins for Louisburg College

Louisburg College has launched its annual Franklin County Fundraising Campaign with a goal of \$200,000. Last year, the campaign raised \$150,000 for the college. Ray Hodges, president of Hodges Insurance, chairs the drive. For details, call (919) 496-2521.

Treasurer gives book proceeds to alma mater

North Carolina State Treasurer Harlan Boyles plans to give proceeds from the sale of his new book to Appalachian State University in Boone to support the Harlan E. Boyles Distinguished CEO Lecture series at the university.

Wingate fund aids pottery workshops

The Doug Helms Scholarship Fund at Wingate College, founded last spring in honor of a former art professor, supported a series of pottery workshops on campus this fall. The fund accepts contributions for art scholarships and learning opportunities for students and artists.