

EVENTS

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uated because the returns were getting slimmer.

"The growth in income was not keeping pace with the growth in expense," says Bulla, Metrolina development director. "We decided to take a year off to retool it."

Bulla says it was costing about one-third of the proceeds to put on the event, and that was too much.

So, instead of holding Art Angels in December as planned, Metrolina decided to host a donor and volunteer recognition party on that date and to concentrate on other fundraisers, such as a recent direct mail campaign that brought in \$25,000.

Besides raising money, special events are valuable in marketing an organization, planners say.

"Special events aren't just about raising money," says Bulla. But an event with a proven record of fundraising success can serve as a group's signature event, he says, and draw in a wider circle of community involvement — not to mention potential donors and volunteers.

Metrolina's annual Guess Who's Coming to Dinner? event last May raised \$100,000. It also raised awareness of the group.

"It gives us a tremendous amount of exposure and gets our name out there," Bulla says. "It's a good way to introduce people to the cause."

Start early

But whether it's a golf tournament, walk-a-thon, auction, black-tie gala, bake sale or fashion show, all successful events require careful planning.

If there's one mantra among nonprofit special event planners, it's this: Plan early. Most event planners say it's ideal to begin planning a year ahead of the event, especially if it's a first-time event.

"People don't realize how much time it entails," says veteran Charlotte fundraiser Maya Shenoy. "They have no concept of what it takes."

Shenoy, who calls herself a "professional volunteer," spent 10 months planning the Red Sword Ball, a benefit for the American Cancer Society held in November. The 12th annual event, which she chaired, netted \$160,000 in its best year ever.

"How much time you have is critical," she says, especially when so many other organizations are competing for corporate sponsorship and other resources.

It's even advisable to start planning next year's event immediately after it's over, says Lester at the N.C. Center for Nonprofits.

Having plenty of time isn't important just for the planners — it's also important in terms of getting on donors' calendars.

Erin McLoughlin, chair of the major gifts committee for the Montessori School of Raleigh, helped plan the Mardi Gras Gala held Jan. 31. As the major annual fundraiser (\$17,000 last year), it's important to make sure it is on the school's calendar a year in advance so parents and others know about it.

Get good help

Another key to pulling off successful events, organizers say, is to set up planning committees as early as possible and recruit dedicated volunteers.

"It's important to pull in the whole community," Lester says, "so that it's not just a staff-driven operation."

Having a strong committee and committed volunteers has been essential to the success of the 13th annual Reindeer Romp, an annual run/walk benefit for the American Lung Association in Charlotte.

Held in December, last year's event drew 1,500 participants and raised \$20,000 with the help of 200 volunteers.

Jackie Corbett, assistant director of special events and fundraising for the South Central area of the American Lung Association, says with

Special Events Resources

■ **Cash Now: A Manual of 29 Successful Fundraising Events** by Aaron M. Franks and Norman E. Franks (book).

■ **Special Events Fundraising** (video). Both available from the Society for Nonprofit Organizations, Madison, Wis. Call (608) 274-9777 or (800) 424-7367 or see <<http://danenet.wicop.org/snpo/resource.html>>.

■ **Raising Money & Having Fun (sort of): A 'How To' Book for Small Non-Profit Groups** by Charlene Horton. Available from the May Dugan Center, Cleveland, Ohio. Call (216) 631-5800 or see <<http://www.coolsite.com/maydugan>>.

■ **The Fundraising Auction Guide: A Workbook for Non-Profit Organizations** by William Lynn. Available from the William R. Lynn Company Inc., New Orleans, La. Call (800) 249-5559 or (504) 947-5559 or see <<http://www.highbidder.com>>.

■ **Ultimate Fund-Raiser**. A kit for planning walk-a-thons and fun runs for elementary schools. Call Jane Gay Corvell, Lawrenceburg, Tenn., at (800) 686-8383 or (931) 762-3588.

■ **The Duke Certificate Program in Nonprofit Management**, offered through the Duke University Office of Continuing Education, periodically offers courses in special event planning. Call (919) 684-6259 or see <<http://www.learnmore.duke.edu>>.

■ **Make Your Events Special**. A day-long workshop hosted by Cause Effective, a nonprofit resource development center in New York City. The companion manual, **Make Your Events Special: How to Plan and Organize Successful Special Events Programs for Nonprofit Organizations**, is also available. Call (212) 807-6896 or e-mail causeeffect@causeeffective.org.

only four staff members it was necessary to rely on the board members and volunteers to stage the event.

Sarah Cope, marketing and special events coordinator for the Tammy Lynn Center for Developmental Disabilities in Raleigh, is in a similar situation. With a small development staff, she says, "There's no way we could do it by ourselves."

Strong community support has made the Tammy Lynn Center's annual Toast to the Triangle run like a "well-oiled machine," she says.

The 13th annual event, scheduled for Feb. 22, typically draws 1,000 people who pay \$40 each to sample food and drink from about 30 area restaurants and businesses. Last year's event netted \$102,000.

"We have a wonderful group of volunteers whose continued support makes it a success," Cope says. "It's amazing how smoothly it runs." Planning starts six months before the event, with a 40-member committee divided into subcommittees, Cope says.

With major donations from about 100 corporate and individual sponsors, she says, expenses are kept to less than 10 percent of the proceeds.

Getting good volunteers isn't always easy, however. For various reasons, says Shenoy, "Finding reliable volunteers who will follow through is getting much, much harder."

One way to help ensure commitment is to match volunteers with their interests, she says. "Don't give them something they don't like to do," she says. "You want them to come back."

It's also important to delegate, says Corbett, and to maintain good lines of communication with volunteers you may not see until the event.

'Sweat the details'

Having plenty of time and good help also allows for more of a cushion in combing over the finer details

involved in planning a special event, organizers say.

"We like to spend a lot of time up front so we don't have surprises," says Bulla with Metrolina. "Sweat the details — they really do matter."

Consider the time of year, for example. If it's being held in winter, he says, think about having a place for people to put their coats.

It's also important to consider the time of year.

Pulling off a successful golf tournament in the summer may be harder than it appears, for example, says Denise Pribis with the Cape Fear Botanical Garden in Fayetteville.

It's harder to get corporate sponsors, Pribis says, when "it seems like everyone's doing a golf tournament."

Pribis has been planning the 3rd annual Murder Mystery Weekend scheduled for Feb. 13-14. The event, which has been a sell-out for the past two years, is one of several fundraisers the garden holds every year.

It's important to hammer out details if vendors are involved or if the event is being held in a hotel or other facility, she says, so that all parties involved know what to expect and have all the expenses laid out.

"Get everything in writing," says McLoughlin with the Montessori School of Raleigh. Secure contracts with caterers and other vendors early, she says, and carefully inspect the event space to check out electric plugs and other details.

"It's the little details that make an event spectacular," she says.

Organizers also suggest doing an evaluation after an event to review what worked and what didn't.

Last but not least: Have fun.

"Have a good time with it," says McLoughlin. "Just give yourself plenty of time."

BLUE CROSS

CONTINUED FROM PAGE 1

may as well be for-profit."

The conversion of health-care institutions, including insurers, and hospitals, has led to the largest transfer of charitable assets in history, according to an estimate last year in the *New York Times*.

Under pressure from some of its largest members, the national Blue Cross and Blue Shield organization in 1994 changed its rules to allow its member Blue Cross organizations to become for-profit enterprises.

Several Blue Cross organizations across the nation have completed conversions, while about a dozen others are in various stages of regulatory or legislative approvals, corporate restructurings or mergers, or are involved in lawsuits.

In California, all of the assets of the Blue Cross — totaling \$3.2 billion — were transferred to two charitable foundations when the plan converted to a for-profit enterprise. At the other end of the Blue Cross conversion spectrum, Georgia regulators approved the switch of their Blue Cross without any assets being set aside for charitable purposes. A class-action suit has been filed over the handling of the conversion.

Asking questions

A panel of lawmakers, regulators and others has been asked by the N.C. General Assembly to come up with some answers before the legislature reconvenes in May. A one-year moratorium barring Blue Cross from converting expires Aug. 1.

The struggles result from legal requirements stretching back to common law specifying that the assets of charitable organizations should always remain in the service of charity. Charitable organizations generally are expected to transfer to charitable purpose all of their assets when they convert to for-profit companies.

In response to Blue Cross conversions across the country, the N.C. Department of Insurance, in preparation of last year's legislative session, drafted proposed legislation that would have established rules for Blue Cross of North Carolina.

Blue Cross supported another measure that won approval from the N.C. House and Senate before it stalled in a conference committee after questions from the public were raised.

"That bill was on a speed course," said Adam Searing, project director for the N.C. Health Access Coalition and an advocate who lobbied against passage of the bill.

"I don't think a lot of the legislators realized what was at stake."

The study commission was created to examine the issues surrounding the conversion questions.

What is Blue Cross' purpose?

Whether Blue Cross and Blue Shield of North Carolina is a charitable organization will be a key issue.

Blue Cross says it is not a charita-

ble organization.

"The company is a nonprofit medical services corporation," says Lynne Garrison, spokeswoman for Blue Cross. "It is not and has never been a charitable 501 (c) (3) nonprofit. It is not a charitable organization under North Carolina law. Its articles of incorporation do not include a charitable purpose. The certificates of incorporation of our predecessor organizations did not include a charitable purpose."

"It's bylaws and the bylaws of its predecessor organizations do not include a charitable purpose and it does not receive tax-deductible donations from the public, as do charities," she says.

Even so, it is a charitable organization, says Peter Kolbe, general counsel for the N.C. Department of Insurance.

"They are a charitable organization," he says. "That's what the legislature called them in 1941. That's what the legislature called them in 1944."

While that description later "mysteriously disappeared" from statutes, Kolbe says, they continued to enjoy tax breaks given to other similar charitable organizations and behaved as one."

Who are its owners?

Blue Cross says before anyone can get around to determining who should receive any of Blue Cross assets, the ownership question needs to be settled.

"It's unclear who has an interest in the company, Garrison says. "Is it policyholders, the public or some combination of the two?"

Searing says the answer is clear. "When Blue Cross says things like 'We belong to subscribers' it's just a smoke screen," he says.

"My mom was a subscriber in the 60s and 70s. Does she have an interest?"

Typically, charities are considered to have no owners.

A state appeals court in New Jersey ruled in October that its Blue Cross, organized with language similar to North Carolina's, was a charitable organization.

"We view that the entire fair market value of the company is subject to a charitable trust," Kolbe says. "Policyholders do have certain rights, the right to have claims paid and to have the company remain financially viable."

What is its value?

People on both sides of the debate say assessing the value of Blue Cross would best be left to the same forces that initiated the discussion: the economic marketplace.

Blue Cross has \$898 million in value on its books when measured according to regulatory standards, says Kolbe. But that sum does not represent readily available cash, he says. Nor does it include the value of Blue Cross' subscriber lists, trademarks and other intangibles.

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