

Opinion

Philanthropy Journal

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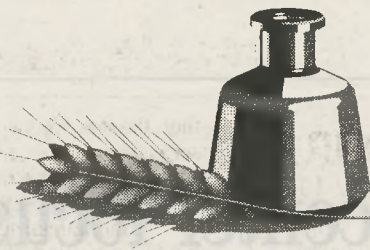
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Raising money the old-fashioned way

Nonprofits must learn how to ask

EDITORIAL

Charities must feel like kids in a candy store — but with their hands tied. In the face of a massive buildup of wealth, nonprofits remain poorly equipped to tap that wealth.

The prospects for raising charitable dollars are enormous because of the boom on Wall Street and the unprecedented transfer of an estimated \$10 trillion from the generation that came of age in the Depression to the baby boomers.

Despite the increasing sophistication of the fundraising profession, however, nonprofits have just begun to prepare themselves to seek, find and secure charitable dollars.

And wealthy people don't know enough about the needs of nonprofits, or about how to take advantage of planned giving opportunities that can benefit nonprofits.

Nonprofits also find it tough to raise money from foundations and corporate funders that increasingly are asking nonprofits to be more business-like and entrepreneurial in managing their organizations. And because of limited resources, many nonprofits lack the organizational capacity to manage themselves efficiently — making it doubly hard to raise money.

Professional fundraisers say that the main reason Americans do not give more to charity is because no one asks them to.

But nonprofits understand only too well that it's tough to ask when you're not prepared to ask.

Nonprofits can do a lot to better equip themselves to raise money:

- Begin to think and act more like businesses, operating efficiently so they can make the case to potential funders that financial support will be used wisely.

- Become educated quickly about the broad range of strategies and vehicles available for charitable giving, particularly planned giving.

- Either hire development officers or train existing staff to raise money.

- Persuade funders to pay for creating a professional development operation.

- Make clear to board members that they are expected to be active fundraisers, and educate them about how to raise money.

- Ask.

Fundraising is hard work. It's also essential if nonprofits are to fulfill their missions of making our communities better places to live and work.

Making a difference

Time for foundation action on tobacco

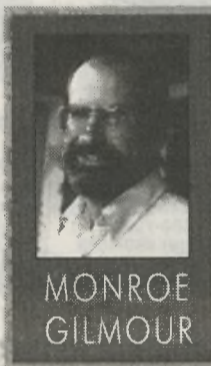
Reading a recent Z. Smith Reynolds Foundation annual report and absorbing its messages of inclusiveness and the foundation's commitment to convening interested parties on various issues, I could not help but wonder why the foundation does not create a "focus category" on the most obvious of contemporary North Carolina concerns: tobacco.

Understandably, tobacco is a ticklish area for discussion due to the foundation's origin and long-term family connections.

Making this suggestion is equally ticklish for me because the foundation was good enough to award me one of its 1992 Nancy Susan Reynolds Awards for community service.

I do not want to appear ungrateful or to be biting the hand that fed me so graciously, but, in the spirit of those awards and the community challenges they encourage, I do think it is time for the Z. Smith Reynolds Foundation and other tobacco-originated foundations to address

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MONROE GILMOUR

tobacco head on.

From choice to race to land-use to the very makeup of our democracy, the Z. Smith Reynolds Foundation has plunged in and made a difference in North Carolina.

To address hog farming, political financing, racism, illegal drugs and other key societal issues while being silent on tobacco, especially in North Carolina, diminishes the foundation's otherwise superlative credibility.

Today, the challenge for the Z. Smith Reynolds Foundation and other tobacco-created foundations in North Carolina, is to explore openly and forthrightly the environmental, economic, health and political impact of tobacco on North Carolinians now and in the future.

With daily revelations of how the tobacco industry misled the public about tobacco's addictiveness, manipulated ad campaigns to attract young people to smoking, caused untold deaths and sickness, and caused numerous other deleterious impacts on the community, the foundation's voice on this issue at this time would be constructive.

True, the foundation no longer has tobacco stocks, but the association, perceptions and some level of ethical accountability are still there. The greatest action the Z. Smith Reynolds

Foundation could do in 1998 is to develop a "focus category" that addresses tobacco issues in light of today's altered environment.

For example, the foundation might consider the following activities:

- Convene a series of conferences around the state titled "North Carolina: Whither Tobacco?" Or perhaps "Tobacco: Whither North Carolina?" The purpose would be to examine tobacco's positive and negative contributions to North Carolina past, present and future. Economic, environmental health, social and political aspects as well as the dilemmas these create could be explored and an action plan developed to position the state to the new realities surrounding tobacco.

- Encourage innovative alternative crops and farming strategies for North Carolina's many tobacco farm families caught in the middle of this controversy.

- Encourage cutting-edge education projects to discourage youth smoking.

- Encourage nontraditional education projects to discourage smoking among expectant mothers and any people with children in the home.

- Be proactive in letting grassroots organizations working on tobacco issues know that their grant proposals are welcome.

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Cutting through the bull

Movies offer food for nonprofit thought

Nonprofits can profit from the messages of two movies showing on screens throughout America, "The Truman Show" and "Bulworth."

Truman is a carefree insurance salesman who gradually discovers his entire life has been the subject of a 24-hour-a-day cable TV show. Realizing he's a prisoner of the media, he fights to free himself.

Bulworth is a jaded U.S. senator so fed up with the lies and payoffs of politics, he takes out a contract on his own life. Liberated by his impending death, he begins to speak with naked honesty about our rawest wounds, particularly race, and about the influence-peddling that keeps us from healing those wounds.

Both movies beckon us to stop being victims and to take our fate in our own hands. We simply feed the money-grubbing frenzy of politics and the media by buying the products they hawk, whether political candidates, tabloid fare or the commerce on which politics and the media depend for financial support.

Unlike Truman's world, which was created by a benevolent TV director and is filled with actors who are not what they seem, and Bulworth's, which is riddled with the excesses of hardball politics, the nonprofit world mainly

ABOUT CHANGE

consists of hard-working people with good intentions.

Yet the nonprofit world can be just as suffocating as the worlds of Truman and Bulworth. Despite their lofty aims, nonprofits face down-to-earth financial needs that can prompt them to fall prey to the same pandering and manipulation that infect politics and the media.

The nonprofit world, for example, can seem like an exclusive club, with financial support often a function of who you know and how well you play the game.

Nonprofits, for example, tend to avoid honest criticism of the foundations, corporations and government agencies on whose support they depend. And while nonprofits talk the talk of collaboration, behind the scenes they often snipe at one another over turf.

For their part, foundations, corporations and government espouse openness and risk-taking. Yet they can be arbitrary and locked in the trends of day in the programs they fund and in the rules they ask nonprofits to follow to win support. And nonprofits just play along, doing

what they must to get what they want.

Nonprofits shoulder the tough jobs in our communities and serve as society's research-and-development arm. At a time of growing social needs and rising competition for resources, people working in the nonprofit world can move beyond their acceptance of business as usual. They can be more honest about themselves and their supporters, and about the problems that ail us. And they can be more innovative, collaborative and entrepreneurial in attacking those problems.

Depending on how it's handled, for example, the new statewide group that foundations are forming to advise Gov. Jim Hunt could improve communication among funders and with nonprofits, or it could simply reinforce an existing system that favors savvy insiders.

"Truman" and "Bulworth" are far-fetched fables about American politics and media. But their insights into the need to cut through the bull and be true to one's principles suggest practical steps nonprofits can take to make change happen.

Todd Cohen