

NONPROFIT BEST PRACTICES: IMPLEMENTATION OF AN EFFECTIVE CAPITAL CAMPAIGN



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EXECUTIVE SUMMARY

INTRODUCTION

Camp Talahi has undergone multiple transitions over the past several years, including the shutdown of 2009 and the re-opening in 2012 under its new name: Camp Talahi Retreat and Nature Center (CTRNC). Although CTRNC has been around for nearly a century and has operated as a nonprofit organization, it received official 501c3 status in 2012 after it reopened. Since then, the CTRNC Board of Directors (BOD) has sought to establish the organization as an independent entity from its parent organization, Michigan Conference of the United Church of Christ (UCC). In order to accomplish this, the BOD must purchase the land on which the camp resides from the UCC. With this goal in mind, the BOD attempted to implement a capital campaign to raise the funds for this purchase. Thus far, they have been unsuccessful. The purpose of this report is to analyze the current management and operations of CTRNC using nonprofit best practices, and develop a strategic plan to purchase the property: How can nonprofit best practices relating to the Board of Directors, financial management and forecasting, as well as the development process be implemented to increase capital campaign success?

ANALYSIS

To conduct a thorough analysis of CTRNC, four core areas need to be examined: The Board of Directors (BOD), financial management and budget forecasting, the development cycle and fundraising, and the current state of the capital campaign, while also keeping in mind stakeholder examination and IDEA (inclusion, diversity equity, and access). To analyze the current management and organizational state of CTRNC, operations were evaluated in comparison with nonprofit best practices, an organizational infrastructure checklist analysis, in-person interviews, and a campaign readiness survey. The results from this analysis were then benchmarked against organizations of similar mission, size, and operational costs.

To thoroughly analyze the BOD, individual interviews were conducted with BOD members to understand motivation for Board participation, perception of the current BOD, experience with both high- and low-functioning 501c3 Boards, understanding of nonprofit BOD best practices, characteristics of the ideal BOD member, opinion on BOD member contracts, expertise in development and capital campaigns, and individual roles moving forward. Designed using nonprofit management BOD best practices, these interviews were conducted in a private setting, and all statements made by the BOD members are kept confidential.

To thoroughly analyze CTRNC's financial management and budget forecasting, nonprofit best practices were examined, including a definition of roles between the BOD, staff, and vendors, i.e., hired accountants and auditors, nonprofit finance and operations reporting, nonprofit budget forecasting, reserve fund standards, as well as legal, governance, and audit requirements. An organizational infrastructure checklist analysis was also conducted, which highlights financial management and budget forecasting shortfalls.

To thoroughly analyze CTRNC's development cycle and fundraising, nonprofit best practices were examined, including annual, major, planned, corporate, and foundation giving, prospect identification, research, cultivation, solicitation, and donor stewardship and stratification, fundraising goal-setting, budgeting, and timeline management, client relationship management software, and process management. An organizational infrastructure checklist analysis was also conducted, which highlights development cycle and fundraising shortfalls.

To thoroughly analyze the current state of the CTRNC capital campaign, each member of the BOD completed a Campaign Readiness Evaluation Survey. Designed by the Association of Fundraising Professionals, which sets the industry standards for advancing philanthropy by enabling people and organizations to practice ethical and effective fundraising, the Campaign Readiness Evaluation Survey was created as a blueprint for evaluating internal and external campaign readiness.

FINDINGS

After comparing CTRNC management and operations to nonprofit best practices, completing an organizational infrastructure checklist analysis, conducting individual interviews with BOD members, and completing the CTRNC Campaign Readiness Evaluation Survey, it is clear that CTRNC was ill-prepared to move forward with the capital campaign implementation in 2012. Members of CTRNC's BOD lack knowledge and expertise of nonprofit best practices, as well as roles and responsibilities of BOD members, including financial, time, and committee leadership commitments. CTRNC lacks proper governance best practices, including recordkeeping, a BOD member handbook, a risk evaluation, and management systems.

While there is significant passion for CTRNC and desire to establish the organization as an entity separate from the UCC of Michigan, the BOD lacks a strategic plan to accomplish this goal. As shown in the BOD member interviews, CTRNC BOD members do not fully understand the difference between a capital campaign and a contract of sales with the UCC and a lending company, nor the legal and financial responsibility associated with a loan.

From a financial management standpoint, CTRNC does not have an operating budget, nor does it forecast its finances on an annual basis. There is little known about CTRNC's true expenses due to undocumented operational donations and volunteer support. It has not conducted an internal or external audit, nor does it have proper documentation policies and procedures in place. CTRNC has also seen a steady decline in campership since the early 2000s, which has forced staff to seek alternative funding from rentals and educational programming. However, it is clear that CTRNC does not have the expertise or staff to evaluate revenues sources or market to new sources. When it comes to financial management, there is little clarity on role definition or separation between the BOD, staff, and its outside accounting firm, Sloan and Associates CPAs, PLLC. CTRNC lacks operations, reserve, scholarship, and capital campaign account separation, as well as proper maintenance of restricted funds. Finally, CTRNC does not clearly maintain legal or governance documents, or conduct annual, internal or independent audits.

From a development and fundraising standpoint, CTRNC lacks a case statement, a fund development plan, and proper prospecting or recordkeeping of annual, major, legacy, corporate, and foundation donors. While CTRNC financial records exist to keep track of who has donated in the past, the organization lacks processes to cultivate stronger relationships with current donors or recognize them for past donations or support. The BOD has little knowledge of, or experience with, the development cycle, including prospect identification, research, cultivation, solicitation, and donor stewardship and stratification. Because CTRNC lacks development staff, it has been unsuccessful in effective use of its client relationship management software, Salesforce, as well as hosting goal-centric annual fundraisers equipped with clear budgets, timelines, or processes.

From a capital campaign standpoint, while a score of 85-100 on the Campaign Readiness Survey would indicate that an organization is ready to launch a capital campaign immediately, the results from CTRNC's Campaign Readiness Survey resulted in an average score of 51.11 and a median score of 54. According to the survey scoring system, both the mean and median are lower than the lowest interpretations of these scores, indicating extensive preparation is essential to the success of the campaign, and serious re-organization is needed before beginning a capital campaign. This survey was conducted to evaluate BOD member opinions on the state of the current organizational preparedness and structure. After this survey was conducted, further exploration concluded that CTRNC's current capital campaign was, in fact, not actually a capital campaign. Rather, it is a contract of sale from the MI UCC to CTRNC, brokered through a UCC-based lending company. From the interviews with the BOD, it was clear that while the members understood this contract was a purchase agreement, they did not understand the difference between this and a true fundraising capital campaign, nor did they understand the financial and liability risks associated with such a contract.

RECOMMENDATIONS

It is clear that CTRNC needs to undergo substantial change if it wishes to survive as an organization. Even further change will need to be implemented to position CTRNC for a successful capital campaign. However, given recent pressure from the UCC of Michigan to complete the sale of their land, a modified strategic plan will need to be developed and implemented to expedite the purchase of land on which the camp resides. The focus of these recommendations will be on CTRNC BOD education and best practices, financial management and budget forecasting, successful development and fundraising strategies, and campaign preparation and readiness.

To create a culture of leadership, CTRNC's BOD must establish a consistent and re-creatable BOD member search and nomination process, with clearly defined financial, time, and committee commitments, while strategically targeting a diverse range of expertise necessary to lead and manage all areas of the organization. To establish expectations, CTRNC should implement and promote a BOD member Contract based on nonprofit best practices and standards of nonprofit organizations. An Executive Committee must be established with the primary goal to design and implement a strategic plan for the organization, which will define and separate BOD and staff roles and commitments. Each BOD member should be expected to Chair a committee suited to either her/his expertise or passion, set committee goals, recruit committee members, and establish a timeline to complete these goals.

To achieve successful financial management and budget forecasting, CTRNC must develop an operating budget and annual financial forecast that includes a plan of action to research and increase revenues, understand, analyze, track, and possibly reduce expenses, thoroughly document all donations, and adhere to legal separation requirements of restricted funds. This budget should be maintained by the Executive Director, with monthly analysis by a qualified Finance Committee, chaired by the Board Treasurer. Financial management best practices should be implemented, including regular legal and governance

reviews, and an independent financial audit should be conducted on an annual basis. The Executive Director and the Finance Committee must work closely with its outside accounting firm, Sloan and Associate CPAs, PLLC, to ensure report clarity and consistency.

In order for CTRNC to transition into a donor-centric organization, it must implement a development cycle that includes prospect identification, research, cultivation, solicitation, and donor stewardship and stratification. With limited staff and resources, it is crucial that the BOD plays an active part in fundraising and commit to donating and/or raising a minimum of \$10,000 per BOD member annually. However, given the minimal expertise in development and fundraising, CTRNC should hire a Director of Development to help BOD members create individualized strategies to achieve their minimum fundraising requirements, implement an annual giving campaign, as well as create an outline for a successful annual appeal and fundraiser. Beyond the Director of Development, the Fundraising Committee must use best practices to identify and build relationships with potential major donors, as well as outline a plan of action to implement the capital campaign. If, after meeting with UCC officials to understand expectations, it is determined that a traditional capital campaign is not feasible given the time constraints imposed by the UCC, the BOD must analyze the legal and financial responsibility associated with a contract of sale loan and determine if it should enter into this type of agreement or close the camp for good.

From the BOD member interviews and the Capital Campaign Readiness Survey, it is clear that CTRNC must reevaluate its current capital campaign. Because CTRNC has already spent years working on a capital campaign to move forward with this purchase, without producing substantial results, CTRNC must establish a clear timeline with the MI UCC. If it is concluded that the timeline and expectation is not conducive to starting a capital campaign after fixing certain organizational issues, the BOD will need to decide if it is willing to enter into a formal contract of sale that includes ongoing financial and legal responsibilities. This decision will greatly affect not only the future of CTRNC, but also its stakeholders, including future generations of youth who would be impacted by the leadership, strength, spiritually, and sense of community that comes with developing a connection to CTRNC and its constituents.

INTRODUCTION

A capital campaign is an intensive, time-limited effort, usually between two and five years, to raise money for a project of at least \$100,000 that presents a one-time need over and above the annual budget¹. Capital campaigns traditionally finance large projects, such as building new facilities for universities or schools. Back in 2013, Camp Talahi Retreat and Nature Center (CTRNC) embarked on a capital campaign to raise \$1,000,000 to purchase the land on which the camp resides. The land is currently owned by the Michigan Conference of the United Church of Christ (UCC), which leases the land to the CTRNC for \$1,000 per month. Because of purchase interest from the Department of Natural Resources (DNR), the CTRNC Board of Directors (BOD) decided the best course of action was to buy the property outright.

In 2014, members of CTRNC's BOD met with UCC officials to discuss a lending agreement with the UCC and its lending arm, Cornerstone Fund—which works to strengthen local churches in the United Church of Christ by offering real estate-secured loans that help churches repair, renovate, and expand their facilities, improve accessibility, refinance real estate debt, and more [with] low-cost loans totaling more than \$200 million²—as a way for CTRNC to purchase the land on which the camp resides. According to the verbal agreement made during that discussion, even though Cornerstone Fund typically only lends up to 65% of the loan if its purpose is for land development or purchase, the UCC agreed to partner with Cornerstone Fund to lend 100% of the loan payment so long as there are three years of payments in escrow (monthly payments of about \$3,360, or roughly \$120,000 in total). The dead would transfer at escrow. The verbal agreement states the total loan will be broken into two equal loans of \$500,000: one of which will be loaned through the UCC Cornerstone Fund—structured as a 30 year amortization (AM) schedule, with interest to reset at year six based on the London Interbank Offered Rate (LIBOR); the second loan will be financed directly through the UCC and will commence after the conclusion of the final payment to Cornerstone, with identical payments and AM.

After nearly five years since the CTRNC embarked on its capital campaign, members have raised just under \$50,000, with \$14,000 in loan to general operating expenses. On February 3, 2018, members of CTRNC's BOD again met with UCC officials to report on the progress of the capital campaign, and discuss the current leasing agreement, that expired in the summer of 2016. The UCC agreed to abstain from enforcing a new lease, which proposed an increased rental agreement of \$1,250 per month, until an upcoming meeting in May 2018 where CTRNC will present an operating budget, plan to secure the \$120,000 minimum required to enter into the contract of sale, and a plan to ramp up the capital campaign. The UCC informed CTRNC that Cornerstone Fund has partnered with a much larger lending firm, and if and when CTRNC enters into the contract of sale, it will be able to contract through Cornerstone—with backing from the larger firm—for the full \$1,000,000, without a separate contract with the UCC.

Purpose

Unlike the current state of CTRNC's capital campaign, the implementation of an effective and efficient capital campaign will not only help the organization achieve success to buy the land on which it resides, but will also lay the foundation for stronger annual giving, increased volunteer involvement, heightened public awareness, established major and planned giving programs³. But it cannot be successful without the right internal and external readiness measures, which have been determined by strict nonprofit management best practices.

The purpose of this report is to circumvent continued failure of CTRNC's capital campaign. It will focus on answering one question: how can nonprofit best practices concerning the Board of Directors, financial management and forecasting, and the development process be implemented to increase capital campaign success? It will analyze legal requirements, infrastructure, financial stability, leadership, time, planning, outreach and marketing, public perception, and donor potential using literature-supported best practices, benchmarking, a campaign readiness survey, as well as interviews of BOD members to measure motivation and understanding of roles, responsibilities, and obligations.

How can nonprofit best practices concerning the Board of Directors, financial management and forecasting, and the development process be implemented to increase capital campaign success?

Background

Who is CTRNC: Camp Talahi Retreat and Nature Center, Inc. (CTRNC) is a nonprofit organization formed by a consortium of Michigan Conference of the United Church of Christ members and ministers. CTRNC is a 501c3, tax-exempt entity under Michigan and federal law (Appendix A).

CTRNC has been organized for the purpose of administering camping and retreat programs on the Camp Talahi property for future generations of UCC members and other interested individuals, families, and congregations. Camp Talahi has played a vital role in supporting youth and outdoor ministry, and we believe that through careful planning and thoughtful operation, Camp Talahi can once again play a pivotal role in the lives of Michigan UCC members of all ages.

Mission: Camp Talahi serves as a retreat center for churches, secular organizations, and individuals throughout Michigan. Away from the pressures of everyday life, Camp Talahi offers a singular, spiritually enriching environment wherein one grows to a better understanding of God, oneself, and one another. Camp Talahi provides an “up-north” Christian retreat experience in close proximity to church and home⁴.

Stakeholder Analysis

Stakeholders are individuals or groups involved with an organization and have an interest in the fulfillment of its mission, including BOD members, employees, volunteers, donors, strategic partners, beneficiaries of service, and more⁵. For the purposes of this report, the key stakeholders to consider when analyzing the capital campaign’s mission to transfer ownership of property are the Michigan Conference UCC—with the help of the UCC lending partner, Cornerstone Fund—and the CTRNC BOD.

But there are other stakeholders to consider as well. Arguably the most important of which are the campers who have attended CTRNC in the summer. Having served thousands of campers over the years, CTRNC has provided a safe, engaging, motivational, spiritual, judgement-free environment for youth to connect with nature and each other. Studies show that youth who experience summer camps benefit from building deep and lasting relationships, physical and mental stimulation, experienced independence, social, socio-economic, and gender-role freedom, skill development, interest expansion, increased self-awareness and confidence, creative expression, and developed appreciation and gratitude. Across gender, age, and ethnicity, youth who experience resident summer camps show significant growth in positive identity, social skills, physical and thinking skills, and positive values and spiritually, beyond what would have been expected by maturation alone⁶. As a certified nature center, CTRNC also increases children’s emotional affinity towards nature, their ecological beliefs, and willingness to display ecological behavior⁷. Many CTRNC campers have reported that their camp experiences have helped shape who they are today, as leaders, friends, and community members. Others state that CTRNC is the first place they have ever felt secure enough to be themselves.

Without CTRNC, future campers would lose out not only on these important developmental experiences, but also the connection it provides to the “camp family”—those past campers, volunteers, and community members who are actively engaged with CTRNC—and the potential it could provide for UCC membership longevity. CTRNC serves as the only youth ministry camp within the Michigan Conference UCC. With more than 160 UCC churches in the state, CTRNC is positioned to be a substantial contributing factor to UCC membership longevity and sustainability; youth who are engaged with UCC-based activities and facilities should have a higher propensity to stay engaged as members of the UCC as adults. Youth that may lose connection with the UCC by adulthood are more likely to stay engaged with the UCC through their experience and connection to CTRNC. These individuals continue to engage with the UCC and CTRNC as they attend young adult camp, host their family reunions, retreats, gatherings, weddings at CTRNC facilities, attend family camp after having families of their own, and eventually send their own children to CTRNC to share in the same experience and youth development.

Motivation

Both primary stakeholders in this case have incentive to complete the property sale transaction. The Michigan Conference UCC no longer desires to be financially responsible for the property on which CTRNC resides. In 2011, they were approached by the DNR, who offered to purchase the land for \$1,100,000. The UCC approached the CTRNC BOD to see if they were interested in purchasing the land instead. The UCC and the CTRNC BOD collaborated on a sale of property that gave financial flexibility to CTRNC. The deal was made in good faith. However, the CTRNC BOD has requested numerous extensions to fulfill the escrow requirements, and payments to the UCC have remained at rent level. Should this continue, the UCC could choose to sell the property to an outside buyer and away from CTRNC, forcing the camp to close. Neither CTRNC nor the UCC wish to see the camp shut down, so they maintain negotiations while CTRNC takes steps toward nonprofit best practices.

ANALYSIS

Application of Relevant Literature

The question of how nonprofit best practices related to the Board of Directors, financial management and forecasting, and the development process, be implemented to increase capital campaign success can best be answered by conducting an analysis of actual practices of Camp Talahi Retreat and Nature Center (CTRNC) in comparison to these best practices. This analysis must then be benchmarked against organizations of similar mission, size, and operational cost. Literature review of best practices, as well as selected analytical methods, will ensure that final recommendations follow nonprofit best practices of comparable organizations, and will allow for successful completion of the CTRNC capital campaign.

The best-practice literature reviewed for this report shows that the success of any capital campaign relies on the overall success of the organization itself⁸. But what makes a successful nonprofit organization? The first step to nonprofit success is governance, which is the function of oversight that a group of people assume when they structure an organization around a specific mission or community-based goal and incorporate under the laws of a state for an organizational purpose that qualifies for nonprofit status [501c3]⁹. Nonprofits are governed by a Board of Directors (BOD), who make policies and are responsible for how money is generated and spent toward the accomplishment of a mission¹⁰. A good BOD starts with good members. Despite the many reasons to join a nonprofit BOD, including job requirements, social status, personal or professional development, or satisfying social needs, the most important quality of a BOD member is his/her passion or belief in the organizational cause or mission. BOD officers have the responsibility to set the tone for organizational leadership, and their duties are often described in the organization's bylaws¹¹.

Determining the composition of the BOD is based on which life cycle stage the organization is in, as well a demographic inventory of the board; the board must not only match an organization's life cycle to the requisite skills of a BOD member, but must also identify diversity variables such as ethnicity, race, gender, age, socioeconomic status, political party affiliation, education level, professional or vocational interests, knowledge of consumer issues, background, skill-set, experience, and location of primary residence¹². Studies show that BOD member diversity is correlated with organization action, including philanthropy, leadership, and BOD member, fundraising, and advocacy engagement¹³. A BOD composed of individuals with similar socioeconomic backgrounds or other familiar traits may reach consensus more often, but it is less likely to formulate challenging ideas or seek out policy reforms¹⁴. Finding diverse individuals to fulfill BOD positions, especially if there are leadership, skills, or expertise gaps pertaining to a certain BOD function or role, is critical to organizational success. Many organizations correctly want a diverse board—one that represents their constituency¹⁵.

There are nine major areas of BOD responsibility: determine the organization's mission; recruit, hire, evaluate, reward, or, if necessary, terminate employment of the Executive Director (ED) of the organization; set policies and adopt plans for the organization's operations; recruit and select new BOD members and provide them with an orientation to the BOD's business; approve the budget, establish fiscal policies and financial controls, and monitor the financial position of the organization; ensure that the organization's corporate and governance documents are updated and secured, and all reports are filed as required; protect and preserve the organization's nonprofit tax-exempt status; develop organizational visibility through networking and linkage to the community; provide adequate resources for the organization through establishment of resource-development goals and commitment to fundraising through giving and solicitings¹⁶. Some experts include an additional BOD responsibility to recognize and retain volunteers, strategic partners, and donors¹⁷. A well-functioning, mission-focused, informed, and influential BOD is essential for long-term organizational effectiveness and survival¹⁸.

These BOD responsibilities are usually broken down and assisted by committees. Often it is the responsibility of BOD members to Chair these committees. Determining the organization's mission and hiring the ED are usually decisions of the BOD as a whole. Setting policies, adopting plans for the organization's operations, and developing a strategic plan fall to the Executive Committee, which is often Co-Chaired by the Board President and Vice President and can include the Treasurer, Secretary, the organization's ED as well as qualified non-BOD committee members with strategic planning expertise¹⁹. Recruiting and selecting new BOD members and providing them with an orientation to the BOD's business is conducted by the Nominating Committee, which is a BOD member-only committee that is often Chaired by the President or Vice President. In smaller organizations, the Nominating Committee is encompassed within the Executive Committee. Ensuring that the organization's corporate and governance documents are updated and secured and all reports are filed as required, as well as protecting and preserving the organization's nonprofit tax-exempt status, can be a primary role of the Secretary (usually in organizations that have a paid staff member operate as the BOD's Secretary), managed by the Governance Committee (usually in larger organizations), or can fall within the scope of the Finance Committee (usually in smaller organizations)²⁰. Developing organizational visibility through networking and linkage to the

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community will fall to the Outreach and Marketing Committee, which should be Chaired by a non-officer position who is either passionate about, or has expertise in, outreach and marketing, include as many BOD members and volunteers as possible, and, if applicable, will include the Director of Outreach and Marketing (usually in larger organizations) or the ED (usually in smaller organizations)²¹. Recognizing and retaining volunteers, strategic partners, and donors should fall to the Stewardship Committee, which should be Chaired by a non-officer position who is either passionate about, or has expertise in, stewardship and will include either the Director of Development (usually in a larger organization) or the ED (usually in a smaller organization).

When it comes to financial management, there are many best practices that determine proper governance, structure, policies, and procedures. An organization must have asset and cash management policies and procedures, as well as documented and up-to-date budgets and cash flow projections. An organization should have a chart of all accounts, including who has rights to each account as well as policies and procedures for making changes to the accounts. Not only does an organization need to keep financial records and documentation, but it must also have a financial records retention policy to ensure that records are not lost. It must have both internal and external control procedures, including contract management policies and procedures—including a bidding system, contracts, and evaluation and monitoring tools—documentation of accounting policies and systems that meet Financial Accounting Standards Board (FASB) and/or Government Accounting Standards Board (GASB) requirements, and employee payroll and expense reimbursement policies and procedures²².

Approving the budget, establishing fiscal policies and financial controls, and monitoring the financial position of the organization is handled by the Finance Committee, which should be Chaired by the board Treasurer and, if applicable, will include the organization's Chief Financial Officer (CFO) (usually in larger organizations) or the ED (usually in small organizations)²³. The Treasurer should have a basic understanding of operational budgeting, cash flow analysis, and revenue forecasting. If there is no CFO, or the ED lacks financial expertise, the Treasurer must be able to prepare the annual cash forecast²⁴. In order to have a balanced budget, revenues must equal or exceed expenditures over a given period of time; a balanced budget is the most important constraint on budgeting²⁵. The Treasurer must have an understanding of fundraising and liquidity management²⁶, and how it will play into the organization's revenue stream and should work with the Finance Committee to establish and maintain a financial reserve which is equal to three to six months of operating expenses. BOD should review and approve the budget for the organization annually. While each board must determine the appropriate budget needed to achieve its mission, various industry benchmarks provide target ranges of 65-80% of expenditures for programs, and 20-35% for administration, fundraising, and evaluation. Nonprofits with an annual total revenue (not including government or restricted grants) of \$250,000 or more must have an independent review or audit of its financials. It is recommended that the BOD has an Audit Committee that does not share members with, and works independently of, the Finance Committee. An organization could accomplish the same goals as the Audit Committee by having annual audits conducted by an independent agency or firm. Nonprofits should also have a system in place that allows individuals to report financial misconduct, without consequence for doing so, i.e., whistle-blower protection policy²⁷.

When it comes to fundraising, there are many best practices that can assist in establishing a proper development cycle. To start, an organization should develop a case statement, which states the gap between a need of the community and available service, as well as an overview of how the organization can help close that gap. Case statements should touch on the outcomes of its service, as well as the emotional connection to the community. Once it is clear why an organization should exist and why the community should want to donate to its future existence, proper policies and procedures should be in place to maintain ethical fundraising practices. Organizations must have a donor database to track donations—both monetary and in-kind and must include a gift acceptance and recognition policy that addresses fair market value and disposal of assets—as well as track donation-restrictions. For example, if a donor donates to an organization's capital campaign, those funds cannot be used for general operating expenses, including the payment of contract employees hired to assist with the capital campaign. An organization must have a donor recognition plan—usually tracked in a client relationship management (CRM) system—which includes provisions for donor privacy, as well as a grants management system that includes copies of every proposal, all grants communication, database information, and reporting requirements/calendar. An organization should have a fund development plan, which details organizational revenue including income gaps that must be addressed through fundraising. The fundraising budget must be clearly defined within the overall organization budget and cashflow forecast projections. Lastly, an organization must keep verification for proper licensing and reporting for fundraising, including the Michigan Charitable Solicitation License²⁸.

Providing adequate resources for the organization through establishment of resource-development goals and commitment to fundraising through giving and solicitings, is led by the Fundraising Committee. This committee should be Chaired by a non-officer position who is either passionate about, or has expertise in, fundraising, should include as many BOD members and volunteers as possible, and will include the Director of Development (usually in larger organizations) or the ED (usually in smaller organizations)²⁹. Because fundraising is crucial to the sustainability of any nonprofit, the board plays a fundamental role in raising money and resources. Because the BOD has the most legal responsibility for the organization and members are chosen because they are willing to take this responsibility seriously, the BOD must take a leadership role in fundraising³⁰. Both the BOD and staff must be educated on the development cycle and its various stages, including donor research, identification, cultivation, solicitation, and stewardship. The BOD should be familiar with the Association of Fundraising Professionals' Code of Ethical Principles and Standards³¹ and assumes overall responsibility for raising sufficient funds to meet the organization's budgeted goals³². It is a nonprofit best practice that BOD members are responsible for making financial contributions in addition to giving their voluntary

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time to the organization. Unanimous giving among the BOD sets the right tone for fundraising. It enhances the credibility of the organization when it seeks contributions from others. Giving is only one part of the BOD member's obligations; the other part is to assist in planning and solicitation activities³³. To provide clear expectations of BOD member roles and responsibilities, instituting a policy that requires BOD members to contribute both financially, as well as serve on/Chair a committee is sometimes employed³⁴.

Because the BOD is closest to the operations and programs of an agency, there is often policy collaboration between the BOD and staff. Depending on the desired outcome, policy implementation can be carried out by the BOD, staff, or both. For example, paid staff can have specific roles in fundraising: help plan fundraising strategies; coordinate fundraising activities; keep records; take care of routine fundraising tasks such as renewal appeals; assist BOD members by writing letters for them, forming fundraising plans with them, or accompanying them to solicitation meetings³⁵. However, the BOD must still participate in fundraising to ensure work is evenly shared. In organizations with limited staff, it is impossible for staff to maintain all donor relationships. With this in mind, it is important that organizations benchmark themselves against those of similar financial and demographic status. Oakland University, for example, has an annual operating budget over \$100 million, with more than 50 paid staff in the roles of development, alumni relations, research, and finance, each with specific revenue goals. It would be unfair to compare the strategies of such a large organization, with ample staff, to that of CTRNC, with one full time staff member. Benchmarking can play a significant role in managing expectations, assigning tasks, and empowering the BOD and volunteers to take on roles like outreach, marketing, and fundraising.

As previously stated, a capital campaign is an intensive, time-limited effort, usually between two and five years, to raise money for a project of at least \$100,000 that presents a one-time need over and above the annual budget³⁶. Capital campaigns traditionally finance large projects, such as building new facilities for universities or schools. Before beginning a capital campaign, an organization must ask itself some vital questions including: what does it take to plan a capital campaign; where does an organization start; is a consultant needed; is a feasibility study necessary; where will the funds come from, e.g., individual donors, corporations, foundations, or the government; what is needed before starting the capital campaign? To answer these questions, an organization should conduct both an internal assessment of the organization's readiness, as well as an external assessment of the willingness and ability of the organization's constituency to support the campaign.

To assess internal readiness, an organization should review staffing and capacity, the BOD's strengths, weaknesses, and capacity, the organizational structure, constituent communications, technology capability, the annual fund and other development history, and gift acceptance policies. Key questions should be asked to evaluate tax-exempt giving, community need, giving history, staff, the BOD, volunteers, and technology: is the organization a 501(c)3 or other charitable organization; is the organization registered with the states in which fundraising will be done; has the organization completed a strategic planning process in the past three years; does the organization offer effective programs that are needed by the community; can a compelling case for support be made for the proposed campaign; is the CEO/ED well known and respected in the community and willing to get involved in the campaign; has the organization identified its top 10 donors and if so, are those donors leadership-gift prospects; has the organization identified its next top 100 donors and if so, are those donors major-gift prospects; have donor solicitation preferences been identified; does the organization know what programs most interest its donors; does the organization have development staff that is experienced in running a campaign; is there adequate support staff; are staff members appropriately assigned according to their interests and talents; will extra staff be hired during the campaign; does the organization have a strong, committed BOD that will support the campaign, both financially, and with their time to help identify, cultivate, and solicit donors; is the BOD well known and respected in the community; is the BOD diverse; do BOD members understand the importance of their role in the campaign; does the organization have a strong volunteer base; does the organization use community volunteers in its fundraising efforts; does the organization communicate regularly with all its constituents; are constituents aware of the organization and its programs; is there a donor database system in place that allows segmentation of donors and personalized appeals; is the organization's technology system capable of recording multi-year pledges and planned gifts as well as matching gifts; is there the ability to generate reports that will be needed by financial institutions that may be lending money for the project while the campaign is being completed; are there policies and procedures in place for accepting, recording, and acknowledging gifts³⁷?

When assessing external readiness, an organization is looking to answer whether or not the community would support the proposed campaign. This is often answered through a planning/feasibility study, which assesses community support after hearing the case, i.e., reasons why an organization both needs and merits philanthropic support—usually by outlining the organization's programs, current needs, and plans. When making its case, an organization must define why it exists, what it does, what aspects are distinct, what must be accomplished, how the campaign will enable this accomplishment, and how donors can become involved. An organization makes its case through its mission, vision, history, statement of community problem, goals of the campaign, objectives to meet these goals, programs and services, staffing, governance, facility needs, endowment (if applicable, budget for the campaign,

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statement of needs, gift range chart, and named-giving opportunities. The purpose of making this case is to appeal both rationally, and emotionally to the donor, e.g., show why a donor should give to this effort³⁸. An effective assessment of external readiness not only defines current community support, but can also be used as a donor-engagement tool. By making the case for a capital campaign and asking top donors and prospects' opinions of feasibility, planning study interviews could be used to inspire these donors and prospects to give top amounts as defined by the table of gifts.

Analytical Methods

In addition to literature-supported nonprofit best practices, this report will also analyze CTRNC by use of an organizational infrastructure checklist analysis on best practices and procedures, individual BOD member in-person interviews, as well as the Campaign Readiness Evaluation survey that was completed by each member of the BOD. Developed by the Michigan Nonprofit Association (MNA) to define and principles and practices for nonprofit excellence in Michigan, the MNA's Basic Infrastructure Checklist outlines the foundation for registered nonprofit organizations conducting business in the state of Michigan, including basic documentation, systems, and support mechanisms that will enhance organizational accountability, sustainability and effectiveness. This checklist is designed as an assessment tool, focused on organizational communication, evaluation, financial management, fundraising, governance, human resources, information and technology, planning, public policy and advocacy, strategic alliances, transparency and accountability, and volunteer engagement³⁹. To evaluate the current organizational state of CTRNC, this checklist was filled out to determine the organization's current practices and procedures in each of these areas. For each item, CTRNC had to check if it had the policy or procedure, did not have the policy or procedure, or was in the process of obtaining the policy or procedure.

To gain information on BOD members' history with the organization, motivation for being on the BOD, and current understanding of roles, responsibilities, and obligations of BOD members, in-person interviews were conducted using an open-ended questionnaire. This analytical method was selected over other methodologies, e.g., focus group with the entire BOD or a written questionnaire, to allow each BOD member the opportunity express, in a private setting, possible concerns including whether or not they were ever educated on the roles, responsibilities, and obligations of BOD membership, as well as concerns related to individual time capacity and nonprofit expertise limitations. This analytical method was also selected because it would afford each BOD member a platform to develop a customized strategy for BOD member success. Conversely, should a BOD member not feel confident in his/her ability to fulfill member obligations, this methodology will allow him/her to discuss the possibility of stepping down from the BOD, as well as a platform for how he/she may wish to maintain organizational involvement. In-person interviews allowed for compassionate, personalized attention, which is crucial to strengthening BOD motivation and participation. Each interview included 22 questions and took approximately one hour to complete. The interview included questions aimed at understanding each BOD member's history with, and passion for, CTRNC, perception of the current BOD including strengths, weaknesses, opportunities, and threats (SWOT), knowledge of, and experience with, well-operating BODs and their best practices, opinion of the newly implemented BOD member contract, experience and comfort with fundraising, experience and comfort with committees, and desire to remain on the BOD given new BOD member requirements.

To determine whether or not CTRNC was/is ready for a capital campaign, each BOD member completed a Campaign Readiness Evaluation survey⁴⁰. Developed by the Association of Fundraising Professionals (AFP), this survey was designed as both an internal assessment of the organization's readiness, and an external assessment of the willingness and ability of the organization's constituency to support a capital campaign. To assess internal readiness, this survey audits essential development processes, i.e., staffing and capacity, the Board's strengths, weaknesses, and capacity, organizational structure, constituent communications, technological capability, the annual fund and other development history, gift acceptance policies, and endowment and investment policies. To assess external readiness, this survey analyzes an organization's case statement—or ability to make the case for why someone may want to donate—the potential for successful capital fundraising, a revised table of gifts, a proposed campaign plan and organizational chart, a recommended overall dollar goal, a suggested campaign timetable and budget, the list of potential donors, and the list of potential volunteers. The survey consists of 20 questions, with each question using a Likert-based scale from 0-5, where 0 means that a serious problem exists, and a 5 means that the goal has been completed. Once all questions have been answered, responses from each question are totaled to give a score out of 100, with 85-100 meaning that the capital campaign is ready to launch immediately, 70-84 meaning that some improvements to the capital campaign are necessary, and 55-69 meaning that extensive preparation is essential to the success of the capital campaign, and serious re-organization is needed before beginning the capital campaign.

FINDINGS

The Findings section of this report will analyze and compare nonprofit best practices and benchmarking methods to the applications of CTRNC. Based on the literature review, an analysis was conducted on CTRNC's BOD, financial management and forecasting, development and fundraising strategies, and capital campaign implementation. In addition to this analysis, the organizational infrastructure checklist analysis, the individual BOD member in-person interviews, and the Campaign Readiness Evaluation survey will be used to develop recommendations to ensure success of CTRNC's capital campaign.

Board of Directors

When comparing BOD management nonprofit best practices to the current CTRNC BOD, it is clear that CTRNC lacks multiple levels of structure and clarity. The CTRNC BOD does not have proper principles of governance, including an executive evaluation plan, risk evaluation and management systems, BOD member recruitment and onboarding procedures, clearly stated BOD roles and responsibilities, legal obligations, and leadership expectations versus staff, an organizational strategic plan, a BOD calendar for meetings and organizational events, and a defined procedure for record keeping (including liability insurance documents), resolutions, and meeting minutes. After analyzing the results from CTRNC's Basic Infrastructure Checklist (Appendix B), CTRNC's lack of strategic direction hinders its effectiveness to ensure that the organization has adequate resources to carry out its mission. The BOD has never conducted a risk evaluation, nor does it have any management systems in place. CTRNC does not have any policies in place regarding BOD member recruitment. To date, BOD member recruitment has occurred via current BOD members asking potential members to attend a meeting, and then join the BOD, without consideration to availability, knowledge base, skill set, availability, diversity, or current BOD weaknesses. BOD terms are not clearly defined, nor are they staggered to ensure at least 50% incumbency and organizational identity. CTRNC lacks BOD new member onboarding and does not hold BOD new member orientations to help members understand mission, roles, responsibilities, legal obligations, or leadership expectations.

In October 2017, the BOD voted to induct the CTRNC BOD Member Covenant (Appendix C), which aims to provide clarity of the roles and responsibilities of the BOD, as well as legal obligations and leadership expectations. The covenant states that BOD members will commit to raising at least \$10,000 each annually, serve on at least one committee, and attend at least 75% BOD meetings. To date, members of the BOD have not signed the covenant. In January 2018, CTRNC's BOD participated in in-person, individual interviews to assess each member's understanding of BOD roles and responsibilities, as well as their areas of expertise and time and financial commitment expectations (Appendix D). Results from the BOD individual interviews show that BOD members are nervous about signing the covenant, primarily due to fundraising requirements. Most BOD members claim that they lack fundraising knowledge and expertise, and do not desire fundraising responsibilities. The results from the interviews also show that most current members of the BOD lack knowledge and expertise of well-functioning nonprofit BODs, especially in terms of time and financial commitments of the BOD members, as well as the capacity limitations of the current CTRNC staff. During BOD meetings there are not consistent agenda or meeting minutes templates, nor are there calls for committee reports. As of December 2017, the Executive Director (ED), rather than BOD members, was serving as the Chair for three committees, including Outreach and Marketing Committee, Annual Fundraising Committee, and the Capital Campaign Committee.

Currently, CTRNC's ED is the organization's only full-time employee. All other employees, including the Maintenance Director, Program Director, and summer employees are part-time and/or seasonal. Despite only having one full-time employee, the current roles and responsibilities of the ED include: marketing and outreach for camp rentals, nature's classroom, and summer camps, finances and operations, donor relations, stewardship, vendor contracts and negotiations, volunteer management, past camper outreach, church outreach, website, information systems, and CRM support, staff recruitment, training, and development, human resources, governance, fundraising, camper scholarship management, the capital campaign, and until 2017, programming. In 2017, CTRNC hired a seasonal Program Director to manage programming for the summer camps. This position manages the programs and activities of the summer camps, including Mini Camp, Junior Camp, Adventure Camp, Junior High Camp, Counselor in Training (CIT) Camp, Senior High Camp, Family Camp, Transgender Youth and Family Retreat, and Young Adult Camp. Because of the substantial workload placed on the ED, CTRNC suffers in terms of financial performance. Since reopen, summer camp registration has steadily declined, along with volunteer support.

In terms of diversity, the BOD is 50% men, and 50% women, and encompasses an age range from 28 to 74 from Oakland, Macomb, Wayne, Washtenaw, and Genesee counties. Even though CTRNC is a faith-based organization, the BOD has members of various types and depths of spirituality. However, all BOD members come from similar socio-economic backgrounds and ethnicity. In terms of benchmarking, CTRNC should be compared with similar faith-based organizations, summer camps, or retreat centers with

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operating budgets between \$150,000 - \$250,000. All BOD members have a similar connection to CTRNC and for sitting on the BOD, i.e., shared experiences of the positive impact CTRNC has had on themselves or their families.

Financial Management and Forecasting

When comparing financial management and budget forecasting nonprofit best practices to the current financial management of CTRNC, it is clear why the organization is struggling financially. From a financial management standpoint, CTRNC does not have an operating budget, nor does it forecast its finances on an annual basis. While CTRNC does work with an accounting firm, Sloan and Associates, to help manage its finances, review of the annual balance sheet report raised some serious concerns. In 2017, CTRNC experienced an operating change in net assets of -\$4,743.97. After further review of this decrease in net assets with Sloan and Associates, CTRNC's Treasurer, and the ED, this net change resulted after a substantial donation made by a church and a loan from the Capital Campaign funds. In 2015, a UCC church who decided to close its doors, donated their final assets of just over \$70,000 to CTRNC. After less than two years of operating expenses, CTRNC has completely spent the proceeds of this donation (\$44,000 in 2016 and \$26,000 in 2017). It is clear from this spending that CTRNC has expenses of at least \$30,000 more than annual revenue or donations. Further, in 2017, CTRNC took a loan of about \$14,000 from its capital campaign fund to help pay for operating expenses, and still had over a \$4,000 deficit at the end of the fiscal year. It seems clear from this spending that CTRNC's expenses exceed annual revenues and donations by about \$44,000 annually. From these numbers, it could be deduced that without another donation of similar size, CTRNC could see a substantial deficit by the end of the 2017-2018 fiscal year (ending October 2018).

Although the bottom line numbers shown in the Sloan and Associates annual balance sheet report are accurate, further scrutiny of the report identified serious concern when it comes to understanding line item expenses. In a meeting with Sloan and Associates, CTRNC's Treasurer, and the ED, multiple line item expenses were identified to be inaccurate. For example, it was unclear how the "event expense" line item was determined. Did this number include advertising for an event, food, t-shirts, etc.? What events were part of this line item? After further discussion, it was determined that Sloan and Associates was categorizing expenses based on standard accounting practices and placing them into categories to the best of their abilities. However, they were not accurate to how CTRNC should be categorizing these line items. If an organization wishes to truly understand their expenses, they must define these categories and work with their financial partners to determine how these expenses should be broken down.

Beyond CTRNC's ability to correctly categorize balance sheet line items, further discussion identified more concerns impeding nonprofit best practice financial management. There is little known about CTRNC's true expenses due to undocumented operational donations and volunteer support. Due to lack of record keeping, in-kind donations and volunteer time have made it nearly impossible to understand certain expenses. For example, on CTRNC's annual work day—a day in the spring before CTRNC opens for rentals or camp sessions—volunteers meet on site to prepare the organization for the season and address maintenance concerns. While this volunteer-led event is positive for the organization, it has hindered CTRNC's ability to truly understand maintenance costs. For example, in the spring of 2017, there was serious damage to the plumbing around campus, caused by a faulty valve. To combat this, volunteers brought materials and tools to help fix the broken pipes. However, there were no records kept of the cost of those materials, tools, or time, nor was there an estimate filed to determine what it would have cost to make the repair. Since there is no documentation to help understand the real costs of this type of expense, it was not included in the Sloan and Associates balance sheet report. Further, since CTRNC has never had accurate record keeping, and there has never been a true budget forecast or cash flow analysis, there is no way clear way to do a cost-benefit analysis to understand how CTRNC could reduce expenses enough to account for the annual \$44,000 deficit.

In terms of revenue, CTRNC has also seen a steady decline in campership since the early 2000s, which has forced staff to seek alternative funding from rentals and educational programming. However, it is clear that CTRNC does not have the expertise or staff to evaluate revenue sources and market to new sources. During its open-season, CTRNC splits its time primarily between weekly summer camps, Sunday through Friday, and then Saturday rentals, e.g., weddings, corporate or organizational retreats, family reunions, company picnics, group camping, etc. In 2016, CTRNC also hosted a Nature's Classroom, which is where an organization can rent camp facilities to host educational or environmental learning opportunities for youth. Currently, the marketing and outreach for all three of these forms of revenue fall to the ED, including direct marketing, online presence, booking, organizing, staffing, and overall management. The amount of time it takes for the ED to manage these revenue sources, along with all other duties currently assigned to the position, has hindered the opportunity to not only effectively market these experiences, but also conduct a cost-benefit analysis on which revenue streams are the most cost-effective. This capacity issue has also prevented CTRNC from taking advantage of continuing its Nature's Classroom programming, which is potentially one of the most cost-effective and highest earning uses of CTRNC's facilities—not to mention, it furthers the mission of CTRNC in its ability to spiritually connect youth, families, and community members with nature. Further, CTRNC has never conducted a market analysis to understand if its pricing is consistent with similar organizations. CTRNC has also never conducted market research to understand if and how it should alter its rental pricing depending on the size, scope, and assistance needed for various types of rental activities, i.e., it takes a lot more time, effort, and management to host a wedding at CTRNC than it does to host a corporate retreat, and yet CTRNC charges both types of rentals the same amount.

When it comes to financial management, there is little clarity on role definition or separation between the BOD, staff, and its outside accounting firm, Sloan and Associates CPAs, PLLC. CTRNC lacks operations, reserve, scholarship, and capital campaign account

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separation, as well as proper maintenance of restricted funds. Finally, CTRNC does not clearly maintain legal or governance documents, or conduct annual, internal or independent audits. From a financial management best practices standpoint, it is recommended that the BOD has an Audit Committee that does not share members with, and works independently of, the Finance Committee⁴¹. An organization could accomplish the same goals as the Audit Committee by having annual audits conducted by an independent agency or firm. Nonprofits should also have a system in place that allows individuals to report financial misconduct, without consequence for doing so, i.e., whistle-blower protection policy⁴². Not only does CTRNC not have an audit committee, it has never conducted an internal or external audit to see which financial practices may be leaving the organization open to financial scrutiny. After discussions with CTRNC's Treasurer and ED, it is clear that the organization does not have established fiscal policies and financial controls. For example, when a donor writes a check to the organization, there are not clearly established segregation of duties, nor delegation of authority for whom should be depositing that check. I.e., checks and balances to hinder embezzlement including writing and signing checks or vouches, or receiving, recording, securing, and depositing cash and other receipts. Currently, CTRNC does not prepare monthly income and expense budgets that compare actual receipts and expenditures to the budget, the organization lacks information system controls that specify protocol for accessing, inputting, and changing electronic data, preserving electronic records retention policy, securing competitive bids from vendors, or approving contracts. The organization also lacks clear definition on who is responsible for filing documents with the state and government to protect and preserve the organization's nonprofit tax-exempt status

Development and Fundraising

For most nonprofit organizations, fundraising is the largest source of revenue. It often funds staff, maintenance, marketing, operations, administration, and more. To combat issues facing nonprofit sustainability and longevity, nonprofits often develop revenue services or products to help maintain the budget. CTRNC has a leg up on many nonprofit organizations in its ability to draw revenue from summer camps and facility rentals. However, this advantage has ultimately pushed CTRNC development and fundraising to the background. With nearly 100 years of existence, and thousands of camper alumni, CTRNC is in the position to have a substantial base for annual, major, and planned giving opportunity. Yet the development and fundraising plan at CTRNC is almost nonexistent.

After completing CTRNC's Organizational Checklist, it is clear that the organization is lacking many important policies and procedures, including a clearly defined support case statement and fund development plan. Even though CTRNC is the only youth outreach arm of the MI UCC, it lacks financial support from the conference at all levels, e.g., national and state arms of the of the conference, individual church support, and individual member support. CTRNC does not have consistent outreach and marketing to the MI UCC, its churches, and its members. MI UCC churches and their members do not know about CTRNC, nor have many heard the value that the organization could bring to them in terms of exciting the next generation of potential members to stay engaged with the church. In 2017, less than 20 church visits were conducted by CTRNC to promote its rental and youth camp services, as well as ways churches and individuals can get involved with the organization. This is largely due to limitations of staff capacity. This responsibility has primarily fallen to CTRNC's ED. With only one full-time employee, and a substantial list of responsibilities including financial management, day-to-day operations, HR management of summer programming and maintenance staff, nonprofit governance, information technology, database and website management, and annual fundraising, it is clear why the ED was not able to schedule and conduct more visits. This lack of connection between the MI UCC and CTRNC has hindered not only development and fundraising, but also other revenue sources including rental services and campership.

Similar to the financial management and budget forecasting section of this report, when comparing development cycle and fundraising nonprofit best practices to the current development and fundraising of CTRNC, it is clear why the organization is struggling financially. After conducting interviews with the BOD members and the ED, it is clear that most individuals involved do not have clear knowledge or expertise in the development cycle. They do not understand the process of donor identification, research, cultivation, solicitation, or stewardship. While most members have participated in annual fundraisers, either for CTRNC or other organizations, they do not understand the importance of each stage of development, or how they relate to the larger picture of fundraising management. Because of this lack of understanding, the majority of development and fundraising practices have fallen to the ED, which again poses a serious issue in terms of staff capacity.

Currently, CTRNC does not have an effective annual giving program, where donors can schedule monthly or annual payments to achieve various annual donation goals. CTRNC does not have any donors who participate in a monthly giving program, even with recent advancement to online giving platforms. When discussing annual fundraising with the BOD and the ED, it is clear that CTRNC lacks many essential development outreach and marketing to engage its camper alumni. While the ED does write a monthly newsletter and occasionally posts events on social media, the data management issues prevent the marketing pieces from effectively reaching potential donors. Without a structured annual giving program, CTRNC does receive some annual support, usually around \$15,000. Since 2016, the ED has attempted to send out an annual appeal letter. After expenses, the 2016 appeal netted about

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\$6,000. Even though this was a good start to an annual fundraising campaign, the 2016 “deficit” of \$44,000 included those donations. When benchmarked against organizations of similar size, structure, years of service, and alumni population, CTRNC should have an annual program that generates about \$100,000 per year. Again, the difference between CTRNC’s current annual giving numbers and annual giving of similar organizations seems to stem from staff capacity. The CTRNC BOD has not played a major role in development and fundraising efforts.

When analyzing CTRNC’s client relationship management system (CRM), Salesforce, it is clear that it suffers from data management neglect. Of the thousands of campers and families that participated in CTRNC summer camps or activities, the organization only has access to those who were entered into the CRM since its reopen in 2012. Prior to this, all registration was managed by the UCC. To date, the UCC has not been able to find CTRNC registration records. As far as the information that is stored in Salesforce, measures have not been taken to consistently enter data and track changes, especially concerning contact information and preference, or even which summer camps were attended by which camper. Without proper data management, it is difficult to accomplish necessary marketing, fundraising, stewardship, and volunteer management. Without verified address or contact methods, alumni will not remain engaged with the organization. Further, due to staff limitations, CTRNC has not been able to effectively use Salesforce to stratify donors based on giving history. CTRNC does not use target marking or stewarding tactics to engage donors and prospects and difference levels of giving. For example, CTRNC will send the same thank you card to a donor who gave \$50, and a donor who gave \$5,000. This poses a serious hindrance to major and planned giving prospects. Under CTRNC’s current structure, there is no way to track pipeline management of donors and prospects to inspire them to participate in transformational gifts, such as those needed for a successful capital campaign.

Capital Campaign

As previously mentioned, in January 2018, CTRNC BOD members participated in a Campaign Readiness Survey. The survey consisted of 20 questions, with each question rated on a scale of 1 to 5, with zero indicating that a serious problem exists, and 5 indicating that a goal is completed. According to the Campaign Readiness Survey, a score of 85-100 indicates that an organization is ready to launch a capital campaign immediately, a score of 70-84 indicates that some improvements are necessary before an organization is ready to launch a capital campaign, and a score of 55-69 indicates and extensive preparation is essential to the success of a campaign and serious re-organization is needed before beginning a capital campaign. With an average overall score of 51.11 and a median score of 54, the results from the CTRNC Campaign Readiness Survey indicate that the organization is ill-prepared for a capital campaign.

The survey showed that the BOD does not believe the organization has a solid infrastructure or financial stability, including appropriate staff, case statement, gift acceptance, or data management policies and procedures. The results from this portion of the survey were mimicked by similar items checked as not completed on CTRNC’s Infrastructure Checklist. The survey also showed that the BOD does not have consensus on the campaign plan and goal, nor do BOD members feel capable of helping with the capital campaign, i.e., the BOD did not conduct an external feasibility study with the organization’s constituents or community members, nor do BOD members feel educated on development and fundraising practices including donor research, identification, cultivation, solicitation, or stewardship. The results from this portion of the survey were mimicked in BOD member responses during the individual interviews. From a staff standpoint, the survey showed that the BOD does not believe the organization’s staff has the capacity to focus on the campaign, nor are there proper annual giving or marketing programs in place, i.e., CTRNC does not have an effective or integrated development processes, nor does it have marketing staff, volunteers, or constituents to develop an effective outreach plan. The results from this portion of the survey were mimicked by similar items checked as not complete on CTRNC’s Infrastructure Checklist. While the BOD does believe that CTRNC serves a real need within the community, the organization has not conducted a market study to assess community need, nor has it done a formal client-satisfaction study, which resulted in lower scores on this section as well. Between the Campaign Readiness Survey, the Infrastructure Checklist, and individual interviews conducted with BOD members, it is clear that CTRNC is not currently prepared to continue with its capital campaign.

After further researching CTRNC’s current capital campaign, it can be argued that the current plan is not actually a capital campaign at all. Rather, it is a contract of sale between the MI UCC and CTRNC brokered through a lending company, which stipulates CTRNC may purchase the land on which it resides for \$1,000,000 by securing at least three years payments, or about \$120,000, to be held in escrow, with monthly payments of about \$3,360 for 360 months, with interest based on LIBOR. CTRNC’s capital campaign goal was the \$120,000, and the timeframe to raise these funds was undetermined. After discussions with CTRNC’s BOD, it is clear that BOD members do not fully understand the fiduciary responsibilities associated exposing CTRNC to the type of personal liability that comes with the fore mentioned contract of sale. When it comes to nonprofit BODs, the main source of personal liability exposure for BOD members stems from the fiduciary duties of care, loyalty, and obedience. Further, directors can be held personally liable for breach of these fiduciary duties⁴³. Because the CTRNC BOD openly acknowledges a lack of understanding and education related to the proposed contract of sale, in addition to knowledge of the organization’s lack of infrastructure and financial stability, it is unclear if CTRNC BOD members would be exposing themselves to personal liability when entering into a contract of sale by way of breach of duty of care. Further, while BOD members can be protected from fiduciary

liability by obtaining directors and officers (D&O) insurance and by requiring the organization to indemnify its directors against attempts to hold them liable, it is unclear whether or not CTRNC's current insurance has a D&O clause stipulating such indemnity.

RECOMMENDATIONS

It is clear that CTRNC needs to undergo substantial change if it wishes to survive as an organization. Even further change will need to be implemented to position CTRNC for a successful capital campaign. However, given recent pressure from the UCC of Michigan, a modified strategic plan will need to be developed and implemented to expedite the purchase of land on which the camp resides. As shown through the nonprofit best practice research and literature review, a nonprofit organization cannot embark on a successful capital campaign without a solid infrastructure. The focus of these recommendations will be on CTRNC BOD education and best practices, financial management and budget forecasting, successful development and fundraising strategies, and campaign preparation and readiness.

Board of Directors

The success of any nonprofit can be determined by the success of the BOD. To create a culture of leadership, CTRNC's BOD must establish a consistent a re-creatable BOD member search and nomination process, with clearly defined financial, time, and committee requirements, while strategically targeting a diverse range of expertise necessary to lead and manage all areas of the organization. The BOD should conduct an analysis of its current members to ensure that it reflects the diversity of the community in which it serves, as well as encompasses varied knowledge and skill sets needed to effectively develop and manage organizational committees. Currently, the CTRNC BOD has eight of its desired number of eleven members. During the BOD Retreat in January 2018, CTRNC decided to restructure the organization's committees to strengthen its infrastructure and help with the workload of the Executive Director (Appendix F). As shown in the chart, the BOD should look to nominate potential members whose skill-sets and interests align with needed committee duties, including someone to Chair the Maintenance and Grounds Committee, someone to serve on the Outreach and Marketing Committee, and someone to serve on the Fundraising Committee. In order to develop a BOD that is representative of the community in which it serves, the BOD should also take diversity into account when recruiting these three new potential members, including race, gender, ethnicity, age, and socio-economic status. While the current BOD is diverse when it comes to gender and age, it is lacking diversity in race, ethnicity, and socio-economic status. Because one of the objectives of CTRNC is to provide camperships to underrepresented and disadvantaged youth, it is important that the BOD is representative of this population.

Once the BOD identifies individuals who could potentially fill its open positions, CTRNC must implement a transparent and effective onboarding process by clearly defining and explaining financial, time, and committee expectations. Before an individual should be nominated as a potential BOD member, the BOD President—and, if applicable, Nominating Committee—should conduct an interview with the potential member to understand past experience, expectations, and passion for joining the BOD (the President can use same questions as Appendix D). These questions will help determine if the prospective BOD member has the knowledge, skills, availability, and passion necessary to truly impact the organization moving forward. The prospective member should be given the BOD Member Contract—or “covenant” in CTRNC's case—to ensure that he/she is comfortable with fulfilling expectations. The BOD President—and, if applicable, Nominative Committee—should discuss current committee needs of the organization. For example, Appendix F shows that CTRNC is in need of someone to Chair the Maintenance and Grounds Committee. The prospective member nominated to take on this role should have an idea of how to Chair this committee, including the ability to set goals and timelines, recruit members, and keep accurate records of committee meetings. The prospective member should be given a committee report template to ensure that record keeping standards are met (Appendix G).

A Strategic Planning Committee must be established with the primary goal to design and implement a strategic plan for the organization, which will define and separate BOD and staff roles and commitments (template shown in Appendix H). The goals outlined in the strategic plan should be comparable to organizations of similar size and scope.

Financial Management and Forecasting

To achieve successful financial management and budget forecasting, CTRNC must develop an operating budget and annual financial forecast that includes a plan of action to research and increase revenues, understand, analyze, track, and possibly reduce expenses, thoroughly document all donations, and adhere to legal separation requirements of restricted funds. Appendix I is a template annual forecasting tool that operates in Microsoft Excel. For accurate cashflow analysis and reporting, each annual line item should pull from a corresponding tab created to detail the specifics of each item. This budget should be maintained by the Executive Director, with monthly analysis by a qualified Finance Committee, chaired by the Board Treasurer. Further, all line items on this cash flow analysis should correspond to revenues and expenses on the reports generated by CTRNC's outside accounting

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firm, Sloan and Associates CPAs, PLLC. The Executive Director and the Finance Committee must work closely with Sloan and Associates to ensure report clarity and consistency. Financial management best practices should be implemented, including regular legal and governance reviews, and an independent financial audit should be conducted on an annual basis. Annual cashflow projections should be benchmarked against organizations of similar size and scope. A benchmark analysis should be conducted to ensure the organization can focus on improving factors that are within the control of the organization, and not general socio-economic trends.

Development and Fundraising

In order for CTRNC to transition into a donor-centric organization, it must implement a development cycle that includes prospect identification, research, cultivation, solicitation, and donor stewardship and stratification, including the development and implementation of a Donor Bill of Rights (AFP template shown in Appendix J). With limited staff and resources, it is crucial that the BOD plays an active part in fundraising and commit to donating and/or raising a minimum of \$10,000 per BOD member annually. However, given the minimal expertise in development and fundraising, CTRNC should hire a Director of Development to help BOD members create individualized strategies to achieve their minimum fundraising requirements, implement an annual giving campaign, as well as create an outline for a successful annual appeal and fundraiser. The Director of Development be in charge of data management of Salesforce CRM, manage an annual giving portfolio of donors, and manage the annual fundraiser. Although this will add to CTRNC's expenses, funds acquired through this position have the potential to solve the current annual cash flow problem. Appendix K shows a strategy for how CTRNC could reach an annual giving goal of \$100,000, including how many donors the Director or Development, the Fundraising Committee, and the CTRNC BOD would need to have to reach this goal, as well as how many prospects would need to be identified and asked to have the correct number of donors agree to donate. Beyond the Director of Development, the Fundraising Committee must use best practices to identify and build relationships with potential major donors, as well as outline a plan of action to implement the capital campaign. If, after meeting with UCC officials to understand expectations, it is determined that a traditional capital campaign is not feasible given the time constraints imposed by the UCC, the BOD must analyze the legal and financial responsibility associated with a contract of sale loan and determine if it should enter into this type of agreement or close the camp for good.

Capital Campaign

From the BOD member interviews and the Capital Campaign Readiness Survey, it is clear that CTRNC must reevaluate its current capital campaign. CTRNC must develop its infrastructure, including BOD leadership, financial management and budget forecasting, and development and fundraising before it can focus on a capital campaign. Because CTRNC has already spent years working on a capital campaign in an attempt to move forward with purchasing the land on which the camp resides without producing substantial results, CTRNC must establish a clear timeline with the MI UCC. If it is concluded that the timeline and expectation is not conducive to starting a capital campaign after fixing certain organizational issues, the BOD will need to decide if it is willing to enter into a formal contract of sale that includes ongoing financial and legal responsibilities. This decision will greatly affect not only the future of CTRNC, but also its stakeholders, including future generations of youth who would be impacted by the leadership, strength, spiritually, and sense of community that comes with developing a connection to CTRNC and its constituents.

It is my personal recommendation that CTRNC does not enter into a contract of sale with the MI UCC. Rather, CTRNC and MI UCC should develop a timeline to fix and enhance current infrastructure, while simultaneously working toward a five-year capital campaign using the template from Appendix L. Under this recommendation, CTRNC would continue paying \$1,000 monthly rent to the MI UCC which is works to rise the necessary funds to purchase the land on which the camp resides.

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APPENDIX A

BY-LAWS

OF

CAMP TALAHI RETREAT AND NATURE CENTER

ARTICLE I - NAME

The name of the Corporation shall be CAMP TALAHI RETREAT AND NATURE CENTER and it is sometimes referred to in these By-Laws as the Corporation.

ARTICLE II - PURPOSES

The purpose for which the Corporation is formed is to be a religious and charitable organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Code) and whose activities shall include operating a summer camp to provide camping and retreat opportunities for religious organizations and individuals, including inter-city disadvantaged children. The Corporation will initially operate the camp at the former site of Camp Talahi as operated by the Michigan Council of the United Church of Christ. The Corporation may also conduct camps at other sites throughout the State of Michigan.

ARTICLE III - BASIC POLICIES

The following are basic policies of the Corporation:

1. The Corporation shall be noncommercial and nonpartisan.
2. Neither the name of the Corporation nor the names of any directors in their official capacities shall be used in any connection with any partisan interest or activity or for any purpose not appropriately related to promotion of the objects of the Corporation.

ARTICLE IV - OFFICE

The principal office of the Corporation shall be at such place within the State of Michigan as the Board of Directors may from time to time designate. The Board of Directors may establish other offices in or outside the State of Michigan.

ARTICLE V - MEMBERS OF CORPORATION

The Corporation has been organized on a membership basis as permitted under the Michigan Nonprofit Corporation Act. The Members of the Corporation shall be limited to 100, and each Member shall satisfy each of the following requirements to become and remain a Member:

1. Each Member must be an individual at least eighteen (18) years of age, or an organization that is exempt from taxation under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Code).
2. Each individual and each organization desiring to become a Member must make an initial contribution of \$ 100, or such other amount as shall be set from time to time by the Board of Directors. Thereafter, each Member shall make the annual contribution as shall be set from time to time by the Board of Directors. Such annual contributions shall be made on or before September 1 of each year.

ARTICLE VI - MEMBER MEETINGS

- 1.1 Annual Meeting.

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An Annual Meeting of the Members shall be held each year after the expiration of the fiscal year of the Corporation at such time and place as shall be determined by the Board of Directors, for the purpose of electing Directors and of transacting such other business as may properly be brought before the meeting.

1.2 Special Meetings.

A Special Meeting of the Members may be called to be held at such time and place as may be designated by the Chairman of the Board (if such office is filled) or by the President, by a majority of the Board of Directors, or by not less than a majority of the Members of the Corporation entitled to vote at the meeting.

1.3 Order of Business.

At all Annual and Special Meetings of the Members, the following order of business, unless otherwise determined by the Chairman of the meeting, shall be observed as far as practicable and consistent with the purposes of the meeting:

- (a) Call of the meeting to order.
- (b) Roll call.
- (c) Presentation of proof of delivery or mailing of the notice of the meeting.
- (d) Determination that quorum is present.
- (e) Reading and approval of the minutes of the previous meeting.
- (f) Reports, if any, of officers.
- (g) Election of directors, if the meeting is an annual meeting or a meeting called for that purpose.
- (h) Consideration of the specific purpose or purposes, other than the election of directors, for which the meeting has been called, if the meeting is a special meeting.
- (l) Transaction of such other business as may properly come before the meeting.
- (i) Adjournment.

1.4 Notice of Meetings.

Written notice of the time, place and purposes of every meeting of the Members of this Corporation shall be given either personally or by mail not less than twenty (20) nor more than sixty (60) days before said meeting upon each Member of record of the Corporation entitled to vote at such meeting. A notice that is mailed shall be deemed to be given when deposited in the United States mail, with postage fully prepaid, addressed to the Member as his address appears on the records of the Corporation.

1.5 Waiver of Notice.

Notice of the time, place and purpose of any meeting of the Members of this Corporation may be waived by electronic mail, facsimile transmission, or other writing either before or after such meeting has been held.

1.6 Attendance at Meeting.

A Member's attendance at a meeting constitutes a waiver of objection to:

- (a) lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to the holding of the meeting or transacting business at the meeting; and
- (b) consideration of a particular matter at the meeting that is not within the purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

1.7 Quorum.

At every meeting of the Members, 20% of the Members entitled to vote at such meeting shall constitute a quorum.

1.8 Record Dates.

For the purpose of determining Members entitled to notice of and to vote at a meeting of Members, the Board of Directors may fix a record date (concurrent with or subsequent to the date of the Board's resolution adopting said record date), which shall not be more than sixty (60) nor less than twenty (20) days before the date of the meeting.

1.9 Voting Rights.

Each Member shall be entitled to cast one (1) vote for each action on which members are entitled to vote, which shall include voting for members of the Board of Directors and such other matters as shall be permitted by the Michigan not-for-profit Corporate Act, or by the Articles of Incorporation, including amendments thereto, and by these By-Laws, including any amendments thereto.

1.10 Voting by an Organization.

If a Member is an organization meeting the requirements of Article IV above, such organization shall designate one representative for the organization whom shall be entitled to vote on all matters for which Members are entitled to vote. Such organization shall notify the Corporation in writing of the persons so designated to vote for such organization at least 10 days prior to the annual meeting of the Members of the Corporation. More than one representative of such organization shall be permitted to attend meetings of the Members, but only the designated representative shall be entitled to vote.

ARTICLE VII - THE BOARD OF DIRECTORS

1. Members of the Board of Directors. The business, property and affairs of this Corporation shall be managed by its Board of Directors, except as otherwise provided by law, by the Articles of Incorporation or by these By-Laws including amendments thereto. Each director shall hold office until his resignation, removal, or disqualification to continue to be a director. A director may resign by written notice to the Corporation. Such resignation will be effective upon its receipt by the Corporation or a subsequent time as set forth in the notice of resignation. The Board of Directors shall be composed of not less than seven (7) members and may be composed of such greater number as determined from time to time by the Board.

2. Terms of BOD members, Limits on Terms.

(a) Each BOD member shall serve for a two (2) year term. However, the initial Board of Directors shall designate one-half of the BOD members to serve an initial term of only one (1) year term so that one-half of the BOD members will be elected each year. If there is an uneven number of initial BOD members, the smaller number shall be designated to serve an initial term of only one (1) year. For example, if there are seven (7) initial BOD members, three (3) of those BOD members will be designated by a majority of the Board of Directors to serve an initial term of only one (1) year.

(b) No BOD member shall serve on the Board of Directors for more than three (3) consecutive terms. If a person wishes to serve on the Board after serving three (3) consecutive terms, that person must be off of the Board for at least a 2-year period before being able to serve on the Board again. If such person is then re-elected to the Board, the three (3) consecutive term limit will again apply.

3. Removal of BOD members. A BOD member may be removed by vote of two-thirds (2/3) of the then sitting BOD members. Grounds for removal shall include the failure of the BOD member to attend at least seventy-five (75%) percent of the Board meetings during the calendar year or fails to attend at three (3) consecutive Board meetings.

2. Vacancies, New Directors. Any vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining directors, and such new member shall serve until the next meeting of the Members. If, because of death, resignation or other cause, the Corporation has no directors in office, a director shall be appointed by the highest-ranking officer of the Corporation, or in default thereof, by the executor, administrator, or other fiduciary entrusted with like responsibility for the person or estate of the last surviving director.

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3. **Power to Make By-Laws.** The Board of Directors may amend, repeal or adopt new By-Laws, by majority vote of the members of the Board then in office. Provided, however, that the Board of Directors shall not be empowered to amend the By-Laws or to adopt new By-Laws which would permit the Corporation to engage in any activities which would cause the Corporation to fail to qualify or to continue to qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law) or as a not for profit corporation under the laws of the State of Michigan.
4. **Quorum and Vote of Board of Directors.** A majority of the members of the Board of Directors then in office constitutes a quorum for transaction of business. The vote of the majority of the members of the Board of Directors present at a meeting at which a quorum is present constitutes the action of the Board of Directors, provided, however, that amendment of the By-Laws by the Board of Directors requires the vote of not less than a majority of the members of the Board of Directors then in office.
5. **Organizational Meeting of the Board.** An annual meeting of the Board of Directors shall be held on such date as the Board of Directors shall determine, for the purpose of electing officers and transacting any other business properly brought before it.
6. **Place and Notice of Meetings of the Board of Directors.**
 - (a) Regular or special meetings of the Board may be held either within or outside the State of Michigan.
 - (b) A regular meeting may be held without notice. A special meeting shall be held upon notice as prescribed by Section 10 of this Article VII. Attendance of a director at a meeting constitutes a waiver of notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, a regular or special meeting need be specified in the notice or waiver of notice of the meeting.
 - (c) A member of the Board may participate in a meeting by means of telephone conference or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection constitutes presence in person at the meeting.
7. **Regular Meetings of Board.** Regular meetings of the Board of Directors shall be held not less frequently than annually at such time and place as the Board of Directors may from time to time determine. If regular meetings of the Board are provided for by action of the Board of Directors and notice of such provision is given to each of the directors, no further notice of such regular meetings of the Board shall be required.
8. **Special Meetings of Board.** A special meeting or special meetings of the Board may be called at any time by the President or any other member of the Board, by written notification to each director briefly setting forth the time and place and purpose of the meeting, such notice to be dispatched (by air mail, by regular or certified or registered mail, facsimile transmission or electronic mail, as circumstances warrant) at least ten (10) days (exclusive of Saturday, Sunday and holidays) in advance of such meeting. Action taken at any such meeting shall not be invalidated for want of such notice if such notice shall be waived as hereinafter provided.
9. **Action by the Board of Directors Without a Meeting.** Action required or permitted to be taken pursuant to authorization voted at a meeting of the Board or by the Executive Committee may be taken without a meeting if, before or after the action, all members of the Board or the Executive Committee consent thereto in writing. The written consent shall be filed with the minutes of the proceedings of the Board. The consent has the same effect as a vote of the Board or the Executive Committee for all purposes.
10. **Notice and Mailing.** All notices required to be given by any provision of these By-Laws shall state the authority pursuant to which they are issued (as, "by order of the President", or "by order of the Board of Directors," as the case may be) and shall bear the written or printed signature of the Secretary or other person issuing the same. When a communication is required or permitted to be given by mail, it shall be mailed to the person to whom it is directed at the address designated by him for that purpose or, if none is designated, at his last known address. The notice or communication is given when deposited, with postage thereon prepaid, in a post office or official depository under the exclusive care and custody of the United States postal service. The mailing shall be registered, certified or other first-class mail. Every notice shall be deemed duly served when the same has been mailed as herein provided.

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11. Waiver of Notice. When, under Michigan law as now existing or as may hereafter be amended, or under the Articles of Incorporation of this Corporation, or under these By-Laws or by the terms of an agreement or instrument, this Corporation or the Board may take action after notice to any person or after lapse of a prescribed period of time, the action may be taken without notice and without lapse of the period of time, if at any time before or after the action is completed, the person entitled to notice or to participate in the action to be taken or, in a case of a member, by his attorney-in-fact, submits a signed waiver of such requirements.

ARTICLE VII - COMMITTEES

1. The Board of Directors may establish an Executive Committee of members of the Board, which shall be composed of such members of the Board as the Board shall designate. The Executive Committee shall have and exercise the authority of the Board of Directors in the management of the affairs of the Corporation between the meetings of the Board.

2. The Board may designate one (1) or more other committees, each committee to consist of one (1) or more of the directors of the Corporation. The Board may designate one (1) or more directors as alternate members of a committee, who may replace an absent or disqualified member at a meeting of the committee. In the absence or disqualification of a member of a committee, the members thereof present at a meeting and not disqualified from voting, whether or not they constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in place of such an absent or disqualified member. A committee, and each member thereof, shall serve at the pleasure of the Board.

3. A committee, to the extent provided in the resolution of the Board, may exercise all powers and authority of the Board in management of the business and affairs of the Corporation. However, such a committee does not have power or authority to do any of the following:

- (a) Amend the Articles of Incorporation.
- (b) Adopt an agreement of merger or consolidation.
- (c) Amend the By-Laws of the Corporation.
- (d) Fill vacancies in the Board of Directors.
- (e) Fix the compensation of the directors for serving on the Board or a committee.

4. Committees shall meet as directed by the Board, and their meetings shall be governed by the rules provided in Article VI for meetings of the Board. Minutes shall be recorded at each committee meeting and shall be presented to the Board.

5. Any action required or permitted to be taken pursuant to authorization of a committee may be taken without a meeting if, before or after the action, all members of the committee consent to the action in writing. Written consents shall be filed with the minutes of the committee's proceedings.

ARTICLE VIII - OFFICERS

1. Power to Elect Officers. The Board of Directors shall select a President, a Secretary, a Treasurer and one or more Vice Presidents as the Board shall determine from time to time.

2. Power to Appoint Other Officers and Agents. The Board of Directors shall have the power to appoint such other officers and agents as the Board may deem necessary for carrying out the purposes of the Corporation. All officers and agents of the Corporation shall respectively have such authority and perform such duties in the management of the property and affairs of the Corporation as may be delegated to them from time to time by the Board of Directors.

3. Removal and Resignation of Officers.

- (a) Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors with or without cause.

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- (b) An officer may resign by written notice to the Corporation. The resignation is effective upon its receipt by the Corporation or at the subsequent time specified in the notice of resignation.
4. Power to Fill Vacancies. The Board shall have power to fill any vacancy in any office occurring for any reason whatsoever.
5. Delegation of Powers. For any reason deemed sufficient by the Board of Directors, whether occasioned by absence or otherwise, the Board may, to the extent not inconsistent with any federal, state or local law governing not-for-profit corporations, the Articles of Incorporation of the Corporation, or these By-Laws, delegate all or any of the powers and duties of any officer to any other officer or director.
6. Officers. The officers of the Corporation shall consist of the following:
- (a) The President who shall preside at all meetings of the Corporation and of the Board of Directors at which he may be present; shall perform such other duties as may be prescribed in these By-Laws or assigned to him by the Corporation or by the Board of Directors; and shall coordinate the work of the officers of the Corporation in order that the purposes may be promoted.
- (b) Such Vice President or Vice Presidents, as the Board may designate by resolution from time to time, who shall perform the duties and exercise the powers of the President during the absence or disability of the President, and such other duties as shall be assigned from time to time by the President or by the Board of Directors.
- (c) The Secretary who shall record the minutes of all meetings of the Members of the Corporation and of the Board of Directors and shall perform such other duties as may be delegated to him.
- (d) The Treasurer who shall have custody of all of the funds of the Corporation; shall keep a full and accurate account of receipts and expenditures; and shall make disbursements in accordance with the approved budget, as authorized by the Board of Directors. The Treasurer shall present a financial statement at every meeting of the Members of the Corporation and at other times when requested by the Board of Directors and shall make a full report at the annual meetings of the Members of the Corporation and of the Board of Directors. The Treasurer shall be responsible for the maintenance of such books of account and records as conform to the requirements of the By-Laws.

The Treasurer's accounts may be examined annually by an auditor as shall be selected by the Treasurer and approved by the Board of Directors.

All officers shall:

- (a) Perform the duties prescribed in the Michigan Nonprofit Corporation Act, in addition to those outlined in these By-Laws and those assigned from time to time by the Board of Directors.
- (b) Deliver to their successors all official material not later than ten (10) days following the election of their successors.

ARTICLE IX - REMUNERATION AND REIMBURSEMENT

The directors and officers of the Corporation shall receive such reasonable remuneration, if any, in connection with the performance of services for the Corporation as an officer or director, as the Board shall determine from time to time. The Board of Directors may authorize the reimbursement of expenses of officers or directors of the Corporation for out-of-pocket expenses actually incurred by any such officer or director on behalf of the Corporation. In no event, however, shall the Board of Directors authorize, nor shall the Corporation pay, remuneration to any officer or any other persons if payment thereof would cause the Corporation or the officer (or other person) to be subject to any penalty excise taxes under the provisions of the Internal Revenue Code of 1986 or would cause the Corporation to lose its status as an organization qualified to be exempt from tax under Section 501(c)(3) of the Internal Revenue Code of 1986.

ARTICLE X - CORPORATE BOOKS AND RECORDS

The Corporation shall keep books and records of account and minutes of the proceedings of its Board and Executive Committee, if any.

ARTICLE XI - INVESTMENTS

The funds and assets of the Corporation shall be invested in such a manner as to enable the Corporation to carry out its exempt purposes, and in such a manner so as not to cause the Corporation, or any of its officers or directors, to be subject to any federal penalty excise taxes imposed on private foundations under the provisions of the Internal Revenue Code of 1986 (or similar penalty taxes under the laws of the State of Michigan).

ARTICLE XII - FISCAL YEAR

The fiscal year of the Corporation shall be the calendar year, or such other twelve-month period as determined by the Board of Directors.

ARTICLE XIII - DUTY OF DIRECTORS AND OFFICERS

A director or an officer shall discharge the duties of his position in good faith and with that degree of diligence, care and skill which an ordinary prudent man would exercise under similar circumstances in a like position. In discharging his duties, a director or an officer, when acting in good faith, may rely upon the opinion of counsel for the Corporation, upon the report of an independent appraiser selected with reasonable care by the Board, or upon financial statements of the Corporation represented to him to be correct by the President or the officer of the Corporation having charge of its books of account, or stated in written report by an independent public or certified public accountant or firm of such accountants fairly to reflect the financial condition of the Corporation.

ARTICLE XIV - INDEMNIFICATION OF OFFICERS,

DIRECTORS, EMPLOYEES AND AGENTS

1. Actions other than Actions by or in the Right of the Corporation. The Corporation shall indemnify a person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, other than an action by or in the right of the Corporation, by reason of the fact that the person is or was a director, officer, employee, non-director volunteer or agent of the Corporation, or is or was serving at the request of the Corporation as director, officer, partner, trustee, employee, non-director volunteer or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit, against expenses including attorneys' fees, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, if the person had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceedings, had reasonable cause to believe that the conduct was unlawful.

2. Actions by or in the Right of the Corporation. The Corporation shall indemnify a person who was or is a party to or is threatened to be made a party to a threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee, nondirector volunteer or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, nondirector volunteer or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise whether for profit or not against expenses, including actual and reasonable attorneys' fees, and amounts paid in settlement incurred by the person in connection with the action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation. However, indemnification shall not be made for a claim, issue or matter in which the person has been found liable to the Corporation unless and only to the extent that the Court in which the action or suit was brought has determined upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which such court considers proper.

3. Indemnification against Expenses.

Nonprofit Best Practices: Implementation of an Effective Capital Campaign

- (a) To the extent that a director, officer, employee, nondirector volunteer or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or 2 of this Article XIV, or in defense of a claim, issue or matter in the action, suit or proceeding, the successful party shall be indemnified against expenses, including actual and reasonable attorneys' fees, incurred in connection with the action, suit or proceeding and in any action, suit or proceeding brought to enforce the mandatory indemnification provided in this subsection.
- (b) Any indemnification under Sections 1 or 2, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, non-director volunteer or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 1 and 2. This determination shall be made in any of the following ways:
- (i) By majority vote of a quorum of the Board consisting of directors who were not parties to the action, suit or proceeding.
 - (ii) If the quorum described in (i) above is not obtainable, then by a majority vote of a committee of directors who are not parties to the action. The committee shall consist of not less than two (2) disinterested directors.
 - (iii) By independent legal counsel in a written opinion.
- (c) If a person is entitled to indemnification under Section 1 or 2 for a portion of expenses including attorneys' fees, judgments, penalties, fines and amounts paid in settlement but not for the total amount thereof, the corporation may indemnify the person for the portion of the expenses, judgments, penalties, fines or amounts paid in settlement for which the person is entitled to be indemnified.

In no event, however, shall the Board of Directors authorize, nor shall the Corporation pay, indemnification to any officer or any other persons if payment thereof would cause the Corporation or the officer (or other person) to be subject to any penalty excise taxes under the provisions of the Internal Revenue Code of 1986 or would cause the Corporation to lose its status as an organization qualified to be exempt from tax under Section 501(c)(3) of the Internal Revenue Code of 1986.

4. **Expense Advances.** Expenses incurred in defending a civil or criminal action, suit or proceeding described in Sections 1 or 2 may be paid by the Corporation in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee, non-director volunteer or agent to repay the expenses if it is ultimately determined that the person is not entitled to be indemnified by the Corporation. The undertaking shall be by unlimited general obligation of the person on whose behalf advances are made but need not be secured.

5. **Other Agreements, Duration.** Nothing contained in Sections 1 through 4 shall affect any rights to indemnification to which persons other than directors and officers may be entitled by contract or otherwise by law. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses. The indemnification provided in Section 1 through 4 continues as to a person who has ceased to be a director, officer, employee, non-director volunteer or agent and shall inure to the benefit of the heirs, executors and administrators of the person.

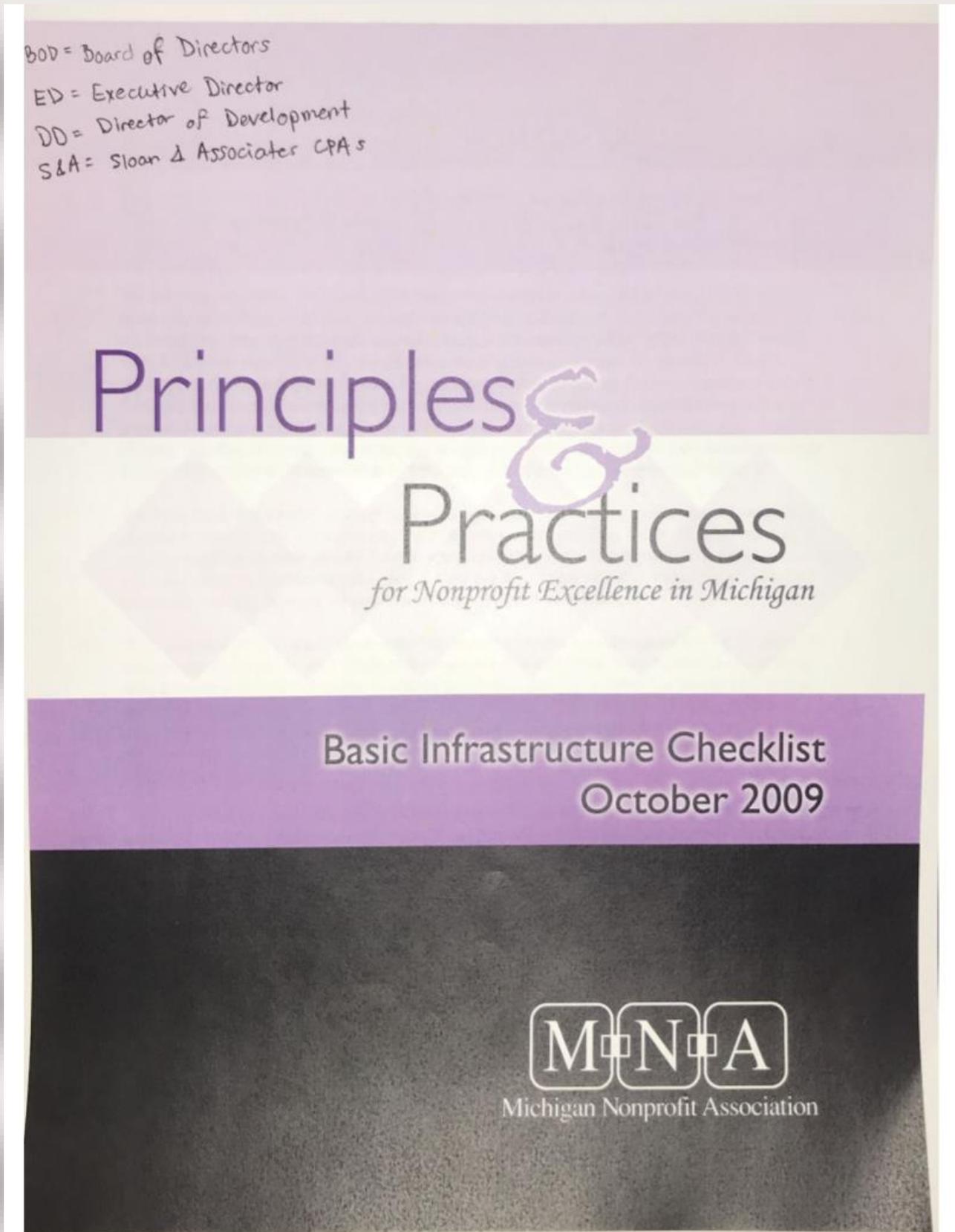
ARTICLE XV - DISSOLUTION OF THE CORPORATION

Upon the dissolution of the organization, assets shall only be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to one or more organizations exempt from tax under Section 501(c)(3) of the Internal Revenue Code, or shall be distributed to the federal government, or to a state and local government, for a public purpose. Any such assets not disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the organization is then located, exclusively for charitable purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for charitable purposes.

Adopted by the Board of Directors as of _____.

APPENDIX B

CTRNC completed infrastructure checklist



"If you have built castles in the air, your work need not be lost. That is where they should be. Now put the foundation under them."

~ Henry David Thoreau

The following list outlines the foundation for registered nonprofit organizations conducting business in the state of Michigan – the basic documentation, systems and support mechanisms that will enhance accountability, sustainability and effectiveness. **This tool is focused on WHAT YOU SHOULD HAVE IN PLACE rather than HOW you should utilize those systems/processes.** For the HOW TO, we recommend you consult the *Principles & Practices for Nonprofit Excellence Guide or Assessment Tool*. Generally, the Checklist recommendations are applicable to small grassroots organizations as well as to large, multi-site networks. Although many of the principles and practices detailed herein will be helpful to all nonprofits, they are specifically written for Michigan nonprofit corporations that are tax-exempt under 501(c)(3) of the Internal Revenue code and that are public charities (i.e., not private foundations).

The *Principles & Practices for Nonprofit Excellence in Michigan* resources are designed as planning and assessment tools: they are not a form of accreditation or certification. They are simply resources to help your organization's leadership move forward with purpose and focus. Take some time to examine your files and make sure your foundation is complete. Review the list and note where individual items are located. If something is missing, find it or implement a process to create and/or secure it.

This is not a task of "busy work." Much of this information is needed to receive grant funding, as well as to demonstrate to the public, your clients, and prospective donors that you mean business. Some of these items are state or federal requirements: you will find them notated as **MI (Michigan law) or US (federal law) in the "Legal" column**. Failure to comply with regulations may mean that you unexpectedly shut your doors for good. But beyond the legal requirements, in a time of increased accountability and public scrutiny it can only help an organization to ensure its ability to answer questions quickly and accurately regarding its operations.

This document is one piece of a three-piece set which encompasses the framework for *Principles & Practices for Nonprofit Excellence in Michigan*. These copyrighted works, which also include the *Principles & Practices Guide* and the *Principles & Practices Assessment Tool*, can be downloaded at no cost from www.MNAonline.org.

ADDITIONAL RECOMMENDED RESOURCES:

- ◆ *Staying Legal for Michigan Nonprofits* – www.stayinglegalmi.org – provides a listing of state and federal requirements, plus links to relevant forms and resources.
- ◆ *Michigan Nonprofit Management Manual* – www.MNAonline.org – more in-depth information on the daily management of a nonprofit corporation.

This checklist is a compilation of many documents and resources with significant feedback from nonprofit practitioners and consultants throughout the state of Michigan. We appreciate the collective wisdom of those willing to share their experience and insight. For further information about any of these topics, contact Michigan Nonprofit Association or any of the Management Support Organizations found at www.MNAonline.org.

Yes	No	In Progress	PRINCIPLE: Communication	Legal
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	External Communications/Public Relations Plan	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Internal Communication Policies and Procedures	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing Plan	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Media Communication Plan and Procedures	ED

Yes	No	In Progress	PRINCIPLE: Evaluation	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Accountability and Monitoring Systems	} Program Committee
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Environmental Scan and/or Community Needs/Assets Assessment	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Formative Evaluation Plan and Systems	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Outcome Evaluation Plan and Systems	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Program Evaluation Plan and Systems	

Yes	No	In Progress	PRINCIPLE: Financial Management	Legal
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Asset and Cash Management Policies and Procedures	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Audit Committee Policies and Procedures	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Budgets (revenue/expenses)	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Bulk-Rate Postage Permit	US DD
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Cash Flow Projection	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Chart of Accounts	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Contract Management Policies and Procedures (bidding system, contracts, evaluation and monitoring tools)	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Documentation of Accounting Policies and Systems (meet Financial Accounting Standards Board (FASB) and/or Government Accounting Standards Board (GASB) requirements)	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Employee Expense Reimbursement Policy and Procedure, including Cash Advance (if applicable)	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Financial Records Retention Policy	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Internal Control Procedures	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Investment Policy Statement	N/A
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	IRS Form 990, IRS 990-EZ or 990-N	US Secretary
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lobbying Expense Policy and Procedures	MI/US
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monthly Financial Statements with Balance Sheet	S & A

Yes	No	In Progress	PRINCIPLE: Financial Management, continued...	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Nonprofit Corporation Information Update	MI ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Payroll – federal, state and local quarterly withholdings/filings	MI/US S&A
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Petty Cash Policy	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Signature Authority	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Spending Limits Policy	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	UBIT (Unrelated Business Income Tax) Reporting	US S&A
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Whistle-Blower Protection Policy (confidential process for reporting suspected financial fraud)	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Year End Financial Statement with Balance Sheet	MI S&A

Yes	No	In Progress	PRINCIPLE: Fundraising	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Case Statement	DD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Do Not Call, Do Not Fax, Do Not E-mail Policy	DD
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Donor Database (contributions/restrictions)	DD
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Donor Recognition Plan (include provisions for privacy)	DD / Stewardship
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Fund Development Plan	DD
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Fundraising Budget and system to track expenditures	DD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Gaming License, Liquor License, other applicable licenses	MI DD
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Gift Acceptance and Recognition Policy (include in-kind donations, address fair market value and disposal of assets)	DD / Stewardship
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Grants Management System (copies of every proposal, all grants communication, database information, reporting requirements and calendar)	DD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Individual Donor Requirements	DD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Michigan Charitable Solicitation License	MI DD
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Verification for proper licensing and reporting for contracted professional fundraisers.	MI N/A

Yes	No	In Progress	PRINCIPLES: Governance	Legal
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Articles of Incorporation	MI Secretary
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Board Calendar (meetings and organizational events)	BOD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Board Resolutions/Minutes Book	Secretary
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bylaws (include board liability and indemnification language)	Secretary

Yes	No	In Progress	PRINCIPLES: Governance, continued...	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Compensation Documentation (executive and other staff)	BOD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Executive Evaluation Plan	President
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Liability Insurances (Director and Officer, General, Volunteer, etc.)	President
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Risk Evaluation and Management Systems	President
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Board Member Handbook (policies and procedures including, but not limited to): <ul style="list-style-type: none"> ◆ Advocacy and Lobbying ◆ Attendance and Dismissal ◆ Audit Process and Auditor Selection ◆ Communication During Crisis ◆ Conflict of Interest ◆ Executive Transition (emergency and planned) ◆ Committees (purpose, structure, goals and activities) ◆ Board Transition (term limits, recruitment, selection) ◆ Orientation, Training and Evaluation 	President

Yes	No	In Progress	PRINCIPLE: Human Resources	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	403b Plan Documentation	N/A US
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Benefits Documentation	BOD/ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Compliance with Fair Labor Standards Act	MI/US S&A
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Compliance with Federal ADA and MI Persons with Disabilities Protection Law	MI/US S&A
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Compliance with State and Federal Laws	MI/US S&A
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Employee Health Care Information (kept separately from Personnel Info)	S&A
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Equal Employment Opportunity (EEO) Policy	US ED/Nurse
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Federal Employee Filings	US ED S&A
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Human Resources Records Retention Policy	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Michigan/Federal Required Postings (OSHA)	MI/US S&A
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Organizational Chart	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Salary Scales and Compensation Philosophy	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standards and Policies for working with Contractual Employees and Consultants (guidelines for selection, hiring and monitoring)	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	State Employee Filings	MI S&A
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Up-to-Date Position Descriptions	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Whistle-Blower Protection Policy	ED

Yes	No	In Progress	Human Resources Subsection 1. Personnel File – for each employee; including, but not limited to:	Legal
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Application with Original Employee Signature	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Background Check	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation of Disciplinary Action	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Documentation – Receipt of Employee Policies and Procedures Manual	ED
?	<input type="checkbox"/>	<input type="checkbox"/>	Driving Records/Proof of Insurance (as necessary)	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Form I-9 (required); filed separately from other HR documentation (recommended practice)	US S&A
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Form W-4	MI/US S&A
?	<input type="checkbox"/>	<input type="checkbox"/>	Hire Letter (or contract)	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	INS Documentation (Immigration and Naturalization Services: <i>note changes due to Patriot Act and Homeland Security</i>)	US N/A
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other Conditions for Employment – documentation (drug test results, certifications, etc.)	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Performance Appraisals	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Professional Development Plan	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Reference Check Documentation	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resume	ED

Yes	No	In Progress	Human Resources Subsection 2. Employee Policies and Procedures Manual – including, but not limited to:	Legal
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Alcohol/Drug-Free Workplace Policy	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Approved Leave Time – (voting, military service, bereavement)	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Attendance/Leave	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Code of Ethics	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Compliance with Equal Employment Opportunity and MI Civil Rights Act	MI/US S&A
?	<input type="checkbox"/>	<input type="checkbox"/>	Confidentiality Policies and Procedures	ED
?	<input type="checkbox"/>	<input type="checkbox"/>	Conflict of Interest (including disclosure of relationships)	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Diversity Plan/Cultural Competency	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Eligibility and Classifications	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Expense Reimbursement	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Grievance	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Intellectual Property Policy	ED

Yes	No	In Progress	Human Resources Subsection 2. Employee Policies and Procedures Manual – continued...	Legal
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Nondiscrimination, Diversity and Harassment Policy	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Orientation, Training and Evaluation	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Performance Appraisal Policies and Procedures	ED
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Technology/Equipment Access and Use	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Travel Policy	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Whistle-Blower Protection Policy	ED

Yes	No	In Progress	PRINCIPLE: Information and Technology	Legal
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Data Collection System (to support continuous improvement and evaluation)	DD
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Database, searchable by strategic constituent groups	DD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Disaster Recovery Plan	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Hardware, Software and Vendor Inventory	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Information and Data Sharing Protocol	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	List-serve Protocol	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Management Information Systems (MIS) Policies and Procedures (including Internet, e-mail and security policies)	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Off-site System Back-up	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Security Policies and Procedures	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Social Media Protocol	ED
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Software License Compliance	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Technology Assessment and Plan	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Technology Budget (including maintenance and upgrades)	ED
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Technology Training Plan (staff and volunteers)	ED

Yes	No	In Progress	PRINCIPLE: Planning	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Advocacy Plan	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Disaster Recovery Plan	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Executive/Leadership Transition Plan	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Fund Development Plan (diversification of funds)	DD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Marketing and Communication Plan	ED

Yes	No	In Progress	PRINCIPLE: Planning, continued...	Legal
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Mission Statement	MI BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Operational or Business Plan	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Organizational Assessment	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Strategic Plan	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sustainability Plan	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Technology Plan	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Vision Statement	BoD

Yes	No	In Progress	PRINCIPLE: Public Policy and Advocacy	Legal
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	501(h) Election	N/A US
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Advocacy Policy/Plan	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Constituent Engagement Plan	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Michigan Lobbyist/Lobbyist Agent Financial Report Summary (every six months)	MI N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Michigan Lobbyist/Lobbyist Agent Registration	MI N/A

Yes	No	In Progress	PRINCIPLE: Strategic Alliances	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Accreditation Information (as applicable)	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Fiscal Sponsorship Policy and Procedures	BoD
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Memorandum of Agreement/Understanding or other documentation for each collaborative commitment	BoD

Yes	No	In Progress	PRINCIPLE: Transparency and Accountability	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Annual Forms and Filings (MI)	MI
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Annual Forms and Filings (US)	US
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Annual Report (publicly available)	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Confidentiality Policies and Procedures (all constituents)	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Document Retention and Destruction Policy	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Gaming License, Liquor License, other applicable licenses	MI
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Forms 1023 and IRS Determination Letter (publicly available)	US

None are on website

Secretary

Yes	No	In Progress	PRINCIPLE: Transparency and Accountability, continued...	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRS Financial Report or Postcard (Form 990 and variants- publicly available)	US
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MI Charitable Solicitation License	MI
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MI Charitable Trust Registration	MI
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MI Sales and Excise Tax Exemption	MI
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Whistle-Blower Protection Policy	

none on website (bracketed on the left side of the table)

Secretary (bracketed on the right side of the table)

Yes	No	In Progress	PRINCIPLE: Volunteer Engagement	Legal
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Budget	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Grievance Policy and Procedure	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Organizational Needs Assessment (volunteers)	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Orientation and Ongoing Training Plan	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Performance Review	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Position Descriptions	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Recruitment Plan	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Recognition Plan	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Volunteer Policy and Procedures Manual <ul style="list-style-type: none"> ◆ Anti-Harassment ◆ Attendance ◆ Confidentiality ◆ Discipline ◆ Grievance ◆ Liability/Risk Information ◆ Non-Discrimination ◆ Organizational Chart ◆ Travel Policy 	

BOD (bracketed on the right side of the table)

Progress Notes

Track the history of your organization's progress here. Make note of strengths and weaknesses; plans and processes to explore and implement; issues to take to Board of Directors. Review regularly to monitor progress and changes.

Date: 4/1/18

Author: Dayna Neef

Comments: Currently, ED is responsible for communication plan, financial management plan, HR policies and procedures, IT, and various other policies and procedures. This is too much for one person; some areas need to be assigned to committees or other staff needs to be hired. CRNC is missing substantial portions/items on the basic infrastructure checklist.

Date:

Author:

Comments:

Date:

Author:

Comments:

Date:

Author:

Comments:

Next Steps

Organization Name: CTRNC

Date Checklist Completed: 4/1/18

Date Updated:

Completed By: Dayna Neef

Updated By:

Priority	Item to be Completed	Steps/Activities to Implement	Start Date	End Date	Person Responsible
1	Outreach & Marketing needs to be given to committee (not ED)	G&M committee takes over role	4/1/18	N/A	Stephanie Lange and Eileen Lovett
2	Secretary needs to take over all governance	Secretary learn & manage governance	6/1/18	N/A	Brian Telder
3	Program evaluation	program committee develop an evaluation and community needs assessment	6/1/18	10/1/18	Bobby Braun
4	Audit Committee	needs to be established	6/1/18	N/A	Josh LeBaron & Jim Harvey
5	fundraising plan	DB needs to review fundraising checklist & develop plan	6/1/18	12/1/18	Jerri B.
6	Operating Budget & Cash Flow Projections	Needs to be developed by ED	2/1/18	9/30/18	Hannah Braun
7	Donor recognition plan	Needs to be established by Stewardship Committee	5/1/18	N/A	Margo Allen
8	Volunteer management	must be managed by the BOD	6/1/18	N/A	All BOD
9					
10					



Michigan Nonprofit Association

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APPENDIX C

Board Covenant

Camp Talahi Retreat and Nature Center

As a BOD member, I _____ will consistently act responsibly and prudently. I understand my duties to include:

1. I will interpret the organization's work and values to the community, represent the organization, and act as a spokesperson.
2. In turn, I will interpret our constituencies' needs and values to the organization, speak out for their interests, and on their behalf, hold the organization accountable.
3. I will attend at least 75 percent of board meetings, committee meetings, and special events.
4. I will actively participate in one or more fundraising activities.
5. I will account for \$10,000 in fundraising each year or contribute the remainder myself.
6. I will excuse myself from discussions and votes where I have a conflict of interest.
7. I will stay informed about what's going on in the organization. I will ask questions and request information. I will participate in and take responsibility for making decisions on issues, policies, and other matters. I will not stay silent if I have questions or concerns.
8. I will work in good faith with staff and other BOD members as partners toward achievement of our goals and present a united front even if I were a dissenting vote.
9. I will serve on at least one but preferably more than one committee or board sub group.
10. If I don't fulfill these commitments to the organization, I will expect the board president to call me and discuss my responsibilities with me.

As a BOD member, I understand that the organization will be responsible to me in the following ways:

1. I will be sent, without request, quarterly financial reports and an update of organizational activities that allow me to meet the "prudent person" standards of the law. Further, I expect that I will have information about programs and policies, goals and objectives as appropriate.
2. Opportunities will be provided for me to discuss with the Executive Director and the Board President the organization's programs, goals, activities and status.
3. It is expected that BOD members and the Executive Director will respond in a straightforward fashion to questions that I feel are necessary to carry out my fiscal, legal and moral responsibilities to the organization.
4. BOD members and the Executive Director will work in good faith with me towards achievement of our goals.
5. If the organization does not fulfill its commitments to me, I may call upon the Board President and Executive Director to discuss the organization's responsibilities to me.
6. The organization will carry directors' and officers' liability insurance.

Print Name - Board of Directors Member

Print Name - Board of Directors President

Signature – Board of Directors Member Date

Signature – Board of Directors President Date

APPENDIX D

CTRNC BOD member Interview Questionnaire:

1. What do you know about our organization? What is your history?
2. What makes our mission meaningful to you?
3. Why are you interested in committing your time and energy to us?
4. What is your perception of our Board?
5. Do you think we (the Board) are doing a good job?
6. What are we doing well?
7. Where can we improve?
8. What do you think a great Board looks like?
9. What is your experience with well-operating boards?
10. Did they follow Nonprofit Board Best Practices?
 - a. If yes, what resources did they provide as the base for Nonprofit Best Practices?
 - b. If no, what is your understanding of Nonprofit Best Practices?
11. How did they educate you on Nonprofit Best Practices and their importance?
12. What do you think are the characteristics of a great BOD member?
13. BOD members bring experience, wisdom, strategic thinking, and their rolodexes. Can you tell me about yours?
14. How do you feel about the Board contract?
15. What are your thoughts on the capital campaign?
16. Fundraising is a significant obligation of board service (state give/get clearly). Can you tell us about your experience in fundraising?
17. What ways do you feel most comfortable fundraising?
18. Would you be willing to attend a lunch with Hannah or Dayna in which the goal was to make a major donor ask?
19. Do you understand why we are trying to go in this direction and follow some of these Best Practices?
20. What is your opinion of the direction we are looking to take?
21. Where do you see yourself fitting into this new direction?
22. Would you like to remain on the Board and be a part of developing these new requirements? Or would you like to get involved in specific committees or events that are more closely tied to your original attachment to Talahi?

APPENDIX E

CTRNC Campaign Readiness Survey

January 7, 2018

Overview:

- Number of surveys: 9
- Score possibility: 0-100
- Mean: 51.111
- Median: 54
- Mode: N/A
- Score that calls within 55-69: Extensive preparation is essential to the success of the campaign. Serious re-organization is needed before beginning a capital campaign.

Questions: (score possibility: 0-5)

1. Organization has met all legal requirements to engage in fundraising activities (Does the organization have IRS ruling as 501(c) 3 or other charitable designation? Is the organization registered with the state's regulatory authority, if required? Has it met requirements of or have approval from United Way, local capital campaign review board, its national office, or other funding or regulatory agencies?)
 - a. Mean: 4.667
 - b. Median: 5
 - c. Mode: 5
2. Organization has a solid infrastructure (Does the organization have appropriate staff in place? Does the organization have written mission/vision statements? Are gift acceptance policies in place? Are data entry procedures in place? Does the organization have an adequate and up-to-date donor software System?)
 - a. Mean: 2.333
 - b. Median: 2
 - c. Mode: 2
3. Organization is financially stable (Does the organization have a qualified, experienced financial officer on your staff? Does the board's financial committee understand the organization's fiscal status? Have revenues increased or deficits decreased in the past two years? Has the organization had a balanced budget for at least two years? Does the organization have a line of credit or availability of a bridge loan during construction?)
 - a. Mean: 0.778
 - b. Median: 1
 - c. Mode: 0
4. The board president is recognized as a strong, able community leader (Has the president been on the board of directors at least two years? Has the president been on the board less than six years? Is the person known and respected in the community? Does the person show good judgment? Has the president made a leadership gift?)
 - a. Mean: 4.556
 - b. Median: 5
 - c. Mode: 5
5. The board has at least 7 members who have affluence and influence (Does the organization have representatives from the business community on the board? Are they the decision makers for their companies? Does the organization have people of wealth who are well respected in the community and have worked on other campaigns? Do at least 80 percent of the BOD members make generous annual gifts?)

- a. Mean: 1.889
 - b. Median: 2
 - c. Mode: 2, 3
6. The board has consensus on the campaign plan and goal (Has the board participated in the feasibility study? Does everyone on the board approve of this project? Does at least 80 percent of the board feel it is possible to reach the goal?)
 - a. Mean: 3.556
 - b. Median: 4
 - c. Mode: 4
7. The board is willing to work on the campaign (Does the organization have influential community leaders who will work on the campaign? Will at least three members of the board serve on the campaign cabinet? Will everyone on the board play some role—solicitation, public relations, phone-a-thon, special events, etc.?)
 - a. Mean: 3.2
 - b. Median: 3
 - c. Mode: 3
8. The Executive Director has been with the organization at least two years (Does the CEO have at least 10 years of experience in the field? Is the CEO well known and respected within the field?)
 - a. Mean: 3.889
 - b. Median: 4
 - c. Mode: 4
9. The Executive Director is experienced and respected in the community (Is the CEO active in chamber of commerce, civic or professional organizations? Is the CEO asked to serve as a spokesperson for issues relating to the field? Is the CEO known as a community leader?)
 - a. Mean: 4.056
 - b. Median: 4
 - c. Mode: 4
10. The staff has experience and knowledge in the area of fundraising (Does the organization have a full-time director of development? Is the development staff person a member of AFP, CASE, AHP or other professional association? Is the chief development officer a CFRE or ACFRE?)
 - a. Mean: 1.667
 - b. Median: 2
 - c. Mode: 0
11. The staff has time to work on the campaign (Is the staff free from over-involvement in special events? Does the organization have adequate clerical support? Is the staff free from over-involvement in tasks not related to development?)
 - a. Mean: 1.667
 - b. Median: 1
 - c. Mode: 1
12. A long-range plan with written goals in in place (Have the board and administration developed or updated the organization's strategic plan within the last three years? Is the plan reviewed at least quarterly? Are objectives specific and measurable?)
 - a. Mean: 1.556
 - b. Median: 2
 - c. Mode: 0
13. An annual giving program is in place (Has the organization done an annual campaign in the past two years? Has annual giving increased over the past two years? Does the organization have an integrated development program (special events, phone, direct mail, foundation grants, corporate appeal, etc.)?)
 - a. Mean: 2.222
 - b. Median: 3
 - c. Mode: 3

14. A marketing and publicity plan is in place (Does the organization have a marketing staff, BOD members, or consultants to develop the plan? Does the organization have a marketing plan that was developed or updated in the past three years? Is the plan evaluated regularly? Does the organization's public relations effort result in increased donation, volunteers, and clients?)
 - a. Mean: 1.556
 - b. Median: 1
 - c. Mode: 1, 3
15. The organization serves a real need in the community (Has the organization recently done a market study to evaluate community needs? Has the organization been in existence for two years or more? Does the organization have a limited amount of competition for its programs?)
 - a. Mean: 3.111
 - b. Median: 3
 - c. Mode: 3, 4
16. Users of the organization think highly of its programs (Has the organization done client-satisfaction studies? Do the organization's users support it financially? Do the organization's users volunteer for the organization?)
 - a. Mean: 3.5
 - b. Median: 4
 - c. Mode: 3
17. The organization has a high public image (Does the organization have an easily identifiable logo? Are an organizational video and/or brochure available? Are an annual report, newsletter, and press releases regularly published?)
 - a. Mean: 2.778
 - b. Median: 3
 - c. Mode: 3
18. Individuals are available who could give 10% of the goal if they desire to do so (* Does the organization have at least one BOD member capable of giving 10 percent of goal? Does the organization have a list of major donors capable of making a gift of this size? Does the organization have giving histories of its top donors?)
 - a. Mean: 1.778
 - b. Median: 2
 - c. Mode: 1,3
19. The top 100 donors have been identified and cultivated (Can the organization's staff pull a list of the top 20 percent of its donors with ease? Is a donor recognition program in place? Is a donor cultivation program in place?)
 - a. Mean: 1.667
 - b. Median: 1
 - c. Mode: 1
20. The campaign initiative is innovative, exciting, ambitious, and worthy of support (Has a feasibility study been done to determine community support? Has a market study been done to determine the need for this project? Has an architectural study been done to determine the feasibility and costs of project? Has the organization considered and evaluated endowment needs?)
 - a. Mean: 1.667
 - b. Median: 2
 - c. Mode: 2

APPENDIX F

CTRNC BOD and List of Committees/Chairs

BOD Member	BOD Position	Committee	Committee Position
Josh LeBaron	President	Executive Committee	Chair
		Strategic Planning Committee	Chair
		Maintenance and Grounds Committee	Interim Chair
Stephanie Lange	Vice President	Outreach and Marketing Committee	Chair
James Harvey	Treasurer	Finance Committee	Chair
Brian Telder	Secretary	Governance and Audit Committee	Chair
		Maintenance and Grounds Committee	Member
Margo Allen	Member	Stewardship Committee	Chair
		Outreach and Marketing Committee	Member
Eileen Lovett	Member	Outreach and Marketing Committee	Co-Chair
		MI UCC	Liaison
Robert Braun	Member	Program Committee	Chair
		Maintenance and Grounds Committee	Member
Dayna Neef	Member	Fundraising Committee	Chair
		Outreach and Marketing Committee	Member
		Finance Committee	Member
		Strategic Planning Committee	Member
Open	Member	Maintenance and Grounds Committee	Chair
Open	Member	Outreach and Marketing Committee	Member
Open	Member	Fundraising Committee	Member

APPENDIX G

CTRNC Committee Report Template

CTRNC [Committee Name]

[Date]

Overview:

[Period of time this report covers]

[Name of Committee Chair(s)]

[Names of Committee members and roles]

[Names and liaison roles of staff]

Objective:

[The objective of the Committee]

Recent Accomplishments

[Summary of recent accomplishments]

In Progress

[List of activities in progress and upcoming events]

Dissenting Opinions

[Only necessary if the report does not represent the views of all Committee members]

Recommendations to the Executive Director

[Recommendations to the Executive Director]

[Financial Impact as it relates to CTRNC expenses]

Recommendations to the Board of Directors

[Recommendations to the Board of Directors]

[Financial Impact as it relates to CTRNC expenses]

The Do-Good Strategic Plan Template for:
*Non Profits, Charities and
Volunteer Organizations*

Developed by:



Website: <http://www.rebeccamacfarlane.com>

Phone: 615-389-0207

[Your Organization's Name Here]

Strategic Plan for

[Enter the Period of Time this Plan Covers]

Developed on [Date you completed the plan]

Last Reviewed on:

[Update the dates you review the plan –

at least every 3 months!]

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Note: To update the table of contents above, just right-click on it and select “update entire table.” This will update all the headings and page numbers automatically!

BACKGROUND

Guidance: This section might be the longest in your plan. It should be up to a page or so outline all the key facts of your organization and the field within which you are working. Here are some questions to try and cover for this section.

1. How long has the organization been in business? What is the legal status of the organization?
2. What is the staffing profile and structure of the organization (including unpaid staff)?
3. What need does the organization serve? Why is this important to the world right now?
4. Is the need for the organization growing or shrinking? (Do a bit of research!)
5. What kind of geographic boundaries does the organization have? What is your reach and what is the potential for your business in terms of numbers?
6. What is the profile of your most likely service users? Is it men, women, children? What are their ages? What do you know about this group of people? How does the organization address their needs?
7. What successes did the organization have last year?
8. What challenges do you anticipate next year that will need to be addressed?

VISION

Guidance: This is the place to really dream big! Imagine the organization was wildly successful, with unlimited resources, and no barriers whatsoever. What would be different about the world? How would the lives of your service users and the community you serve change?

A good vision is inspiring, focuses on serving the world, and is very ambitious. It is often the ideal result, and is bigger than just what you (or your business) can deliver alone. It should be developed in consultation with your Board and Executive Management Team.

Try and develop a Vision of the world if your organization could serve every single person who needs your services. Capture what the world would be like if you could do this in 3-5 sentences.

Your Vision Checklist:

- Does it excite you?
- Does it tell the world about the good you want to do?
- Is it bigger than you? (In other words, is it more than you can do alone?)
- Is it simple?
- Is it clear?
- Is it about what you can give? (not about what you'll get)

MISSION

Guidance: People often confuse the Vision and Mission, but they serve two distinct functions. The Vision captures how you want the world to change. The Mission is about the organization's purpose. For example:

Vision – A world where every person is living and working to their full potential. (The result of your good works and possibly those of other like-minded organizations.)

Mission – Helping people discover their career potential and supporting them in making changes to bring this potential into the world. (Your role in delivering the vision. What you'll do to help bring about this change in the world.)

Capture here how you serve people, and what your role in delivering the Vision will be. This again is usually a sentence or two, and should be developed with your Board and Executive Management Team.

Your Mission checklist:

- Does it tell the world about the purpose of the organization?
- Is it clear and simple?
- Will it help keep you focused on the right things?
- Does it link in well with your Vision and tell people your part in delivering it?

VALUES

Guidance: Organizational Values are critical for a do-good business! They will guide decisions and tell the world how you will interact with those you serve. Below is a list of values that are common in business. Choose up to ten (or add your own) and compose a sentence or two for each telling the world how this value will guide your business and help you achieve you Vision and Mission. Again, this is an activity that should involve your Board and Executive Management Team.

Integrity	Teamwork	Partnership	Honesty
Communication	Respect	Safety	Attitude
Customer Service	Trustworthy	Diversity	Individuality
Creativity	Growth	Achievement	Competence
Accountability	Community	Community	Quality
Commitment to Success	Ethical	Legal	Professionalism
Fairness	Responsibility	Consistency	Empowerment
Fun	Risk-taking	Efficiency	Balance
Loyalty	Optimism	Reliable	Inspiring

CHAMPIONING THE CAUSE

Guidance: You now have an important message for the world (your organizational vision and mission), so it's essential that some thought is given as to how this will be communicated this to others. Instead of "marketing" your services, think of it as "championing the cause."

This is the place to capture how best to communicate how you'll help your service users and the role you'll play in the community. Use the template below to structure this thinking and develop a plan to take your message into the world!

Your Board is your mouthpiece and will have a key role in Championing the Cause. Make sure that they are invested in delivering these activities and that their strengths and skills are taken into account when you design the methods of communicating.

MARKETING AND COMMUNICATION PLAN

What groups do we need to serve most?	What do they need to hear from us?	What is the best way to find and communicate with them?	When will we communicate with them? How often?	How will we know if they have heard our message?
<i>Try to divide your audience into groups – service users, community leaders, funders, etc. There may be several groups but they will need you to communicate slightly different messages to them.</i>	<i>What need do they have? What problem can you solve for them? In the case of community leaders, etc., what do they need to hear about us?</i>	<i>Where are they? Do they communicate online? In person? Are there networking groups, events, or trainings that you can participate in to give an opportunity to communicate with them?</i>	<i>Will you reach out to them daily? Hold networking events once a month? Hold a supporter's luncheon? Send out a quarterly newsletter?</i>	<i>If this works, how will you know they have heard you? What will success look like?</i>

OBJECTIVES AND PRIORITIES THIS YEAR

Guidance: Now that you have some clarity about the big picture of your organization and its message to the world, it's time to break your activities down into achievable steps. In this section, develop 3-5 objectives or priorities that you can focus on THIS YEAR to help take you a few steps closer to the vision. Keep them somewhat high level and try to make these SMART:

S – Specific
M – Measurable
A – Achievable
R – Realistic
T – Timebound

For example, a SMART objective might be:

To develop two or three packages of services and materials to support single mothers in attaining well-paid work, and launch these online by August 2012.

This is specific in that it tells you what you want to do and who it will serve. You can measure the number of packages and services, and it has a deadline.

Only you will know if this is realistic or achievable – there are too many variables there for me to guess! Use your own judgment and weigh these up against one another once you have 3-5 objectives to determine if they are achievable. For example, is it realistic to have this completed over the summer if you have key staff members taking vacations or going on holiday? Don't be too ambitious, but do try and make these challenging!

Your objectives and priorities checklist:

- *Did you limit it to 3-5 things?*
- *Are your objectives SMART?*
- *Do they support your Vision and fit in with your Mission?*
- *Are you clear how your values will support you in delivering these things?*
- *Are your activities spread out across the year? Have you checked the timing of them against other commitments and known patterns in your business?*
- *Are all your activities in your Communication Plan accounted for?*
- *Does it feel exciting to see what you could accomplish in the next year?!*

PEOPLE DEVELOPMENT PLAN

Guidance: *In any business, it is important not to neglect the life-blood of the organization – the people! Your Board, Managers, Staff and Volunteers will need the right skills and knowledge to work together to deliver your goals. Use the template below to help guide you in planning how you'll make sure they have what they need to do this important work.*

Area of Development Needed	What will be done	When	Cost of this development (Both in terms of time and money)
<i>Example: Website design, leadership skills, accounting, grant writing</i>	<i>Attend a course, read a book, talk to someone and get tips</i>	<i>By the end of July</i>	<i>2 days time; \$125</i>

Next, (and this is important!) *summarize how this personal development will help your people to deliver your services better. How will investing this time, energy and resource help you and your staff deliver the organization's objectives and mission this year?*

OPERATING BUDGET

Guidance: *Use the worksheet below to help you determine if the activities and plans you want to undertake are achievable with the financial resources you have available to you this year. You can keep this fairly high level, and supplement it with detailed balance sheets, cash flow statements, etc. in an appendix if these are needed.*

This worksheet is a very simplified version of a profit/loss ledger. Consult your accountant or bookkeeper for advice on developing a more detailed financial planning document. There are plenty of software options available on the market that can help you develop more detailed financial plans, which can help you monitor and track your costs closely. These are definitely worth the investment!

Estimated Operating Budget Worksheet

	<i>Estimated Amount</i>	<i>Actual</i>
Expected Income		
Grants		
Donations		
Fundraising		
Interest		
Other income		
TOTAL:		
Expected Expenditure		
Staffing Costs		
Office running costs (rent, etc.)		
Supplies		
Mileage		
Staff development		
Marketing		
Other costs		
TOTAL:		
Programs/Project Costs		
Program 1 (may relate to Objective 1)		
Development costs		
Marketing Costs		
Running Costs		
Staffing Costs		
TOTAL:		
Program 2 (may relate to Objective 2)		
Development costs		
Marketing Costs		
Running Costs		
Staffing Costs		
TOTAL:		
TOTAL EXPENDITURE:		
TOTAL Profit/Loss:		
<i>(Income – Total Expenditure)</i>		

RISKS AND OPPORTUNITIES

Guidance: It's a good idea to spend just a bit of time thinking about what might not quite go to plan over the year so that if we can watch out for them or take corrective action, it will limit the damage. This is called risk management.

Likewise, it's a good time to think about any opportunities that we haven't thought about yet so that we don't miss any good ideas along the way.

Use the tool below to think about all the things that could go wrong, and to plan how you'll deal with these things. (This is called a SWOT Analysis.) Think too about what could go really, really right in terms of new opportunities for your business. How will you react to these things? This is a very good tool to use with your Board and/or Executive Management Team as part of your planning processes.

SWOT Analysis

Strengths <i>(List here anything you can think of that makes your organization amazing! What can you rely on to deliver your services?)</i>	Weaknesses <i>(What isn't quite the way it should be yet? What is missing?)</i>
Opportunities <i>(List here any potential opportunities to really push your organization forward that you have not yet taken advantage of.)</i>	Threats <i>(List here anything that might get in your way of achieving your goals – such as funding you aren't sure of yet, relationships that might break down, etc.)</i>

Risk Register

Use the table below to capture any risks that are identified during your SWOT analysis, and any others you are aware of that might come up over the next year. (You may want to expand on this as part of your organizational governance activities and review them at Board meetings at least quarterly.)

Risks Identified	Controls in place	Who is responsible
<i>Example: Grant funding is reduced and resources are not available to cover the operating costs of the organization.</i>	<i>Good relationships with government officials.</i> <i>Expertise in grant writing in house.</i> <i>Diversity of income sources developed</i>	<i>Executive Director</i> <i>Executive Director</i> <i>Board</i>

SUCCESS MEASURES

Guidance: All these actions and activities will be worthless if you don't know how to measure the good you're doing by undertaking them. In this section, capture how you will manage programs and monitor your success. What will tell you that the things you're doing are working to bring your message to the world and helping you achieve your Vision and Mission? Focus these on what you'll look for THIS YEAR. You may want to have up to 10 of these, or you can simply find one for each of your objectives/goals/priorities. For example:

Objective: *To develop two or three packages of services and materials to support single, child-free women in discovering their life's purpose, and launch these online by August 2012.*

Measures:

- *Interview prep classes launched by 1 Aug 2012.*
- *10 trainees enrolled each month between August and December.*
- *Good feedback from trainees on how useful the class was in helping them prepare for an interview.*
- *Number of trainees who get a job by 1 Jan 2013.*

Measures of Success:	When this will be measured: <i>(Try to have measures throughout the year)</i>
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MANAGEMENT PLAN

GUIDANCE: Capture how often you'll review this Plan and how decisions about priorities and changes will be made. It is essential that you don't do all this great work and the let it gather dust on a shelf somewhere. Your Plan will be "LIVE" and will need to reviewed and updated at least every quarter by your Board and your Executive Management Team.

THE ACTION PLAN

Guidance: *This is the most flexible part of your Plan. It is the part that you will use to help stay focused, keep you from being overwhelmed, and make sure that you stay on track with your goals. Use the template below to help break down your objectives and goals into manageable chunks so that you can get started on putting this plan into action NOW! There may be some things you don't know yet. That's okay! Just capture when you WILL know and what you'll do to find out. Plan to "replan." Once you know more, you can plan more. Come back to this action plan at least every few months to check in on your progress.*

Quarter 1 (Dates:)				
Action to take	Related Objective	Start Date	End Date	Resources Cost, time, people

Quarter 2 (Dates:)

<i>Action to take</i>	<i>Related Objective</i>	<i>Start Date</i>	<i>End Date</i>	<i>Resources Cost, time, people</i>

<i>Quarter 3 (Dates:)</i>				
<i>Action to take</i>	<i>Related Objective</i>	<i>Start Date</i>	<i>End Date</i>	<i>Resources Cost, time, people</i>

<i>Quarter 4 (Dates:)</i>				
<i>Action to take</i>	<i>Related Objective</i>	<i>Start Date</i>	<i>End Date</i>	<i>Resources Cost, time, people</i>

A Donor Bill of Rights

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the non-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I.

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

VI.

To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

II.

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities

VII.

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

III.

To have access to the organization's most recent financial statements.

VIII.

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IV.

To be assured their gifts will be used for the purposes for which they were given.

IX.

To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

V.

To receive appropriate acknowledgement and recognition.

X.

To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY:

Association of Fundraising Professionals (AFP)
Association for Healthcare Philanthropy (AHP)
Council for Advancement and Support of Education (CASE)
Giving Institute: Leading Consultants to Non-Profits

ORIGINALLY ENDORSED BY:

Independent Sector
National Catholic Development Conference (NCDC)
National Committee on Planned Giving (NCPG)
Council for Resource Development (CRD)
United Way of America

Adopted in 1993

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APPENDIX K

CTRNC Annual Giving Donor/Prospect Goals Template

Annual Gift	Monthly Gift	Donors	Prospects	Annual Total
\$ 408.00	\$ 34.00	100	300	\$ 40,800.00
\$ 240.00	\$ 20.00	100	300	\$ 24,000.00
\$ 180.00	\$ 15.00	100	300	\$ 18,000.00
\$ 120.00	\$ 10.00	100	300	\$ 12,000.00
\$ 60.00	\$ 5.00	100	300	\$ 6,000.00
Total				\$ 100,800.00

APPENDIX L

CTRNC Capital Campaign Donor/Prospect Goals Template

Campaign Goal						
Major Giving	Annual Giving	Churches	Events	Expenses	Annual Total	5 YR Campaign Total
\$ 116,000.00	\$ 101,760.00	\$ 10,000.00	\$ 20,000.00	\$ 41,900.00	\$ 205,860.00	\$ 1,029,300.00