









- "Anticipating and preparing for the future is about looking at multiple views of how the future might unfold."
  - Randy Park, The Prediction Trap

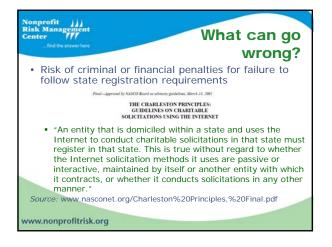
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#### Nonprofit Risk Management Center

**Key Concepts** 

and how to avoid it

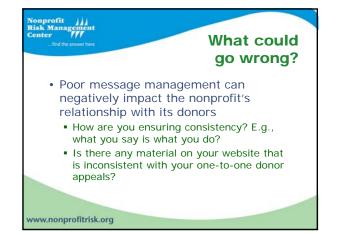
- Fundraising is a <u>regulated</u> activity = legal obligations and penalties
- Fundraising is a <u>public</u> activity that impacts your image and your reputation
- Fundraising should be *consistent with your mission*
- Fundraising requires accountability and oversight
- Good governance requires paying attention to the organization's resource development strategies











#### Abercrombie & Fitch

# The "Abercrombie & Fitch Emergency Department and Trauma Center" Named at Nationwide Children's Hospital.

The "Abercrombie & Fitch Emergency Department and Trauma Center" will be part of a new main hospital facility, scheduled to break ground in 2008 and open in 2011. Nationwide Children's Hospital operates the third busiest pediatric Emergency Department in the U.S. and houses the first Level I <u>Pediatric Trauma Center</u> in Ohio. Child magazine has ranked Nationwide Children's Hospital Emergency Services, Trauma Services and Urgent Care Centers as second in the notion ju providing outstanding pediatric emergency medical care, with more than 74,000 visits to the Emergency Department in 2005. Source: www.nationwidechildrens.org/abercombie-and-fitch

## • Is there anything legally wrong with renaming the trauma center? (No)

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# Do we really need to register?

- Yes. Especially if you raise funds from residents of New Jersey, New York, Pennsylvania, Florida and California
- The Uniform Registration Statement can be used in multiple states and the following website is a great resource: <u>www.multistatefiling.org</u>
  - The most recent version of the URS is v. 4.01, which was released in May 2010
- Only three states that require registration do not accept the URS: Colorado, Florida and Oklahoma







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### **Disclosure Language**

Many states also require that each written solicitation include <u>specific language</u> about the charity's registration with that state.

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### **Example: New Jersey**

 "Information filed with the Attorney General concerning this charitable solicitation and the percentage of contributions received by the charity during the last reporting period that were dedicated to the charitable purpose may be obtained from the Attorney General of the State of New Jersey by calling (973) 504-6215 and is available on the internet at http://www.state.nj.us/lps/ca/charfrm.htm. Registration

with the Attorney General does not imply endorsement."









## Annual Funds, Annual Funds, Capital Campaigns, and other special campaigns • What do you do when the original purpose

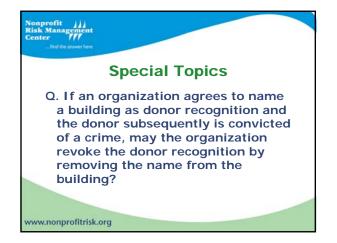
- What do you do when the original purpose for the gift is no longer possible?
- What special risks are involved in annual funds?
- Capital campaigns if we build it, will "they" come?
- Special fundraising risks internet advertising, auctions, corporate support and respecting donor privacy

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#### Nonprofit III Risk Management Center III

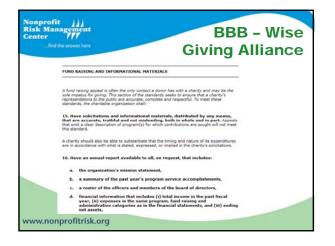
## Donor Bill of Rights

- Association of Fundraising Professionals
   See <u>www.afpnet.org</u>
  - "The Top 10 Mistakes in Fundraising Campaigns"
     #3 Weak leadership from board an/or campaign leaders
  - >#7 Taking donors for granted once a gift is closed
- Donor privacy and anonymous donors
- Transparency
- Gift Acknowledgments



## Nonprofit []]] Right Management Center []] Ind the answer here Neither the AFP Code nor the Donor Bill of Rights speaks to the question of illegal activity by a benefactor, so it would not be a violation of either document either to remove the donor's name or leave it in place. Factors to consider: The nature of the criminal activity. Whether the convicted persons have paid their penalties. Whether the terms of the gift are silent on the subject of whether and how a naming right can be revoked. Source: www.afpnet.org/Ethics/EnforcementDetail.cfm?ItemNumber=4013&token=2085

Nonprofit Risk Management Center find the answer here	and the second second		
Knov	w the Wa	atchdogs	
http://www.	bbb.org/us/Governi Government Agencie		
	Tools   🛱 Print	Ecokmark & Share	A A A
	Federal Internal Revenue Service: If Federal Trade Commission: If		
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## Nonneofit III

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- 5. Manage your messages to stakeholders
- 6. Manage donor expectations
- 7. Pay attention to the charity watchdogs
- 8. Ask your donors... what they think
- 9. Strive for consistency and transparency
- 10.Remember that you may need to take MORE risk



