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Advancing Philanthropy through Nonprofit Consulting & Training

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The mission of CAPITAL VENTURE is to provide fundraising counsel, specializing in innovative training and consulting services for both new and established development programs. CAPITAL VENTURE strives to advance the cause of philanthropy by providing professional, ethical and competitively priced fundraising counsel for nonprofit organizations.

SUCCESS STORIES

CAPITAL VENTURE is pleased to announce the winners of the grants for our Group Consulting Program. We announced this program in conjunction with our 10th anniversary, and we were overwhelmed with the response. (For all of you who often thought it would be great to be on the other side of the desk – giving the money away – let us assure you that it isn't as easy as it sounds.) We had originally planned to give four grants for this program in Pennsylvania and four in Nevada, but the applications were all so worthy of consideration that it was very difficult to select the winners.

In Pennsylvania and Nevada, 34 organizations applied for a grant to receive our ten month Group Consulting program at no charge. We decided to award seven grants in Pennsylvania and six grants in Nevada, totaling

\$32,500 in pro bono services from CAPITAL VENTURE.

The grantees in Pennsylvania include The African American Museum, Philadelphia; Alpha Omega Players, Birdsboro; Clare House, Lancaster; Crossing the Finish Line, Conshohocken; Logos Academy, York; Philadelphia Youth Network, Philadelphia; and Wood to Wonderful, Reading.

The grantees for our West Coast Group Consulting program include Carson City Symphony Association, Inc.; KLVX Channel 10; Red Mountain Music Company; Safe Nest; The Children's Museum of Northern Nevada; Volunteer Center of Southern Nevada.



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President's Message: "I'm from the government and I'm here to help"

By Linda Lysakowski, ACFRE



Words you may not think of when you think of nonprofit organizations! But the IRS is here to help! A series of all day FREE seminars brought to you by the IRS and geared to small, mid-size, or new nonprofit organizations will be held in 11 cities across the country this spring. These workshops will deal with issues such as exemption and filing requirements, UBIT (unrelated business income tax), public inspection and disclosure of Form 990 tax returns, gaming activities and the audit process.

The IRS says these workshops are designed for board members, officers and staff members of organizations with a budget under \$1,000,000. However, they are open to anyone. Cities in which these sessions are being held include

Harrisburg, PA; Las Vegas, NV; New Orleans, LA; Albany, NY; Detroit, MI; Durham, NC; Indianapolis, IN; Kansas City, KN; Seattle, WA; Jacksonville, FL; and Garden City, NY.

Information on the dates and locations may be obtained from the IRS website – www.irs.gov/eo or by calling toll free 1-888-829-5500. We highly recommend attendance at these and other workshops that the government offers, including bulk mail workshops held at your local post office.

Ethics for nonprofit organizations.

This issue of our newsletter focuses on a critical topic for all nonprofit organizations.

Ethics and legal issues are a growing concern as we face increased scrutiny on the part of our various publics – media, donors, and community. We are happy to provide the AFP Code of Ethical Standards to our friends in this issue of *Ventures in Philanthropy*. CAPITAL VENTURE is proud to say we have a company code of ethics, which may be found on our website – www.cvfundraising.com.

Be an Advocate for Ethical Behavior

By Sue Kreeger, CFRE

Development professionals play a unique role in maintaining the health of our society. In order to ensure the integrity of this vital profession, it is paramount that the professional be grounded in a strong code of ethics.

Make our own gift first.

Professional fundraisers understand the importance of not only helping to raise funds, but also the significance of mak-



ing their own gift before asking others to give. This "act of giving" immediately turns the fundraiser into a philanthropist. Responsible philanthropy fosters ethical behavior.

Be an advocate.

The role of guiding the non-profit through tough ethical waters often falls to the development professional. For this reason, we must "set the pace" by being ethical leaders within our own organizations. Often times the simplest of situations, not handled properly, can become an ethical dilemma.

CONTINUED ON PAGE 2

Where do we go for help?

The Association of Fund Raising Professionals has led the way in developing the strongest code of ethics and standards of professional practice for the fund raising profession. AFP provides guidance on how to apply ethical reasoning in the real world of fund raising. Individuals who are members of AFP or non-members who have completed the certification process are required to abide by the association's Code of

Ethics and Standards of Professional Practice. (See section below.) AFP also provides a self-governed process for addressing ethical concerns. You can learn more about this process by checking out the AFP website at www.afpnet.org.

Of course, being ethical is about much more than signing a declaration. It is a trust – a statement of who we are and what we do everyday. Besides “doing the right thing” we are also setting an example for the

“ WHOEVER COMMITS A FRAUD IS GUILTY NOT ONLY OF THE PARTICULAR INJURY TO HIM WHO HE DECEIVES, BUT OF THE DIMINUTION OF THAT CONFIDENCE WHICH CONSTITUTES NOT ONLY THE EASE BUT THE EXISTENCE OF SOCIETY. ”

— Johnson: Rambler #79 (December 18, 1750)

other members of our organizations and the professionals who will follow in our footsteps. Our ethical behavior today helps to underwrite a firm future for our profession, our organization and our society.

AFP Code of Ethical Principles and Standards of Professional Practice

Adopted November 1991.

The Association of Fundraising Professionals (AFP) exists to foster the development and growth of fundraising professionals and the profession, to promote high ethical standards in the fundraising profession and to preserve and enhance philanthropy and volunteerism.

Members of AFP are motivated by an inner drive to improve the quality of life through the causes they serve. They serve the ideal of philanthropy; are committed to the preservation and enhancement of volunteerism; and hold stewardship of these concepts as the overriding principle of their professional life. They recognize their responsibility to ensure that needed resources are vigorously and ethically sought and that the intent of the donor is honestly fulfilled. To these ends, AFP members embrace certain values that they strive to uphold in performing their responsibilities for generating charitable support.

AFP members aspire to:

- Practice their profession with integrity, honesty, truthfulness and adherence to the absolute obligation to safeguard the public trust.
- Act according to the highest standards and visions of their organization, profession and conscience.
- Put philanthropic mission above personal gain.
- Inspire others through their own sense of dedication and high purpose.
- Improve their professional knowledge and skills, so that their performance will better serve others.
- Demonstrate concern for the interests and well-being of individuals affected by their actions.
- Value the privacy, freedom of choice and interests of all those affected by their actions.
- Foster cultural diversity and pluralistic values, and treat all people with dignity and respect.
- Affirm, through personal giving, a commitment to philanthropy and its role in society.
- Adhere to the spirit as well as the letter of all applicable laws and regulations.
- Advocate within their organizations, adherence to all applicable laws and regulations.
- Avoid even the appearance of any criminal offense or professional misconduct.
- Bring credit to the fundraising profession by their public demeanor.
- Encourage colleagues to embrace and practice these ethical

principles and standards of professional practice.
• Be aware of the codes of ethics promulgated by other professional organizations that serve philanthropy.

STANDARDS OF PROFESSIONAL PRACTICE

Furthermore, while striving to act according to the above values, AFP members agree to abide by the AFP Standards of Professional Practice, which are adopted and incorporated into the AFP Code of Ethical Principles. Violation of the Standards may subject the member to disciplinary sanctions, including expulsion, as provided in the AFP Ethics Enforcement Procedures.

Professional obligations

1. Members shall not engage in activities that harm the members' organization, clients, or profession.
2. Members shall not engage in activities that conflict with their fiduciary, ethical, and legal obligations to their organizations and their clients.
3. Members shall effectively disclose all potential and actual conflicts of interest; such disclosure does not preclude or imply ethical impropriety.
4. Members shall not exploit any relationship with a donor, prospect, volunteer, or employee to the benefit of the members or the members' organizations.
5. Members shall comply with all applicable local, state, provincial, and federal civil and criminal laws.
6. Members recognize their individual boundaries of competence and are forthcoming and truthful about their professional experience and qualifications.

Solicitation and use of charitable funds

7. Members shall take care to ensure that all solicitation materials are accurate and correctly reflect their organization's mission and use of solicited funds.
8. Members shall take care to ensure that donors receive informed, accurate, and ethical advice about the value and tax implications of potential gifts.
9. Members shall take care to ensure that contributions are used in accordance with donors' intentions.
10. Members shall take care to ensure proper stewardship of

charitable contributions, including timely reports on the use and management of funds.

11. Members shall obtain explicit consent by the donor before altering the conditions of a gift.

Presentation of information

12. Members shall not disclose privileged or confidential information to unauthorized parties.
13. Members shall adhere to the principle that all donor and prospect information created by, or on behalf of, an organization is the property of that organization and shall not be transferred or utilized except on behalf of that organization.

14. Members shall give donors the opportunity to have their names removed from lists that are sold to, rented to, or exchanged with other organizations.

15. Members shall, when stating fundraising results, use accurate and consistent accounting methods that conform to the appropriate guidelines adopted by the American Institute of Certified Public Accountants (AICPA)* for the type of organization involved. (* In countries outside of the United States, comparable authority should be utilized.)

Compensation

16. Members shall not accept compensation that is based on a percentage of charitable contributions; nor shall they accept finder's fees.
17. Members may accept performance-based compensation, such as bonuses, provided such bonuses are in accord with prevailing practices within the members' own organizations, and are not based on a percentage of charitable contributions.
18. Members shall not pay finder's fees, commissions or percentage compensation based on charitable contributions and shall take care to discourage their organizations from making such payments.

For a copy of the Donor Bill of Rights visit the Association of Fundraising Professionals website at www.afpnet.org or contact CAPITAL VENTURE.

Profile: Joe Swope, Public Relations Consultant



In a communications career that spans more than 20 years, there's little Joe Swope hasn't tried. He's worked in public relations, advertising and marketing in both the corporate and non-profit worlds, taught communications and English courses as an adjunct professor, moonlighted as a professional film critic, and writes short stories in his “spare” time.

Joe's knowledge of public relations and community engagement brings an added dimension to the services offered by CAPITAL VENTURE. Joe has provided communications support to numerous annual funds, capital campaigns and special events. He has developed award-winning publications, visual communications and public relations campaigns for both business and non-profit organizations.

His career includes an 11-year stint as director of public relations at Alvernia College in Reading, Pennsylvania and nearly 10 years as communications manager for UGI Utilities, Inc., a natural gas and electric utility serving eastern and central Pennsylvania. Part of his responsibilities at UGI include managing the community relations function, and the company was a recipient of the 1997 Points of Light Foundation Award for Corporate Community Service.

Joe has also provided public relations support and guidance to a number of non-profit organizations and events as both a volunteer and as a consultant.

When it comes to developing a communications plan, his mantra is simple. “Know what you want to accomplish and know your audience,” Joe said. “Find the essence of your message and deliver it with style and creativity.”

Joe noted that many fundraising campaigns fail to use public relations as effectively as they could.

“Public relations is more than writing a news release or putting together a quick brochure,” Joe explained. “Effective public relations builds and maintains relationships with an organization's most important audiences. When public relations and development work together, you have the opportunity to build more than a successful fundraising campaign – you have the ability to create long-lasting positive partnerships with your constituents.”

Recent & Upcoming Presentations

Monday, March 10, 2003
Charity Channel Summit
Hilton Palm Springs Resort
Palm Springs, CA
“Yes, You Can Run a Capital Campaign”
Linda Lysakowski, ACFRE and Sue Kreeger, CFRE

Sunday, March 23, 2003
AFP International Conference
Metro Toronto Convention Center
Ontario, Toronto
“Getting Started in Fundraising”
Linda Lysakowski, ACFRE

Friday April 4 – Saturday, April 5, 2003
Commonwealth Annual Trustee Institute
Grantville, PA
Part I: “Organizing an Integrated Fundraising/Development Program for your Library”
Part II: “Building an Endowment for Your Library”
Linda Lysakowski, ACFRE

Sunday, April 6, 2003
Pennsylvania Federation of Museums & Historical Organizations
Independence Seaport Museum
Philadelphia, PA
“Building a Diverse Fundraising Program for Staff and Board!”
Linda Lysakowski, ACFRE

Tuesday, April 22, 2003
Collaborative Crisis Centers Conference
Santa Fe, NM
“Developing a Fundraising Plan”
“Managing Fundraising in Challenging Times”
Linda Lysakowski, ACFRE

Tuesday, June 3 and Tuesday, June 10, 2003
Upper Bucks Chamber of Commerce
Quakertown, PA
“Writing Winning Grants”
Nancy Stoeber and Ellen Ayoub

Friday, June 27, 2003
AFP Las Vegas Chapter
“Working With Consultants”
Linda Lysakowski, ACFRE

CAPITAL CAMPAIGN WORKSHOP SCHEDULE:

April 30 to May 2 Las Vegas, NV	May 14 to 16 Harrisburg, PA
May 7 to 9 Reno, NV	May 20 to 22 Reading, PA
May 12 to 14 Philadelphia, PA	May 21 to 23 Phillipsburg, NJ

For details about Recent & Upcoming Presentations please call our toll free number, 1.877.540.2896