



June-July 2005

## PRESIDENT'S MESSAGE:

Welcome to our *Ventures in Philanthropy* E-Newsletter

Linda Lysakowski, ACFRE



Transparency is the keyword on the lips of many nonprofit leaders. Public scrutiny of charities is increasing at a rapid rate, fueled in part by a few charities that violate the rules, and the increased media attention focusing on those charities. Boards of directors are becoming more aware of their responsibility to govern the nonprofit organizations on whose boards they sit in a prudent manner, and rightly so. In this issue of *Ventures in Philanthropy*, we feature several stories about the Standards of Excellence program that several statewide associations of nonprofits have introduced. Programs such as this are an example of how the nonprofit community is seeking to regulate itself and striving to ensure donors that the organization is meeting or exceeding the highest standards of performance. We urge all nonprofits to seek accreditations by such programs whenever there is a program available in their state or to encourage their own statewide associations to set up a program.

The Association of Fundraising Professionals, along with several other national associations of fundraisers, has developed the Donor Bill of Rights (included with this newsletter). We encourage nonprofits to distribute this valuable statement as widely as possible, perhaps putting it in your own newsletters or having it framed to hang on the walls of your development offices.

## New Book to be Released in June

Do you want to know how to recruit volunteer fundraisers and how to help your board members and other volunteers to be better fundraisers? Watch for Linda Lysakowski's new book to be published this summer by Wiley Press. *Recruiting and Training Fundraising Volunteers* will be available this summer to help you learn about the many ways you can involve volunteers in your development program, where to find volunteers, and how to work with them to achieve success. The author, Linda Lysakowski, ACFRE, President/CEO of CAPITAL VENTURE will be available for conferences and seminars based on the book. For more information and details, please contact Shanon Hafer at [shanon@cvfundraising.com](mailto:shanon@cvfundraising.com).

## Are You Ready for a Capital Campaign?

Is your organization contemplating a capital campaign? We have formed a partnership with Campaignreadiness.com to help you assess your readiness for a campaign. Check our website [www.cvfundraising.com](http://www.cvfundraising.com) for instructions on how to determine your internal readiness to do a campaign. After completing a questionnaire about your organization, you will receive a report of your organization's readiness for a campaign.

## Pro Bono Awards Given

CAPITAL VENTURE is pleased to announce the winner of its pro bono development audit/plan. The **Wyoming Valley Children's Association** will receive a free development audit and plan to be completed this spring. Other applicants were offered a discounted rate for their development audit/plan.

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## The Standards for Excellence, a Proactive Approach to Accountability and Self Help Tool for Nonprofit Organizations.

**Submitted by:**  
**Tish Mogan**  
**Standards for Excellence Officer**  
**Pennsylvania Association of Nonprofit Organizations.**

If there were to be a key word for this first decade of the 21<sup>st</sup> century, it would have to be "ethics." Since the beginning of the human race, we have always had a focus on right vs. wrong. What is different today is that the scale of technological and communication capabilities have allowed "wrong acts" to have massive impact on our society and world. So is the nonprofit sector exempt from doing wrong? After all, we have such "pure intentions!"

From the past decade we know that this is not the case. In response to increased focus and concern regarding how the nonprofit sector operates, several entities have worked on assuring that there are "standards" that exist in all areas of the nonprofit sector to guide operations in maximizing integrity, honesty, respect, trust and accountability. The Association of Fundraising Professionals took a lead in this in developing their Code of Ethics for professional fundraisers. Many other organizations followed. This article will focus on the code developed by the Maryland Association of Nonprofit Organizations (Maryland Nonprofits) in 1996 - 98. The "Standards for Excellence" is the first ethics and accountability code and educational program that applies to all nonprofit organizations. Launched in 1998 by Maryland Nonprofits, the program is now being replicated in six additional states and also includes a national component. Information on the latter can be found at [www.standardsforexcellenceinstitute.org](http://www.standardsforexcellenceinstitute.org).

What does the program include? 56 Standards covering eight areas of nonprofit management (Mission and Program, Governing Board, Conflict of Interest, Human Resources, Financial and Legal, Openness, Fundraising and Public Affairs and Public Policy) compose the code. To maximize the implementation of these standards, the program also includes intensive educational resources (educational resource packets, 16 hour Clinic Sessions focused on how to implement the Standards and technical assistance) as well as a voluntary certification program for those organizations that choose to assure implementation in all 56 standards.

Recently the Washington D.C. Senate Finance Committee hearings on charities and the subsequent formation of the Nonprofit Panel Work Group (requested to provide feedback to the

Senate Finance Committee proposals) led by the Independent Sector has increased attention on self-regulation programs such as the Standards for Excellence.

So is the Standards program able to have an impact? This writer can speak from her experience of being responsible for implementing the program in Pennsylvania over the past two years. AS the Standards for Excellence Officer at the Pennsylvania Association of Nonprofit Organizations (PANO), I have had the honor and privilege of working with many passionate and committed nonprofit leaders across the state. To date, we have distributed well over 7,000 copies of the code (downloadable version is available at <http://www.pano.org/documents/standardscode.doc>), presented introductory sessions on the Standards to over 500 nonprofit representatives, provided Clinic Sessions for approximately 80 nonprofit organizations and certified 18 organizations under the “Standards for Excellence.” While we are still too young to measure overall objective impact, we can at least provide some data and subjective information. Feedback comes from many different “players” in this process. First, the organizations themselves:

In 2004, results of the first seven organizations to reach a six-month post certification indicate the following impacts of certification:

- 87% responded “yes” or “possibly” as being considered by a funder that had not considered them before.
- 100% state that their board has become more effective with a greater awareness of responsibilities.
- 83% report greater board effectiveness in the oversight of the organization and through the evaluation of board performance.
- 67% note improved staff development processes.
- 67% show improvements in the overall quality of programs and having a better sense of effectiveness and impact.
- 83% testify to more credibility in their community of peers and a general sense of the organization feeling stronger and more self confident.
- 83% describe policies are in place providing more effective operations as well as a better sense of when written policies need to be created.
- 100% report an improvement in the ability to meet standards for other types of accreditation or licensing programs.

*The following are a few of the many verbal testimonies provided by nonprofit administrators going through the Standards certification process.*

“This search for excellence gave a new ownership to our board members [and] gathered people together to rejuvenate their commitment to why they work, volunteer and are served in this organization. It included all positive and challenging work that made us think deeper and more inclusive. The momentum will remain... It is not a sit –on- the- shelf or hang-on- the- wall event; it is one that needs constant attention because the standards bar should always be raised for improvement so that mission accomplishments occur.” *Anonymous*

“I applaud the persons who visioned the value of this process and then made it happen for others like ourselves. The conferring of the Standards for Excellence is not intended to set an organization apart from others; it is a license to continue to hold high the ideals of professional competencies.” *Anonymous*

“Those who are served, those who give, and those who provide - all deserve to have a benchmark of quality assurance and the Standards for Excellence testifies to that outcome.” *Sharon Harry, Executive Director of Wyoming Valley Children’s Association in Wilkes-Barre, PA, a recently certified organization*

“Making the organizational commitment to engage in the process, sends a strong message throughout the staff and board, that accountability and ethics are not only fundamental values, but that we intend to ensure that we consistently live up to those values in our daily operations.” *Pat Giles, Senior Vice President of Community Impact for the United Way of Berks County*

The certification process involves a three-phase review including PANO staff, volunteer Peer Reviewers (minimum of five years of nonprofit administration experience is required for this position) and the final approval by the Standards Committee, an independent arm of PANO’s board of directors. Feedback from the Peer Reviewers and the Standards Committee members affirms the value to the program. As Peer Reviewer Bobbi Geer (President of the Community Foundation of Westmoreland County) states, “I was pleased with the rigor of the (Peer Review) process. It is good to know that this program is not a “rubber stamp.” It is very thorough and conducted in such a professional manner and in the spirit of advancing the nonprofit sector.”

My personal experience as an educator, nonprofit administrator is that this program is a good thing for the sector. Granted I have some bias here, but experiencing the growth of organizations as we have worked side by side in the process is exhilarating and renews my own passion to support the common mission of the entire sector, to improve the quality of life. When organizations improve, services improve. When services improve, quality of life improves. We are in time when it is no longer good enough to just want to do a “good thing.” We serve the most vulnerable people of society and we provide experiences of life that nourish the souls and spirit of our communities. We have entered into a time in our history, that, in order to continue, we must focus on not just what we are doing, but how we are doing it.

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## **Standards for Excellence Award**

**By: Joe Ayala, BA, MA**  
**Director of Development**  
**Centro Hispano Daniel Torres**

Since 1977 the Hispanic Center, through its mission, vision and programs, is obligated to ensure that the Latino community continues to benefit from program resources and effectiveness. Special emphasis is place on the relationship between staff, volunteers and board members to fundamentally achieve our purpose of mission and vision.

As one of the first non-profit organizations in the state to be granted The Standards For Excellence Award, an ethics and accountability code for the nonprofit sector, through the Pennsylvania Association of Nonprofit Organizations (PANO), the center’s confidence to comply with local, state and federal laws has been bolstered.

This achievement has boosted the morale of staff and board in efforts to improve professionalism, accountability and capacity. The public and Latinos will benefit from our commitment to strengthening and improving the quality of life in our community.

The Standards of Excellence program allows non-profit organizations to examine areas of their operations in policies, standards and systems and take necessary steps to ensure that they are in place. Awareness of these standards will allow these organizations to achieve their missions and visions and make themselves competitive organizations throughout the state.

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## UPCOMING PRESENTATIONS

**May 24, 2005 & May 31, 2005**  
**University of Nevada Las Vegas**  
**Recruiting and Training Fundraising Volunteers**  
**Las Vegas, NV**  
**Linda Lysakowski, ACFRE**

**June 21 & June 28, 2005**  
**Charity Channel**  
**Building a Leadership Fundraising Team**  
**Online Presentation**  
**Linda Lysakowski, ACFRE**  
**Sue Kreeger, CFRE**

**June 24, 2005**  
**AFP-Las Vegas Chapter**  
**Assessing Your Fundraising Program for the Small Shop**  
**Las Vegas, NV**  
**Linda Lysakowski, ACFRE & Scott Staub, ACFRE**

**August 10, 2005**  
**AFP-Southwest Florida Chapter**  
**Recruiting and Training Fundraising Volunteers**  
**Sarasota, FL**  
**Linda Lysakowski, ACFRE**

**September 16 & 17, 2005**  
**Alaska Funding Exchange**  
**Capital & Endowment Campaigns**  
**Juneau, Alaska**  
**Linda Lysakowski, ACFRE**

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