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nonprofit agendas

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Protect your nonprofit by cross-training staff

If a fire ravaged your nonprofit's building, your disaster plan would likely ensure that your valuable data would be saved and operations could continue. But what would happen if one of your key accounting people were seriously injured in a car accident tomorrow? Would your nonprofit be able to conduct business as usual until that person returned to work or was replaced? Or would financial transactions virtually come to a standstill because no one else knows how to do that job?

Cross-training is the solution

The cross-training of accounting personnel and other employees — teaching them how to do each other's jobs — can help protect your organization from an absence in the short or long term. The potential reasons for an absence are almost countless: An employee may become sick or disabled, have a baby, take a vacation or military leave, be called to jury duty, retire or suddenly resign.

Having someone else on staff set to jump in and take the reins can keep your not-for-profit up and running without much of a hitch.

The organization benefits

Cross-training employees — ideally including everyone in your accounting department — can benefit your nonprofit in other ways, too. Consider, for instance, the productivity factor. If the workload temporarily becomes especially heavy in one area, you can shift staff to ease the situation.

Let's say that Accounts Receivable (AR) is particularly hectic in the fall when annual membership dues are processed. Cross-training could enable you to move a Development employee to help with the onslaught for a few weeks.

And there's also the value of a fresh pair of eyes. An employee who's temporarily filling in for another person will bring a new perspective to day-to-day operations and may be able to come up with process improvements.

Moreover, to use the example above, the next time that AR is processing membership dues, the cross-trained employee from Development will know exactly the format to use when printing reports from the membership database. That way the information needed by AR will be easily available.

Cross-training is also an essential internal control, which is particularly crucial in your accounting department. Making sure that one person's job is periodically performed by another person can prevent fraud. Along with mandatory vacations, cross-training is a key deterrent to dishonesty, because a potential fraudster will know that the cross-trained person could uncover the fraud.

Employees also gain

Employees themselves can benefit in a number of ways. If the task the cross-trained person learns is *vertical* — it requires more responsibility or skill than that employee's normal duties — the cross-training will likely make the employee feel more valuable to the organization.

If the task is *lateral* — with the same level of responsibility as the employee's routine duties — the cross-trained employee still gains by getting a better understanding of the department (or the organization) as well as a change of pace. Plus, the shared experience fosters mutual support.

It's not for everyone

Not everyone is a prime candidate for cross-training. Pick employees who are interested in particular areas of your operation and are open to change. For example, your public relations writer might be very interested in learning how to write a grant proposal. Or your AR clerk may have the skills and experience with your software to be a great back-up for entering vendor invoices into your payables system.

Build the idea of cross-training into your hiring process as well. Select job candidates who show flexibility and curiosity, and let them know that cross-training will be something they'll encounter during their employment.

Training methods vary

Training can be as simple as naming two people in a department each other's "on-the-job buddy" — each person learns what the other person does (at least the *key* responsibilities) and how to perform those duties.

Another way is to split a person's responsibilities between two or more appropriate people. For instance, the Literacy Foundation of Anytown wants to cross-train employees for its program coordinator position. Someone from Administration may be trained to handle the language skills testing part of that job while someone from Marketing might be cross-trained to do first-day presentations to new volunteers.

Getting started

A good way to begin the cross-training process is to appoint a small task force to determine which positions should be cross-trained, segregate the duties and create an implementation plan. It takes some time to get people up to speed carrying out new responsibilities. So allow for this learning curve.

Be sensitive

Cross-training programs are most successful when nonprofits are attuned to some of the prickly issues that can arise. Above all else, make sure that no one feels that his or her job is threatened. Let employees know that the cross-training is for everyone's benefit when a staff emergency or temporary need arises. And emphasize that employees will be expanding their skill sets.

Also be aware that trainees may feel stressed if they're expected to learn new responsibilities while carrying out the ones they already have. If possible, ease up their regular duties while they're training.

Finally, don't expect employees to learn everything at lightning speed. Be selective in the duties you pinpoint for training. And once an employee has developed new talents, be sure he or she uses them periodically.

Going for the gold — Apply solid grant-writing techniques to your quest

Apply solid grant-writing techniques to your quest

With the economy still uncertain, funding organizations continue to hold on tight to their checkbooks, funding fewer projects. At the same time, competition for a grant can be greater than ever. So if your not-for-profit is to become a grant recipient, your proposal will need to shine.

Beginning your research

Your first step is to sort through the mountain of information on funders' requirements that exists online. Seek a funder with a mission similar to yours, and match your project to the grantor's priorities rather than vice versa.

Also keep an eye on location. Some foundations award grants nationwide while others focus on specific geographic areas. Start with applications to local funders and then branch out.

Expanding your reach

Stay open to all *types* of grant sources — not only private foundations, but also local, state and federal governments and corporations. Also look for "mini-grants." These small funding amounts typically are available from corporations and other nonprofits. As funders have cut back, mini-grants have replaced heftier funding in some cases. But a "mini" may be enough to pay for a need.

Also consider applying for a grant in tandem with one or more similar organizations. Collaborative projects are popular with grantors. The nonprofits avoid project duplication and expand their staff resources, service areas and organizational oversight.

Digging deeper

Once you've selected a grant opportunity that's a good fit for your organization, read the funder's guidelines until you fully understand what's required. Then contact the grantor to get an even better feel for what it seeks in a project. The funding source may be more than willing to provide insights into its funding process and point you to previous, successful grant applications.

Moreover, talking directly with the grantor can shed light on your chances of actually securing a grant. It's better to find out upfront whether developing a proposal for this funding source may simply be a waste of time.

Also determine whether any extra administrative costs will accompany accepting the funds. There could be, for instance, additional expenses for added cost reporting or audit requirements. You'll want to make sure the grant will be worth any strings that will be attached.

Maximizing your chances

Once you've determined a grant opportunity is a good one, it's time to start writing. Make every word count, and follow the length requirements to a T.

Write for an intelligent reviewer, not for an expert in the field. A common mistake is losing the reader by introducing ideas that are too complex. Ask one or two of your board members to read the proposal before you submit it.

What you want to do is grab the reader's attention about your project. Simple and direct language works best. Do, however, echo some of the funder's own key words that you discovered during the research phase.

Introducing your organization

The information required in your grant proposal will vary by funder. But every funding source typically seeks answers to similar questions.

The funder will, of course, want to know about your organization, and convincing it that it can trust you with its money is key. Establish your organization's credibility by explaining its mission, major accomplishments and endorsements. Discuss other projects that have been funded and describe successful outcomes.

Explaining what you want to accomplish

Provide a well-defined, outcome-based goal or goals for your proposed project. Desired outcomes should be measurable. For example, let's say your not-for profit — a family assistance organization — seeks funding for its food distribution program. You might state, "The project aims to place food in the homes of 20% of the families in River City that are at or below the poverty level who have expressed a need for food."

Describe data-driven problems or needs. Using credible data, the family assistance organization might state that "31% of the households in River City are at or below the poverty level," and "Only 5,100 of the eligible 12,043 families who applied to a food program in River City last year received food."

Cover the key activities and project specifics that will allow you to meet your goals. If available, include any research that supports the pairing of your proposed activities with the desired results.

Saying how you'll get there

Your target funder will want to know specifically how the funds will be used. The family assistance organization, for example, might plan to 1) purchase food and fill baskets to feed 240 families of four for a week, and 2) distribute 6,240 of these baskets over a six-month period. Be sure to supply itemized estimates of such costs.

Also describe how your project is sustainable, scalable and reproducible in case you want to re-create or upgrade the project and expand it at different locations in the future. Outlining resources or matching funds that you can contribute helps to convince the funder of your organization's investment in the outcome of the project.

When it's worth it

Once you've determined that a particular grant is worth pursuing, give the proposal your best effort before submitting it. There's something to be said about the "old college try" — it often works.

Are you “passing the hat” out of state?

If you were to look at your mailing list after a direct mail fundraising campaign, would all of the addresses be in your nonprofit's home state? Probably not.

If your database is like those of most not-for-profits, it contains many older and retired contributors who've moved out of state or live there only part of the year. Additionally, some of your corporate contributors — or potential contributors — may be based in a state that your organization doesn't call "home."

These out-of-state donors present both risks and opportunities.

Laws on the books

Most states have laws that require a nonprofit to be registered in their state if it solicits funds there for charitable purposes. (There are some exemptions from registration;

consult your CPA or attorney to find out your organization's particular compliance requirements.)

Each state's attorney general usually controls the registration process, though other state offices also may be involved. If you need to register in a number of states, the process can be cumbersome.

A multistate approach

There's an alternative, however: You can file a Unified Registration Statement (URS). Organized by the National Association of State Charities Officials and the National Association of Attorneys General, the URS is part of a project that aims to standardize, simplify and economize compliance under the states' solicitation laws.

The process is fairly straightforward and includes filing an initial or renewal form for each state where you solicit contributions by filling in any state-specific items, according to each state's requirements, and writing a check for the prescribed registration fee, if any.

As of this writing, there were only three states that required registration by charities soliciting funds that didn't accept the URS: Colorado, Florida and Oklahoma. You can find URS filing instructions and the form itself at http://www.multistatefiling.org.

News for Nonprofits

Salary hikes remain small

Budgeted salary increases for nonprofits are expected to remain lackluster in 2012, echoing their 2011 levels — a minimal raise of 1.8%, according to budget projections collected in the 2011 *Compensation Data Not-For-Profit* survey.

And the average 1.8% increase in 2011 is only slightly better than the average 1.7 % pay hike in 2010.

"Employers are taking a conservative approach, and we expect only a gradual increase over the next few years," said Amy Kaminski, marketing director for Compdata Surveys, the pay and benefit survey data provider that conducted the study.

Nonprofit employers disseminate the pay increases in different ways. The majority (over 60%) give merit increases while more than 28% provide promotion-based raises, according to the survey. About 22 % make market adjustments, and about 14% make cost-of-living adjustments. Merit increases were most common among associations: Almost 79% reported that they give such performance-based raises.

Don't forget iPad users

Before you launch your next e-fundraising campaign, revamp your website again or redesign your e-newsletter, consider whether your communication will work for tablet computer users. The number of people using tablets, notably the iPad®, has soared since the device was introduced two years ago.

About 11% of U.S. adults own a tablet computer of some kind, according to a recent study conducted by the Pew Research Center, a nonpartisan "fact tank," and the *Economist* magazine. And the majority of tablet owners (77%) use their tablets every day for an average of 90 minutes (in activities such as reading e-mails and news reports and doing Web research), according to the study, which drew data from more than 500 U.S. adult tablet users.

Tablet applications typically display your message on a much smaller scale, so make sure that your communication is large enough for users to read. Keep in mind that 32% of tablet users are age 50-plus, according to the Pew study, so 8-point type probably won't do.

Additionally, tablet users want to be able not only to read text easily, but also to tap information to call it up. Content shouldn't be so small and close together that users easily tap the wrong area by mistake, have difficulty returning to their starting point (which happens with many applications), and eventually give up. You want all of your constituents to be able to read what you have to say.