

NFP

**Preparing for the Worst:
Disaster Recovery**

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Bringing Diversity to the Nonprofit Boardroom

Nonprofits led by a homogenous group of managers and trustees risk becoming not just out of touch, but ineffective and even irrelevant. Recruiting people from a variety of backgrounds to serve on governing boards can help organizations improve their awareness of the needs of different populations in their community and develop programs that better meet those needs. The right board members can also assist the organization in crafting new strategies for fundraising and obtaining grants, as well as in marketing the organization to a wider range of donors.

But, putting together a board that reflects community diversity is an elusive goal for many not-for-profit organizations. Despite concerted efforts at minority recruitment, some nonprofits find it difficult to achieve racial, ethnic, economic, professional, and gender balance in their board membership. Instead, these organizations tend to attract people who closely resemble those already occupying leadership positions.

If your organization struggles to find and keep board members with diverse backgrounds, take an honest look at the reasons why. What are the backgrounds of your staff members and volunteers? Is your organization performing services for the community, or

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BRINGING DIVERSITY TO THE NONPROFIT BOARDROOM

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is it working with the community? Are the objectives of your organization made at the management level, without the involvement of the people you intend to help? When the community is shut out of the decision-making process, community residents are unlikely to take an interest in your group—much less consider joining your board.

Another issue to consider is how your organization defines diversity. Rather than relying upon a general understanding of diversity that includes ethnic minorities, make a careful study of the populations your organization serves. You may find variations not just in gender and ethnicity, but also in age, sexual orientation, income, religion, education, political inclinations, and physical abilities. Consider whether the inclusion of some of these perspectives would help your organization offer better, more targeted services.

To signal your organization's desire for greater participation by different groups in the community, craft a strategy for encouraging involvement among underrepresented populations. Start by tackling the issue of diversity from the bottom up: Take note of the characteristics of the people you serve, and consider whether participants in your programs are representative of the entire community you are trying to reach. For example, do people with disabilities have access to your facilities? Are certain ethnic communities excluded due to language barriers? Are people who work during the daytime unable to use your services because of your operating hours? If your organization's programs do not reach a wide range of people in the community, then attaining diversity at the board level will also be a challenge.

Next, look at the characteristics of the people employed by your organization. Are your staff members representative of the community, or do they tend to represent particular age, gender, or social groups? Is it possible to recruit more paid employees or volunteers from minority groups, especially at the management level? Increasing the diversity of your organization's staff should make it easier to network with a wider group of potential board members. If appropriate, it may also be possible to groom employees or volunteers to take on trustee positions.

To further expand the field of potential candidates for board positions, identify other nonprofit groups and organizations with mem-



berships that reflect the diversity your organization is seeking. Building relationships with these groups and attending their events increases your organization's chances of connecting with the people you wish to recruit.

Some obstacles to achieving board diversity are less tangible. Given the prevailing stereotype of the well-heeled, white nonprofit trustee, it could be a challenge to convince people who do not fit this description that they would feel comfortable in the boardroom.

People with lower incomes or pressing family and job responsibilities may find it difficult to find the time usually required for these positions, even when they are open to serving on a nonprofit board. It may be necessary to allow board members who cannot attend some meetings due to other obligations greater flexibility, even offering them the option of participating in meetings via video- or teleconferencing.

When attempting to alter the makeup of boards, organizations must take care to avoid the temptation to engage in "tokenism." No board member should be recruited on the basis of minority status alone. A trustee who is the sole representative of a particular group may feel undue pressure to present the perspective of people who share the same background, rather than simply being allowed to state his or her own opinion. It is also important that the new trustee offer your organization the skills and expertise required in his or her position. Recruiting trustees who bring to their positions experience and professional qualifications not previously represented on the board can be as important as attaining other, more visible, forms of diversity.

For many nonprofits, attaining leadership diversity is not just desirable—it is imperative to the success of the organization and the achievement of its goals. A group that lacks representation from the broader community risks developing blind spots when it comes to identifying and addressing the actual—rather than just the perceived—needs of the people they are committed to serving. ♦

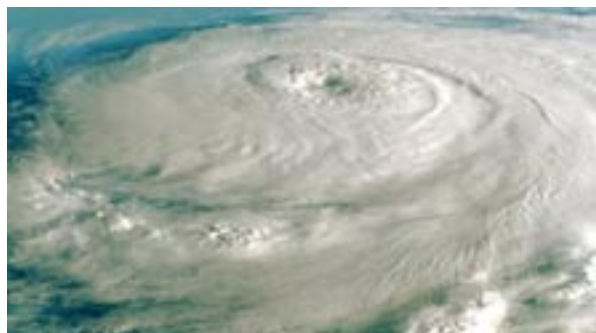
Preparing for the Worst: Disaster Recovery

Many charitable groups offer assistance to victims of disasters, providing them with the help they need during the immediate aftermath of a catastrophe and later, as they rebuild their lives over the months that follow. But nonprofit managers often fail to ask themselves how their organizations would continue to function if their own facilities and staff were hit by a fire or flood—or even a terrorist attack. Like businesses, not-for-profit groups should have a continuity strategy in place to help them cope in an emergency.

Given the daily pressures that come with running a nonprofit, planning for something that hasn't yet happened may not seem to be a priority. But by preparing for a major disaster, your organization will also be in a better position to cope with more common disruptions, such as power outages or computer breakdowns. While every organization's needs will be different, here are some general steps you can take to prepare for the unexpected:

Draw up a step-by-step disaster response and recovery plan for your organization. Consider which essential functions of your organization would be most vulnerable in a crisis and investigate what steps can be taken to minimize exposure to these threats. Appoint key people to take charge in an emergency, and make sure these employees have the information and authority they need to handle the crisis. Draw up evacuation procedures and establish a designated meeting place outside the building.

Back up data on a daily basis using a tape backup or other replication system. Critical data should be copied onto tape or discs and stored off-site. Avoid keeping these backup tapes in the office, as they could be rendered useless if the building burns or is flooded. In addition to legal documents, all administrative data vital to the functioning of the organization should be stored



in this system, including billing and cash flow records, client and employee contact details, insurance information, and appointment calendars.

Invest in power protection systems. Uninterruptible power supply (UPS) systems provide emergency battery power to shut down a network in an orderly fashion when the electricity fails, preventing damage to computers and the loss of valuable data. Surge protectors and line conditioners protect computer equipment against spikes in electrical current.

Plan to set up your operations in an alternate location. Having your data safely stored and retrievable will be of little immediate use to your organization if equipment is destroyed or the office becomes uninhabitable. Consider locations where you could set up shop in the event of a major breakdown, such as a branch office or the home office of a partner organization.

Burn copies of licensed software and store them off-site. To protect your access to purchased software, create CD or DVD copies of software programs and store them outside the office, along with their licensing information. This will allow you to install the software quickly and easily on another computer.

Invest in up-to-date security software. Shield your computer network with firewalls designed to create a protective barrier between your organization's network and the Internet. Available as both software or hardware, firewalls can stop potential hackers from gaining access to confidential information stored in your system. Antivirus and anti-spyware software packages should also be installed on all computers.

Keep insurance policies current and make records of insured items. Even a smaller nonprofit needs a package of insurance policies, which may include property insurance, contents insurance, and disability coverage. To avoid unnecessary conflicts with insurance companies when making claims, store detailed information about furniture and equipment, including purchase prices and serial numbers.

Resuming normal operations as soon as possible following a disaster is the goal of all continuity planning measures. By taking the appropriate steps now, you can help to ensure that your organization will be able to carry on its work in the face of disruptions, large or small. ✧

Nonprofits Lack Access to Necessary Investment Capital

Most nonprofits could use an injection of investment capital, but face significant obstacles to accessing that capital, according to a report by the Johns Hopkins University Center for Civil Society Studies.

In a nationwide survey of nonprofits representing a range of nonprofit action fields, 91% of responding organizations reported a need for investment capital to fund purchases of technology, such as computers, software, and telecommunications systems. However, just 37% of respondents said they had secured the capital they needed for technology.

Similarly, 80% of the organizations surveyed said they would like to raise capital for program development, but just 25% indicated they were successful in securing the funding they required. Generally, respondents reported greater success in raising the necessary capital for “hardware” expenditures, such as buildings and property, than in securing investment in areas such as staff

development, strategic planning, and program development.

When asked about experiences in approaching different types of potential investors, nearly all of the organizations surveyed reported difficulties in securing investment capital from pension funds and insurance companies; furthermore, most said they had problems accessing investment capital from credit unions and venture philanthropists. Respondents reported the greatest degree of success in accessing funds from individual donors, foundations, commercial banks, and the government.

In a discussion of the survey findings, researchers recommended that financial intermediaries play a larger role in the nonprofit sector, and that educational and networking events be arranged involving nonprofit practitioners and providers of investment capital. Researchers also called for the creation of a nonprofit investment tax credit to help finance the capital needs of small to mid-sized nonprofits. ✧

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