

nonprofit agendas

YEAR END 2015

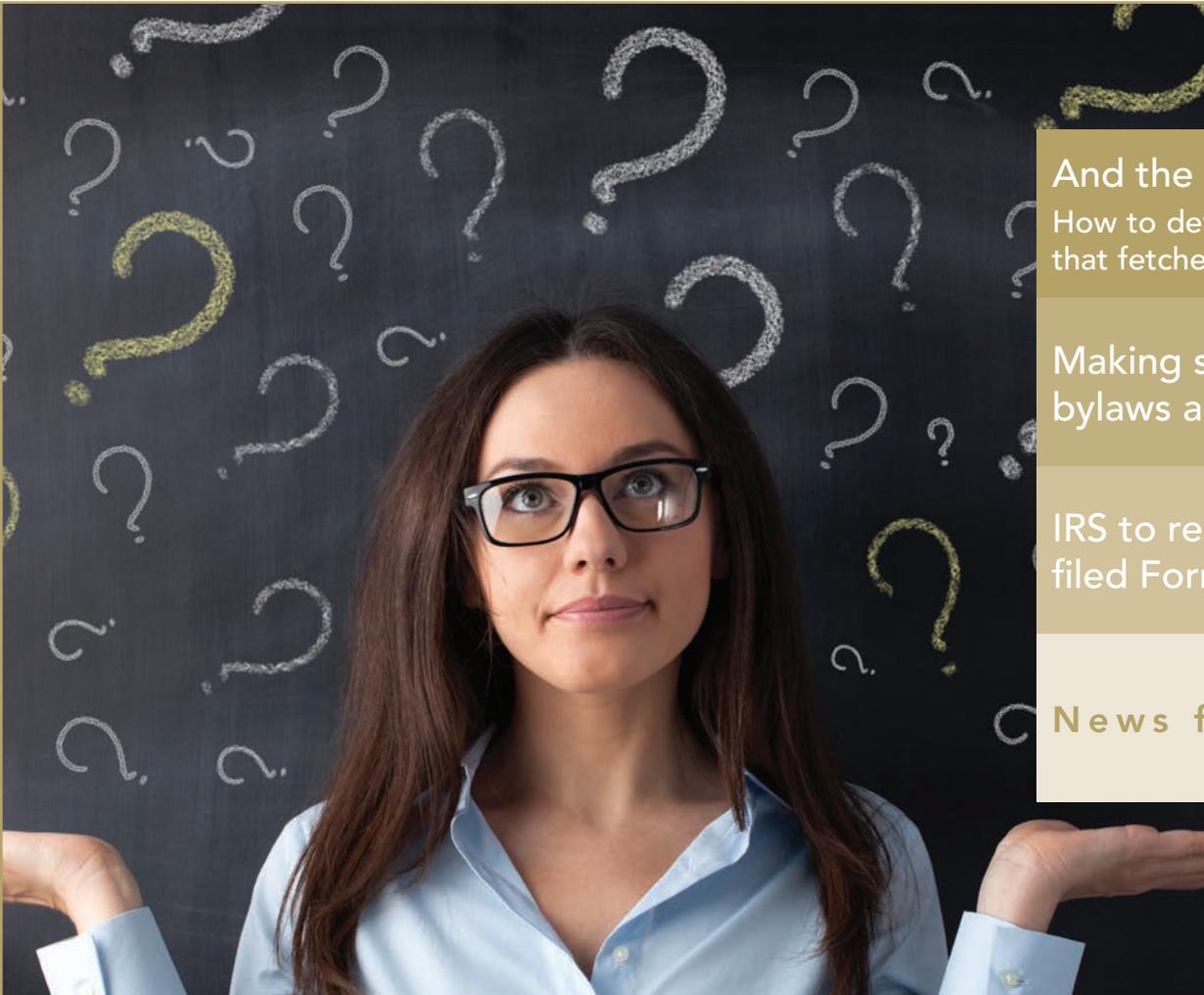
And the survey says ...

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News for Nonprofits



And the survey says ...

How to develop a survey that fetches usable results

So you want to write a survey. Maybe you're thinking about starting a new program and want to learn more about your constituents' needs. Perhaps you're worried about donor retention and need to know how to motivate donors to remain committed to your cause. Or, your organization needs more volunteers, and you want to know what your past and present volunteers like best — and least — about their jobs.

Not-for-profits have 101 reasons for seeking the opinions of their constituents to help the organization's leadership make sound decisions. Let's look at what goes into making a highly effective survey.

CLARIFY YOUR GOALS

The first — and most important — task in creating a survey is to define its purpose. What does your nonprofit want to learn from those who respond? How will you use the data you collect?



Say that you're planning to build a new recreation center. If you ask your constituents what activities they'd like to see offered at the new facility, they might give you a wish list of activities, with "swimming" being the most popular suggestion. Because you knew swimming was popular and had anticipated this response, your survey results don't really help your leadership make building and programming decisions.

Instead, you could present more specific questions. For example:

- * What hours and days of the week would you most likely use the pool?
- * How much would you be willing to pay per visit?
- * Would you use the pool mainly to swim laps?
- * Would you appreciate having "adult swim" time that excludes young children?
- * Would you use the pool more, less or the same number of hours per week if a separate "physical therapy" area heated to 88 degrees was available?

The answers to these questions would give your leadership some specific guidance for making construction and programming decisions about the new pool.

KEEP YOUR FOCUS

You'll want to keep the focus of your survey sharp. In the example above, you wouldn't want to ask your constituents what they'd like to see in a new recreation center *and* how the Meals on Wheels program could be improved. Instead, aim your sights at a single goal.

Getting the swing of SurveyMonkey



SurveyMonkey is one of the most popular online survey tools — for good reason. For starters, it’s affordable. At no cost, your nonprofit can create a basic survey with 10 questions and 100 responses. Paid plans top out at \$65 a month, and include features such as unlimited questions and answers, custom logos, text analysis, randomization and phone support. Information about these higher-end plans can be found at surveymonkey.com.

Other services with nonprofit appeal include:

Nonprofit templates. You can choose a “nonprofit survey template” in areas such as volunteer satisfaction, donor feedback, fundraiser event planning and market research.

Benchmarking. To engage the benchmarking service, you would: 1) create a survey with the SurveyMonkey’s “expert-certified” templates and questions, 2) send out your survey to get responses, 3) review your results using tools to compare to all answers for select questions, and 4) for detailed comparisons, segment benchmarks by attributes, such as industry, geographic location or size of organization.

Alternative basic survey tools include Google Forms, SurveyGizmo and Typeform. Each has certain benefits in terms of pricing, creativity or the ability to analyze your results.

You also should keep the survey short. Some experts suggest that, ideally, it should take no longer than five minutes to complete a survey. Online survey leader SurveyMonkey says six to 10 minutes is acceptable, but it sees “significant abandonment rates” after 10 minutes. (See “Getting the swing of SurveyMonkey” above for information on using this online tool.)

CONSIDER AN INCENTIVE

You’ll also need to decide if you’re going to offer an incentive for completing the survey. According to some research, people are significantly more likely to complete a survey if they’re offered an incentive. And the response rate increases with the value of the incentive given.

If you do offer one, choose an incentive that’s appropriate. A big reward, such as a dinner for two at an expensive restaurant, could skew survey results. A person might give false demographic data to qualify for the survey.

SPEAK THE SAME LANGUAGE

When devising the survey, speak the language of those who’ll be taking it. Avoid industry jargon and technical lingo, and don’t assume the survey taker knows the ins and outs of your organization or its field. If you’re going to make an insider’s reference, explain it.

For example, don’t ask a literacy program volunteer, “Is the student you tutor functionally illiterate?” But you might ask, “Is your student able to manage basic daily *living* tasks, such as shopping for groceries?” or “Is your student able to manage basic daily *employment* tasks, such as filling out an employment application?”

Respondents who don’t understand your questions may give up on the survey. Or they might guess what you mean, which would taint the results.

STRUCTURE THE SURVEY WISELY

It's common sense to assemble survey questions in a logical order. Begin with a brief introduction that explains the purpose and importance of the survey.

Then place easy questions at the beginning of the survey and put more difficult or sensitive questions, such as those about income or ethnicity, at the end. Your objective should be to engage the respondent through the entire survey. If he or she quits before completing the survey, you will at least have responses to most of the questions.

The wording of your questions is pivotal. Here are a few more tips for writing questions that will result in "clean" data:

- * Include just one idea per question.
- * Use closed-ended questions whenever possible — they're much easier to analyze than open-ended questions.
- * Keep rating scales consistent through the survey.

Multiple-choice questions require special consideration. Provide respondents with all options for answering, including "Not applicable" or "Don't know."



AVOID BIAS AND PLEDGE PRIVACY

One of the biggest challenges of survey writing is to write unbiased questions. Take care not to lead respondents to answers you'd like to hear. Avoid loaded words and strong language, and consider seeking the services of a survey professional to ensure objectivity.

Try out your finished survey on staff or with a small sample of your target audience. Time their responses and ask for feedback at the end.

Last but not least, remember that privacy is important to most people. Reassure respondents at the beginning of the survey or in a cover letter that their replies will remain confidential — and honor that promise.

TEST AND REMIND

Try out your finished survey on staff or with a small sample of your target audience. Time their responses and ask for feedback at the end. You'll want to find out if any questions were confusing.

Once the survey has been distributed, don't hesitate to send out reminders to potential respondents you haven't heard from. According to some survey experts, *several* reminders will significantly boost your response rate.

GLAD YOU ASKED

Getting feedback from constituents on the job you're doing, or planning to do, is important to the health and efficacy of your nonprofit. A well-crafted survey will help provide your leadership with the information it needs to make sound decisions. *

Making sure your bylaws are on point

Most of the board of directors and staff of Nonprofit X were disheartened by the track record of one of its board members. Joe Smith often missed board meetings and completed no work assignments. This situation went on for more than a year, and the organization's leaders talked privately about removing Joe from the board. But when they started exploring how the action should be handled, they were in for a surprise: Nothing in the organization's bylaws addressed the topic of removing a board member for cause.

This story is an example of why not-for-profit leaders need to regularly review their organization's bylaws. An organization's board of directors, which changes regularly, and staff need to be familiar with exactly what the bylaws contain — and what they don't. If the bylaws are incomplete or they don't reflect the organization's current mission, revising them is critical.

WHAT IS THE PURPOSE OF BYLAWS?

Bylaws are the rules and principles that define your governing structure. They serve as your not-for-profit's architectural framework. Although bylaws aren't required to be public documents, consider making them available to the public to boost your not-for-profit's accountability and transparency.

Your bylaws might cover such topics as the:

- * Broad charitable purpose of the organization,
- * Size and function of your board,
- * Election, terms and duties of directors and officers, and
- * Basic rules for voting, holding meetings, electing directors and appointing officers.



Without being too specific, your nonprofit's bylaws also should provide procedures for resolving internal disputes, such as the removal and replacement of a board member. If you're not familiar with the bylaws, you should get up to speed fast.

HOW ARE BYLAWS CHANGED?

Before you attempt to revise the bylaws, make sure you have the authority to do so. Most bylaws contain an amendment paragraph that defines the procedures for changing them.

Then consider creating a bylaw committee made up of a cross-section of your organization's membership or constituency. This committee will be responsible for reviewing existing bylaws and recommending revisions to your board or members for a full vote.

It's important that your bylaw committee focus on your not-for-profit's mission, not organizational politics. A bylaw change is appropriate only if you want to change your nonprofit's governing structure. Wanting to change how you operate suggests that you may have drifted from your original purpose. In this case, you may need to reorganize your operations rather than rewrite your bylaws.

DO THE CHANGES MESH WITH YOUR ARTICLES OF INCORPORATION?

If your nonprofit is incorporated, you'll need to ensure that any proposed bylaw changes conform with your articles of incorporation, which spell out your nonprofit's purpose and outline its allowable activities. For example, the "purposes" clause in your bylaws must match that in your articles of incorporation. Any new provision or language changes in your bylaws contrary to the objectives and ideals included in your incorporation documents may invalidate the revisions.

Bylaw provisions that suggest you've strayed from your original mission also can jeopardize your federal tax-exempt status. Make sure your bylaw amendments are consistent with your tax-exempt purpose. And notify the IRS if they

represent a "structural or operational" change by reporting the amendments on your Form 990.

Also review your state's statute that governs nonprofits, because it may contain mandatory provisions that affect your bylaws. In the absence of bylaws, when faced with issues about your governance, your state may dictate a proper course of action. If you don't coordinate your bylaws with such a statute, you may unwittingly hinder your organization's decision makers' ability to operate.

SPECIFIC TO YOUR ORGANIZATION

Bylaws are specific to each organization. If you refer to boilerplate policies while you draft or revise your bylaws, be sure to customize them to fit your not-for-profit's specific needs. *

IRS to release electronically filed Forms 990 in 2016



The IRS says it's currently working to make e-filed Forms 990 available to the public in a machine-readable format (also known as Metadata Exchange Format or MEF) by early next year. The move is expected to make it easier for the public to search for information about nonprofit finances and operations.

In a statement the agency said it has been "actively considering" a 2015 court ruling that ordered it to produce nine nonprofit tax forms in an MEF. The ruling followed a legal battle with Public.Resource.Org, an open-records advocacy group. The organization coordinated

an effort to get the IRS to release its database of electronically filed Forms 990 by mobilizing media organizations and nonprofits to file Freedom of Information Act requests.

"The IRS has been actively considering how to incorporate new technology into its exempt organization return processing capabilities in order to better support the exempt organizations and those who use the Forms 990 data," according to the statement. The MEF solution will ensure that sensitive or personally identifiable information continues to be protected from public distribution, according to the agency. Extraneous information — that which isn't required by the Form 990 series and related schedules — won't be included in the electronically released material, it said.

NEWS FOR NONPROFITS

CHARITY CHIEF CITES RED FLAGS FOR FRAUD AND OTHER MISDEEDS

Skimpy audits can be red flags for possible fraudulent activities, according to the head of the New York attorney general's Charities Bureau. In a recent interview, James Sheehan said an annual audit that includes a look at the organization's control weaknesses can help deter fraud, as can "fraud brainstorming," in which the audit team imagines how the charity could be exploited.

In his state's experience, overly lengthy board terms can be another red flag that examiners should look into, according to the bureau chief. While long-term service doesn't necessarily breed fraud, conflicts of interest and problems with "related party transactions" have been linked to long-serving board members in his state, he added. Strong conflict of interest and "related party" policies can deter such missteps. *

HEADS-UP ON OVERTIME COSTS

The Department of Labor is currently proposing to raise the salary threshold for the executive, administrative and professional workers exemption from overtime from \$455 a week (the equivalent of \$23,660 a year) to an estimated \$970 a week (\$50,440 for a full-year worker). And the threshold amount would be adjusted annually. The exact amount is estimated in the proposed rule because it relies on Bureau of Labor Statistics compensation data that may need to be updated by the time the rule change would take effect in 2016 or later.



As a proactive move, you should estimate what the proposed threshold hike would cost your not-for-profit in overtime pay, should the proposal become regulation. *

TWEET CLEARLY FOR FUNDS



If you plan to use social media — in particular, Twitter — for quick year-end solicitations for donations, keep this in mind: Even though tweets by their nature are brief, the recipients need ample information about your plea, including where they can find out more details. Another tip: Post your solicitations frequently, as these ultra-brief messages tend to be pushed down your followers' feeds quickly. *

CHURCHES LAG BEHIND OTHER SECTORS IN ALLOWING ONLINE GIVING



Less than half of U.S. churches (42%) allow congregants to give online, according to a recent study by consultants Dunham+Company and market researchers Campbell Rinker. That compares to 70% of nonchurch nonprofits that facilitate online donations, according to a March 2015 joint study.

Smaller churches, with fewer than 200 people attending each week, on average, typically use their bulletins or newsletters to promote giving through their websites, according to the study. Larger churches promote online donations through a mix of email messages, print communication and references during services. *