

AGENDA

WEEK 8, MARCH 10

LEAD 7300 MANAGEMENT OF NONPROFIT ORGANIZATIONS

ARMSTRONG ATLANTIC STATE UNIVERSITY

1. We will not meet on March 18 (Spring Break). Our next meeting, WEEK 9, will be on Tuesday March 25.
2. Guest speaker scheduled for March 11. The US culture has always had an inclination to satisfy some of society's needs through religious and private organizations rather than through government. Reginald Lee has two decades of experience in religion based charity work. He is Director of Programs for Gospel Rescue Mission (also known as Old Savannah City Mission). He is pursuing a Master of Management degree at Webster University, where I also teach. He was a student in my Corporate Social Responsibility (business ethics) class during Fall Term 2013. I have asked him to talk about the kinds of services that religion-based organizations like his provide to meet the needs of society. **We should ask him how they are funded. We should ask him what educational track a person should follow to find work in his field. He may be looking for help in the form of volunteers, interns, and staff.**
3. Guest speakers for April 8: Telfair Museums Director and HR Manager (Mary Nestor-Harper)
4. How to use your lawyer to do an end run around your boss. The story of Anthony, the board, Bob, Robert and the company in Washington that Bob wanted to buy.
5. You prepared a Writing Assignment for WEEK 8 on *Volunteer Management, Event Management*. 100 points. Let's discuss.
6. To prepare for WEEK 8, we asked you to read the following material.
 - Chapter 13. Nonprofit financial management. Pages 197-216. We also e-mailed a handout for you to use if you like it.
 - Part Four. Nonprofit technology and IT. Pages 217-220.
 - Chapter 14. The technology foundation: hardware and software. Pages 221-238.
 - Chapter 15, A cooperative approach to web design
 - Chapter 16, Online community building: how to wire a network to support your nonprofit's mission
 - Chapter 17, Constituent relationship management

7. To prepare for WEEK 9 class, read the following material. Come to class prepared to discuss.
 - Fundraising. Page 287-290
 - Chapter 18, Fundraising: knowing when to do what. Page 291-308
 - Chapter 19, individual donor and major gift strategies: the 83% solution to fundraising. Page 309-324
8. For WEEK 9, you will be preparing a paper: Writing Assignment WA9A. *Financial Controls Plan*. 100 points. Due WEEK 9.

You are Carol Caring. About a year ago, you graduated from the master's degree program in Professional Communications and Leadership at Armstrong. Until a week ago, you were working for a nonprofit organization, Clean Water for Georgia, as their number three staff person (pay \$40,000 per year). Unfortunately, because of the budget fights in Congress, the federal funds were cut off, Clean Water was completely shut down, and you lost your job. A couple of days later, you were at a professional meeting, and you heard about a job opening as the Assistant Director (the number 2 staff person in the organization) at the Low Country Environmental Protection Society. You submitted a resume, and you were invited in for an interview.

You are interviewing with Emily Elegant, the Executive Director (the number one staff person in the organization). Emily makes the following comments. "Like any organization, there are strengths and weaknesses. For example, my main role here is to be the "face" that the public sees, and to raise funds. These duties are going pretty well, because we raised over \$9 million last year from dues and donations. I am paid over \$100,000 per year; it is a good job for me.

"Then there is the bad news. The reason why the position is vacant is we had to terminate our Assistant Director, Marry Money. The Assistant Director oversees daily operations of the organization. In particular, the Assistant Director is the chief financial officer of the organization. The job pays \$85,000 per year. We fired Mary because she was sloppy and negligent. We don't believe that she was doing anything crooked. However, speaking frankly, her accounting system was so poor that we can't figure out what was going on during the past year. Low Country Environmental should be run like the \$9 million per year organization that we are, not like a \$900 per year Girl Scout troop.

"If you were to become our Assistant Director, it must be your first priority to introduce a system of financial controls. You are one of three finalists in the selection process. As part of the candidate selection process, I am asking each person to write a 600-word paper on what you would do to bring our system of financial controls up to an adequate standard for a nonprofit organization of our size and type. Please e-mail your paper to me in two days. If I like it, I will invite you to a second interview next week

with our Executive Committee, which is made up of the Chair and four members of the Board of Directors. The decision to hire you will be based on a recommendation from me and a decision by the Executive Committee. If the selection process moves quickly, you could be on the payroll within two weeks.”

You respond, “I am interested in the job. I will prepare the paper that you have requested, and I will have it back to you via e-mail within two days.”

Your undergraduate degree was in Environmental Science, and it provided no training in organizational finance. Fortunately, your graduate work at Armstrong provided some useful background. You took the course in Managing Nonprofit Organizations. You recall that you used the textbook edited by Heyman. You recall that Chapter 13 included some material on financial controls. Perhaps the Heyman textbook could provide a basis for the paper that you will be writing for Emily. You can use other references if you wish.