2010 LOCAL COUNCIL DIRECT SUPPORT PERFORMANCE AWARD

The 2010 Local Councils Direct Support Performance Award report lists 180 councils that have posted an increase in “total direct support” (net FOS, project sales, net special events, legacies and bequests, foundations and trusts, and other direct support, including reclass) at June 30, 2010, compared to June 30, 2009. Of the 180 councils that achieved the award, 51 have qualified for the second consecutive year and will be recognized as such.

Qualifying Scout executives will receive a desk set indicating their role as a direct support achiever. Additional awards may be purchased for staff members or volunteers who were instrumental in the council achieving this award.

Councils that have met the criteria for the award will receive a link where they may order additional awards.

If you need additional information, contact Devi Deaver with the Council Fund Development Team at 972-580-2339, or e-mail financeimpact@scouting.org.

IRS NEW AUDIT CHECKLIST ON GOVERNANCE

According to the article “Governance—Still High on the IRS Radar Screen: Audit Checklist on Governance Now in Service” by R. Michael Sorrells, CPA, published in the NonProfit Standard, the IRS has shown a considerable interest in nonprofit governance because of the results of the “Senate Finance Committee hearing and some highly publicized exempt organization governance failures which helped to put a black mark on the entire nonprofit sector.”

The IRS now mandates that its revenue agents use a checklist as part of its new emphasis on good governance.

The checklist includes 28 questions — some are already on Form 990 but go into more detail, and others are entirely new ones. To read the complete article, click on the link in the first column.
DIRECTV’S NEW RELATIONSHIP WITH THE BSA BEGINS AUGUST 2

DIRECTV has announced a new relationship with the Boy Scouts of America and an opportunity for the Scouting community to support local councils as new DIRECTV subscribers.

Beginning August 2, 2010, new DIRECTV subscribers who sign up using the special Scouting telephone number will receive a $100 credit on their bill in the form of 10, $10 credits. The Scouting telephone number will be announced to all BSA staff nationally on August 2, 2010.

Also, for each new subscriber who signs up using the Scouting number, DIRECTV will donate $75 to local councils initiating the new subscription. This money can help councils fund camperships, scholarships, or other council needs to support local units.

You don’t have to be a DIRECTV subscriber to enjoy the benefits of this opportunity. DIRECTV plans to offer a new online education module for Scouting that will help unit leaders teach math, science, and technology to their Scouts.

As a word of caution, this relationship is part of a multi-faceted national sponsorship, with cross-promotional opportunities, program support, and fund-raising activation. Local councils, under BSA commercialism guidelines, are not permitted to engage in similar activities on a local level.

BOARD MEMBERS CAN HELP THANK DONORS

One of the rules of fund-raising states that every donor should be thanked in a timely manner and at least several times between asks. The article “Thanking Donors Personally: Every Board Member Can Help*” in the July 2010 issue of The Nonprofit Board Report gives suggestions on how councils may engage their board members in the important process of thanking donors. To read the complete article, click here.

*Copied with permission from The Nonprofit Board Report, July 2010.
Technology-driven campaigns not only allow councils to see the activities that their campaigns generate by tracking visits to their Web sites, but also to collect information from potential donors and volunteers.

Working with multiple BSA local councils over the last several years, Teuteberg has developed unique programs specifically tailored to individual councils. Their consultants understand the budgetary constraints of councils large and small, and can help find a solution for each council’s needs. Teuteberg assesses each council’s goals and makes suggestions based on previous experiences and successes.

Councils with which Teuteberg has worked in the past include: Bay–Lakes Council, Appleton, Wisconsin; Buffalo Trail Council, Midland, Texas; Chicago Area Council, Chicago, Illinois; Glacier’s Edge Council, Madison, Wisconsin; Los Angeles Area Council, Los Angeles, California; Milwaukee County Council, Milwaukee, Wisconsin; and San Diego–Imperial Council, San Diego, California.

Corporate Sales Manager Chad D. Carpenter comments on Teuteberg’s selection as a BSA preferred vendor: “We are proud to help BSA councils acquire as many generous donations as possible, and are working diligently to help councils retain those donors. It is an honor to be a vendor for an organization that has been instilling strong values and helping youth for more than 100 years.”

For further information on how Teuteberg Incorporated can assist your council, please contact Chad Carpenter at 800-222-6759, or e-mail ccarpenter@teuteberg.com.

What local council executives are saying about Teuteberg

“Teuteberg’s thorough and efficient service has helped us with fund-raising, direct marketing, and membership campaigns. Their creative solutions are innovative and get results.”

Katie Clark, fund-raising and marketing director, Milwaukee County Council, Milwaukee, WI

“Teuteberg has done an excellent job for us. They were responsive to our requests, offered us ideas on doing things more efficiently, and overall did a bang-up job. We’re very happy with them.”

Steve Heck, Scout executive, Glacier’s Edge Council, Madison, WI

“We just started with Teuteberg; they are very creative and will go above and beyond to make the council happy with their services. They respond very quickly to e-mails and phone calls, and are available at all times to discuss future appeals.”

Flynn Turner, development director, Los Angeles Area Council, Los Angeles, CA
INDEX OF CHARITABLE GIVING SHOWS AN INCREASE OVER LAST YEAR

The Blackbaud Index of Charitable Giving shows an increase in overall charitable giving revenue for nonprofit organizations. According to the report, there has been an increase of “12.1 percent for the three months ending April 2010, compared to the same period in 2009.” This increase indicates that nonprofit organizations are emerging from the recession. To read the complete article, click here.

ASKING CURRENT DONORS FOR REFERRALS

In the article, “Why Aren’t Fundraisers Asking for Referrals? Coaching Tips for Not-for-Profit Managers” by Kevin Strickland, in the July edition of GuideStar the author indicates that 80 percent of donors would recommend the organization they support to a potential donor, and that these referrals would more likely lead to a closed gift, over direct-mail or cold-calling. Don’t miss this opportunity to capitalize on the resources already available to your council, especially now during this challenging economic time, where many nonprofit organizations are vying for the same donors. For suggestions on ways to implement this strategy to your staff, please read the complete article by clicking on the link.

FUND-RAISING: WHY IT FEELS SO GOOD

Printed with permission from The Nonprofit Board Report, July 2010.

When board members hesitate to cultivate or solicit gifts, it may well be because they haven’t thought enough about what it feels like to give.

Exercise: At a meeting, ask board members to imagine winning $5 million in a lottery.

Would they give some away? Why? How would it feel — and why?

This is a great way to tap into the positive feelings your donors feel when they contribute to your group.

FOS CAMPAIGN BENCHMARKS

Congratulations on a successful victory celebration. Here’s what you should be working on now.

- Thank-you notes should have been sent to all volunteers.
- Evaluate the performance of all campaign personnel (leadership, majors, captains, workers, presenters) and determine who should be asked to participate in next year’s campaign.
- Evaluate the campaign using the evaluation form in the Campaign Manager’s Manual found in MySA>Resources>Finance Impact Department>Council Fund Development>FOS Planning Kit>2010 Chapter 10—Campaign Discipline.
- Develop a prospect list for the 2011 steering committee. Sign up for the FID webinar “The Steering Committee” on Tuesday, August 17, at 10 A.M. or 2 P.M. CST; or Thursday, August 19, at 10 A.M. or 2 P.M. CST. Prioritize the list into the top three prospects.
- Identify those who can help recruit your steering committee chairperson, such as board members, community leaders, and Scouting alumni.
- Arrange for these individuals to secure appointments with the top prospects (there may be different associates for different prospects).

For additional information, please contact Larry Crouch with the Council Fund Development Team at 972-580-2333, or e-mail larry.crouch@scouting.org.

LOCAL COUNCIL FUND-RAISING CAMPAIGNS

The Finance Impact Department, along with the Mission Impact Department and the Information Delivery Departments, is offering a three-day workshop for council finance directors, Scout executives who are the primary manager of their council’s finance campaigns, and council staff members who have a direct fund-raising responsibility. “An Overview: Local Council Fund-Raising Campaigns” will be held at the BSA national office in Irving, Texas. Participants will meet with staff members from the above three departments to learn how to develop and execute their council’s annual finance campaign, understand basic concepts in fund-raising accounting, learn helpful fund-raising techniques, and identify resources provided by the National Council.

Click to register for the course offered on September 21–23, 2010, or click to register for the November 9–11, 2010 course. For more information, contact Larry Crouch with the Council Fund Development Team at 972-580-2333, or e-mail larry.crouch@scouting.org.
2011 BUDGET PLANNING BENCHMARKS

What should you be working on now to engage volunteers and staff members in the 2011 budget preparation process? Remember, the council budget should be consistent with the goals and objectives in the council’s strategic plan.

July
- Finance committee and management staff complete mid-year review of the 2010 budget variances. If needed, the finance committee can recommend that the executive board approve a revised budget for 2010.
- Identify prospects for the 2011 budget committee chairman and committee members.

August
- Recruitment of 2011 budget committee chairman and committee members.
- Initial 2010 year-end budget projections submitted by staff.

September
- Staff develops rough draft of 2011 budget.
- Meeting held for 2011 council budget committee orientation.
- Council and district submit preliminary 2011 committee budgets.

October
- Finance committee and management staff complete third-quarter review of the 2010 budget variances.

If needed, the finance committee can recommend that the executive board approve a revised budget for 2010.
- Budget committee meetings.
- Budget committee recommends 2011 budget for approval to the finance committee.
- Finance committee reviews 2011 budget.

November
- Council executive committee reviews 2011 budget.

IRS REDESIGNS STAY EXEMPT MICRO-SITE

Visit the redesigned IRS Stay Exempt "micro" site at www.stayexempt.org. New features include links to new information and quick links to items of interest. The popular "virtual workshop" covers the basics that exempt organization managers and volunteers need to know, and the "EO mini-courses" address tax topics for many additional exempt organizations.
FINANCE IMPACT DEPARTMENT WEBINAR

Here is the webinar schedule for the Finance Impact Department. Each webinar will have two sessions lasting approximately one hour. To register, please click on the appropriate links for the sessions in which you wish to participate.

**Basic Accounting**
Designed for new local council accounting specialists and those who want a quick refresher, this webinar highlights the basic principles of BSA accounting, such as account number structure and who makes the accounting rules. **Tuesday, August 3, at 10 A.M. and 3 P.M. CST.**

**The Steering Committee**
In this webinar, you will learn how to use the prospect and evaluation tools, and learn how some councils are generating new volunteers and donors using this time-tested process. **Tuesday, August 17, at 10 A.M. and 2 P.M. CST. Thursday, August 19, at 10 A.M. and 2 P.M. CST.**

To register for an August webinar, click on the following link: [http://fidwebinar.kintera.org/august2010](http://fidwebinar.kintera.org/august2010).

Meeting links and teleconference information will be sent to registrants 24 hours prior to the webinar.

FISCAL SOLUTIONS CLUB CONFERENCE CALL

Now that we are halfway through the year, it is time to start planning for the upcoming fiscal year. In an effort to help councils do so, the Fiscal Solutions Club has assembled a team of experts to assist in this effort. Conference calls are set so participants can get answers to questions regarding budgeting and SellWise.

Each conference call will have two sessions lasting no longer than one hour. Session 1 begins at 11 A.M. EST/10 A.M. CST/9 A.M. MST/8 A.M. PST. Session 2 begins at 3 P.M. EST/2 P.M. CST/1 P.M. MST/noon PST.

Cornelia Ellis with the Fiscal Management Team and Greg Taylor with the Information Systems Department will discuss SellWise reports/cost of goods sold and inventory on Monday, September 20, 2010.


[Click here](#) to register. The toll-free telephone number and conference call pass-code will be sent 24 hours prior to the calls.
FISCAL MANAGEMENT TRAINING COURSES

The Finance Impact Department is pleased to offer a variety of fiscal management training courses in 2010. Fiscal Management I and II are for accounting personnel, Scout executives, and professional staff members with fiscal management responsibilities. This is an excellent opportunity for your council’s senior management staff to attend a fiscal management course in preparation for serving as Scout executive or in another key leadership position in a local council.

The Accounting Specialist Workshop has been specifically designed to address the most popular topics identified by accounting personnel in local councils as requiring additional training. Some of the topics include release from restriction of net assets, reconciling GL accounts, entering endowment information in FR software and GL to market value, recording United Way in FR software, fixed assets and insurance ledger, and more.

While we try to accommodate all those who want to attend a course, we must set a registration deadline of two weeks prior to the workshop to ensure an adequate number of participants versus course facilitators and meeting room space.

Participants are responsible for their own transportation, lodging, and meals.

Log on to MyBSA, select Resources, click on Finance Impact Department, select FID Training. Click on Course Details for more information regarding each course. To register, click on the date of the course. A form will appear for you to fill out. Complete the form and submit it. You will then receive a confirmation e-mail stating that you are registered for the course.

Should you have any questions or concerns, please contact Madeline Monroe by calling 972-580-2173, or by e-mailing madeline.monroe@scouting.org.

Fiscal Management I
- September 14–16, 2010, San Francisco, California
- November 2–4, 2010, Minneapolis/St. Paul, Minnesota

Fiscal Management II
- October 5–7, 2010, Providence, Rhode Island

Accounting Specialist Workshop
- August 11–13, 2010, Irving, Texas
- August 18–20, 2010, Waterford, Michigan
- September 8–10, 2010, Charleston, West Virginia
PROTECT YOUR TRUST FUND’S TAX-EXEMPT STATUS

The June 2010 edition of the e-letter reported that many local councils that have trust funds should have been filing a separate IRS Form 990-N, 990-EZ, or 990, but for one reason or another, have not. The Pension Protection Act of 2006 requires the Internal Revenue Service to revoke the tax-exempt status of organizations that failed to file required Forms 990 for three consecutive years. These revocations occurred automatically by operation of law on May 17, 2010. The next day, IRS Commissioner Doug Shulman issued a statement directed at small tax-exempt organizations (those with gross receipts less than $25,000), urging them to “…go ahead and file (Form 990-N)—even though the May 17 deadline has passed.” It was unclear at that point whether the IRS would extend its leniency to larger exempt organizations.

On July 26, 2010, the Internal Revenue Service clarified its position by announcing that small nonprofit organizations* at risk of losing their tax-exempt status because they failed to file required returns for 2007, 2008, and 2009 can preserve their exempt status by filing returns by October 15, 2010. You can read the full article here.

As always, before making any tax-related decisions, please contact your council’s tax professional. If you have questions about this or other tax matters, please contact Russ McNamer at 972-580-2226, or e-mail russ.mcnamer@scouting.org; or Ken Moran at 972-580-2311, or e-mail ken.moran@scouting.org.

*The IRS expended its definition of small nonprofit organizations to include those required to file Form 990-N (see paragraph 2) and those required to file Form 990-EZ (organizations with gross receipts less than $500,000 and total assets less than $1,250,000 at the end of the year).