

# NONPROFIT BUSINESS ADVISOR

## BUSINESS STRATEGIES AND BEST PRACTICES FOR NONPROFITS

EDITOR: NICHOLAS KING

### IT and the many challenges for nonprofits

By Sarah A. Lynn and Michael Sellai, BPM LLP

Security is a concern for companies in any industry. While it is often discussed in the context of governments and private-sector organizations, nonprofits need to be just as vigilant when it comes to understanding the need for data privacy and implementing solutions to keep critical information safe. Informed donors, as well as government and regulatory agencies, are keenly interested in data security issues, such as personally identifiable information and hardened systems. Penalties for data breaches can be severe both in monetary costs as well as in reputational damage. Furthermore, privacy laws, such as the California Consumer Privacy Act (CCPA), can have an impact on nonprofits. That's because, although nonprofit organizations in

California are exempt from the CCPA, they must take due care of their own vendors and providers. Through their actions, they must demonstrate that they are following the law. The fact is that consumers, in general, do expect their private data to be protected by the "steward of the data." If that steward is the nonprofit, then that is where the perceived and implied obligation to protect data may lie.

There are common sense steps that nonprofit leaders can take now to help avoid or mitigate IT security problems before they arise. Here are five actions that, if implemented strategically and in unison with IT leadership and outside consultants, can provide a blueprint for successful IT security.

*continued on page 2*

#### Inside This Issue

<b>Conferences and Events:</b> . . . . .	4
<b>Management:</b> Understanding 'asking styles' can help board with fundraising. . . . .	5
<b>Nonprofit Research:</b> Funding shortages, growth difficulties among most cited nonprofit challenges . . . . .	6
<b>Industry News:</b> Research shows public unfamiliar with donor-advised funds, private foundations. . . . .	7
Fidelity Charitable DAF awards hit record high in first half of 2022 . . . . .	7
<b>Resources:</b> Charityhowto.com webinar gives tips on annual giving campaigns; Candid webinar gives into to corporate giving; Webinar looks at growing, curating email lists; Candid offers intro class on proposal writing. . .	9
<b>Employment Law:</b> Legal cases that impact nonprofits. . .	10
<b>News:</b> Briefs from around the sector. . . . .	12

### New web domains available for philanthropic sector

Public Interest Registry, the nonprofit organization that administers the .org domain, has announced an expansion of domains available for philanthropic organizations. Depending on the nature and focus of the organization, they now can choose from top-level domains such as .charity, .foundation, and .gives.

These join other TLDs in PIR's portfolio such as .org, .ngo, .ong and internationalized domain names (IDNs or .org in other languages/character sets), the organization said.

According to PIR, having one of these TLDs confers a higher level of trustworthiness and security, along with other benefits for mission-driven organizations, such as the ability to create dedicated websites for specific campaigns and initiatives: Nonprofits can establish standalone charity, .foundation, and .gives web pages for a particular

*continued on page 3*

**CHALLENGES**

*continued from page 1*

• **Ensure that stakeholders, CEO, CFO, CTO/CIO, CISO, or their proxies, understand how to update or transform their approach to security.** The technology landscape has changed enormously in the last five years—just consider the impact on IT systems from the revolution in data storage brought on by cloud computing. Consider, too, the new normal of remote work made possible and enhanced by remote access; not to mention, the vast increases in bandwidth that allow more people to do more work, anywhere, at any time of the day or night. As a result of these advances, and new realities, security methodologies have undergone a sea of changes as well. Keeping up has never been more of a challenge for nonprofits.

For nonprofit leaders and stakeholders, which can include board members, the message cannot be clearer: transform your thinking and transform everything you can afford to in technology! This sounds like a tall order for organizations that typically do not have the technology budgets of larger organizations. However, let the thinking—not budget concerns—lead the conversation. There are plenty of good security options that will not break the bank—you just need to find them! Nonprofits that have had success in this area have planned and moved as much as possible to the cloud (using services such as AWS and Azure), and largely took the servers, machine patching and security upgrades out of the mix. Cloud computing is a standard operating procedure these days; if your nonprofit

hasn't moved in this direction, it is likely time to do so.

• **Discuss internally and then seek out solid advice about what the modern methods are to avoid problems.** This includes managing patching, updates, vulnerabilities (those flaws in your systems that can be vulnerable to a hack), and exploits (those extreme flaws in your systems that may already have been hacked or taken advantage of in some technical way).

This can be a big lift and potentially expensive. However, it is easy to get caught in a mental loop when it comes to IT, especially at nonprofits where the goal is to use every possible dollar to support the cause. The loop can be a thought pattern like “something’s not sufficient, I’ll buy something new,” or “I don’t have the budget, let’s put that on the back burner.” Despite this, a lack of funds should not create a blind spot when it comes to data security. Make sure that your IT team or external consultant is up to speed—through news feeds or continuing education—on the latest ways that hackers are using to access your critical information and disrupt your operations. A common scenario that played out recently looked like this: a nonprofit suffered a ransomware attack. The vulnerability was in an insufficiently hardened system that allowed the hacker to “drop an exploit,” meaning that it inserted a package of malware that extracted data from the IT system and then locked it up. The result was that the nonprofit was out of business for more than a month. There had been insufficient data back up and no investment in readily available systems. To add insult to injury, this incident—like many similar instances—was avoidable.

**Nonprofit Business Advisor**

*NONPROFIT BUSINESS ADVISOR* (Print ISSN: 1531-5428; Online ISSN: 1949-3193) is published monthly by Wiley Periodicals LLC, 111 River St., Hoboken, NJ 07030-5774 USA.

**Postmaster:** Send all address changes to *NONPROFIT BUSINESS ADVISOR*, Wiley Periodicals LLC, c/o The Sheridan Press, PO Box 465, Hanover, PA 17331 USA.

**Information for Subscribers:** *NONPROFIT BUSINESS ADVISOR* is published in 12 issues per year. Subscription prices for 2022 are: **Institutional Online Only:** \$4093 (The Americas), £2508 (UK), €2937 (Europe), \$4093 (rest of the world). **Institutional Print & Online:** \$4597 (The Americas), £2817 (UK), €3299 (Europe), \$4597 (rest of the world). **Institutional Print Only:** \$4269 (The Americas), £2616 (UK), €3064 (Europe), \$4269 (rest of the world). **Personal Online Only:** \$211 (The Americas), £163 (UK), €194 (Europe), \$211 (rest of the world). **Personal Print & Online:** \$290 (The Americas), £266 (UK), €317 (Europe), \$346 (rest of the world). **Personal Print Only:** \$263 (The Americas), £246 (UK), €294 (Europe), \$319 (rest of the world). Prices are exclusive of tax. Asia-Pacific GST, Canadian GST/HST and European VAT will be applied at the appropriate rates. For more information on current tax rates, please go to <https://onlinelibrary.wiley.com/library-info/products/price-lists/payment>. The price includes online access to the current and all online backfiles to January 1, 2018, where available. For other pricing options, including access information and terms and conditions, please visit <https://onlinelibrary.wiley.com/library-info/products/price-lists>. Terms of use can be found here: <https://onlinelibrary.wiley.com/terms-and-conditions>.

**Copyright and Copying (in any format):** Copyright © 2022 Wiley Periodicals LLC. All rights reserved. No part of this publication may be reproduced, stored, or transmitted in any form or by any means without the prior permission in writing from the copyright holder. Authorization to copy items for internal and personal use is granted by the copyright holder for libraries and other users registered with their local Reproduction Rights Organisation (RRO), e.g. Copyright Clearance Center (CCC), 222 Rosewood Drive, Danvers, MA 01923, USA ([www.copyright.com](http://www.copyright.com)), provided the appropriate fee is paid directly to the RRO. This consent does not extend to other kinds of copying such as copying for general distribution, for advertising or promotional purposes, for republication, for creating new collective works, or for resale. Permissions for such reuse can be obtained using the RightsLink “Request Permissions” link on Wiley Online Library. Special requests should be addressed to: [permissions@wiley.com](mailto:permissions@wiley.com).

**Delivery Terms and Legal Title:** Where the subscription price includes print issues and delivery is to the recipient’s address, delivery terms are **Delivered at Place (DAP)**; the recipient is responsible for paying any import duty or taxes. Title to all issues transfers FOB our shipping point, freight prepaid. We will endeavour to fulfil claims for missing or damaged copies within six months of publication, within our reasonable discretion and subject to availability.

Our policy is to replace missing or damaged copies within our reasonable discretion, subject to print issue availability, and subject to Wiley’s Title-By-Title Journals Subscriptions Terms & Conditions. Claims for missing or damaged print issues must be sent to [cs-journals@wiley.com](mailto:cs-journals@wiley.com) within three months from date of subscription payment or date of issue publication, whichever is most recent.

**Back issues:** Single issues from current and recent volumes are available at the current single issue price from [cs-journals@wiley.com](mailto:cs-journals@wiley.com).

**Disclaimer:** The Publisher and Editors cannot be held responsible for errors or any consequences arising from the use of information contained in this journal; the views and opinions expressed do not necessarily reflect those of the Publisher and Editors, neither does the publication of advertisements constitute any endorsement by the Publisher and Editors of the products advertised.

Wiley’s Corporate Citizenship initiative seeks to address the environmental, social, economic, and ethical challenges faced in our business and which are important to our diverse stakeholder groups. Since launching the initiative, we have focused on sharing our content with those in need, enhancing community philanthropy, reducing our carbon impact, creating global guidelines and best practices for paper use, establishing a vendor code of ethics, and engaging our colleagues and other stakeholders in our efforts. Follow our progress at [www.wiley.com/go/citizenship](http://www.wiley.com/go/citizenship).

**Journal Customer Services:** For ordering information, claims and any enquiry concerning your journal subscription please go to <https://wolsupport.wiley.com/s/contactsupport?tabset-a7d10=2> or contact your nearest office. **Americas:** Email: [cs-journals@wiley.com](mailto:cs-journals@wiley.com); Tel: +1 877 762 2974. **Europe, Middle East and Africa:** Email: [cs-journals@wiley.com](mailto:cs-journals@wiley.com); Tel: +44 (0) 1865 778315; 0800 1800 536 (Germany). **Asia Pacific:** Email: [cs-journals@wiley.com](mailto:cs-journals@wiley.com); Tel: +65 6511 8000. **Japan:** For Japanese speaking support, Email: [cs-japan@wiley.com](mailto:cs-japan@wiley.com). **Visit our Online Customer Help** at <https://wolsupport.wiley.com/s/contactsupport?tabset-a7d10=2>.

**Publishing Editor:** Samara Kuehne. **Editor:** Nicholas King. **Production Editor:** Mary Jean Jones. **Editorial Correspondence:** Contact Nicholas King via email: [nicholaskingllc@gmail.com](mailto:nicholaskingllc@gmail.com)

For submission instructions, subscription, and all other information visit: [wileyonlinelibrary.com/journal/nba](http://wileyonlinelibrary.com/journal/nba)

View this journal online at [wileyonlinelibrary.com/journal/nba](http://wileyonlinelibrary.com/journal/nba)

Printed in the USA by The Sheridan Group.



---

- **Assess your environment – do not just guess.**

We need facts to make smart decisions. Look at how your servers, networks and databases are running or being maintained, and see how they are protected or hardened. Test the process from the “inside in,” which means to scan or test inside your network and try to reach things your permissions should not allow you to do. Then, do the same from the “outside in,” which is to scan or test outside your network to see if you can break in. The goal of what is known as “penetration testing” is to simulate a cyberattack so that points of exploitation are discovered, and IT breach security is tested. This helps ensure that everything is properly configured for efficiency and security. These testing procedures are skills that are unlikely to be found in-house and are best budgeted for and provided by outside systems security consultants.

- **Document your current security landscape and change your roadmap to keep it fresh.**

Once you know what your security situation is, be sure to write it down. Not only does this help with continuity, but it also prevents misunderstandings and disconnects that can create chaos. A roadmap of where IT and security should go, and how to get there, plus solid documentation of what you have (products, processes and configurations) is key to long-term viability

and needs to be part of any meaningful approach to security.

- **Roadmap the future: the importance of checking in often.**

Having a clear roadmap is not the end of the journey; it is just the beginning of the process. You should have regular check-ins, with your CTO/CIO/CISO, or together with a trusted advisor, to ensure that you are pointing in the right direction and are meeting your goals.

Ask yourself: “What is my most valuable asset?” Is it the donor database, or a tangible asset or capability that lets you provide a unique service? Identify the item that you want to protect the most so that your “secret sauce” does not end up in someone else’s hands. To build an “easy to use Fort Knox,” one should select the best tools, processes and people. As Stephen Covey, a renowned author and businessman wrote in his best-selling book, *The seven habits of highly effective people*, “Begin with the end in mind.” Let us start with the IT security end in mind and learn what better approaches there are, rather than locking everything down or leaving the doors wide open. ■

---

### For More Information

BPM LLP is one of the 40 largest public accounting and advisory firms in the United States. With a global team of more than 900 colleagues, BPM helps clients succeed around the world by offering a cross-functional approach that gives clients direct access to the best and most qualified resources. To learn more, visit <https://www.bpm.com>.

## Data show pool of donors shrank in first quarter of 2022

The latest data from the Fundraising Effectiveness Project shows that the number of U.S. donors shrank by some 5.6% in the first quarter of 2022 compared to the first quarter of 2021, despite the fact that total fundraising in the United States increased by 2.2% over the same period.

The FEP’s 2022 First Quarter Fundraising Report also found that the donor retention rate—the percentage of donors who gave in 2021 and then gave again in 2022—logged a substantial decrease, dropping 6.2% year-over-year.

According to the FEP, the drop in the number of donors was primarily due to poor donor acquisition—especially among small donors. Meanwhile, the biggest factor in the drop of the donor retention rate was decreased new donor retention—the percentage of donors who gave to a charity for the first time last year and gave again to the same charity this year.

To access the report in full, visit <https://bit.ly/3J8LgKv>. ■

---

## DOMAINS

*continued from page 1*

campaign or project, serving as a complement to their primary website, PIR said. These can help streamline communication and navigation, as well as signal to an audience that an initiative is an area of focus, the group added.

They signal a clear purpose. The different TLDs provide clarity on the nature of the organization. For example, .foundation can be used by an organization to immediately and easily communicate the organization is a grantmaking entity, PIR said, as opposed to some other sort of nonprofit organization.

They can help secure a desired domain name. If a nonprofit goes to launch its website but finds the .org for that name has been taken, the new TLDs offer additional opportunities to secure a branded site.

For more information about the new TLDs, visit <https://thenew.org>. ■

## CONFERENCES & EVENTS

### Council of Foundations HR Retreat

The Council on Foundations will host its 2022 HR Retreat Sept. 8–9 virtually. This year's conference will be focused on the theme of Evolving the Philanthropic Workplace.

According to the COF, over the past two years, the purpose and design of the workplace has evolved to include an ever-changing mix of technology, places, and people. Throughout this time, philanthropic employers and HR leaders have responded with agility and commitment, often making radical shifts to strategies, infrastructure, and operating models, the organization said.

As the pandemic recedes and operating environments begin a return to normal, philanthropic workplaces are continuing to evolve, with leaders trying to figure out how to build culture as they return to the physical office space or commit to a more distributed model; how to nurture and grow diverse talent in a changing workforce; and how to continue to make their organizations' DEI commitment real.

To that end, attendees at this conference will hear from inspiring HR and culture leaders, engage in robust peer-to-peer learning, and build community through a dynamic exchange of thoughts and ideas, the COF said.

Sessions will focus on:

- Building a culture of belonging and care.
- Developing and engaging a shifting workforce.
- Integrating equity through the HR landscape.

Registration fees for this event range up to \$479.

*For more information, visit <https://bit.ly/3PJp19b>.*

### Advanced proposal writing workshop

Candid will host a special Advanced Proposal Writing Workshop on Sept. 27 at 1:00 pm ET.

According to organizers, nonprofits won't be successful in landing the most grants if they don't personalize their grant proposals. Expert proposal writers know that proposals and letters of inquiry must be customized to emphasize the fit with different funders, requiring skills in being able to identify what to cut and what to add to make that fit perfect.

With that in mind, this three-hour virtual workshop will give each participant a hands-on opportunity to find grant opportunities using online resources, and then teach them how to target requests toward specific funders. It will also provide participants with a chance to get peer and

expert feedback on their writing.

At the end of the session, attendees should be able to:

- Find and evaluate prospects with a project-based search on Foundation Directory Online, and determine if those prospects are a good fit for your program.
- Adapt your draft letter of inquiry and/or proposal to fit a prospective funder.
- Avoid common missteps in proposals and letters of inquiry.
- Assess a proposal's readiness for sending to a funder.

Fees for this event are \$49.

*For more information, visit <https://bit.ly/3PoVY1O>.*

### Exponent Philanthropy 2022 Annual Conference

Exponent Philanthropy will host its 2022 Annual Conference Oct. 10–12 in Minneapolis.

According to organizers, the conference is designed specifically for funders with lean operations and a style of philanthropy motivated by personal passion, community needs and the strong desire for better outcomes.

This year's conference will deliver variety of educational content through workshops, keynotes and informal idea exchange sessions that will explore the how-tos of catalytic and equity-centered practices as well as the fundamentals of foundation management that make work like this possible, organizers said.

Featured workshop topics will include:

- Have DEI Efforts Allowed BIPOC Women a Space in Philanthropy?
- How Data Collection & Flexibility Can Coexist in Trust-Based Funding
- Communication-Consideration-Commitment: 3Cs for Successful Funder/Nonprofit Relationships
- How Funder Coalitions Amplify Advocacy's Impact
- Planting Seeds for Organizational Financial Health & Independence
- Dynamic Governance & Impact: Navigating the Ever-Changing Philanthropic Landscape

Registration fees for this event range up to \$1,495.

*For more information, visit <https://bit.ly/3RTIDBp>. ■*



# Understanding ‘asking styles’ can help board with fundraising

Nonprofit executive directors often complain that getting their board to help with fundraising is a major challenge. The fact is, many board members don't feel comfortable asking for money, they feel unprepared to do so, and their efforts often fail, leading to even greater anxiety about it.

But experts say this doesn't have to be the case. According to Brian Saber, president of fundraising consulting firm Asking Matters, successful fundraising requires that board members have an adequate understanding of the process and the roles that they can play in it, which depend on their individual skills sets and personality traits.

“When we're talking about the individuals and developing relationships over time that lead to more significant gifts, we're talking about art much more than science because it's who we are as human beings and how we interact with each other that makes the difference,” he said recently in a webinar hosted on the Bloomerang.co blog.

“You may not be the person who asks for the gift, who says, ‘Joe, would you consider a gift of \$25,000 to Children's Hospital this year?’ But you can be the person who takes Joe to coffee, who sends Joe an update, who does all these other things, which are all an important part of asking and all involve a lot of art,” he added. “So you need to know who you are in that process.”

To that end, he said, it's helpful to understand the different basic “asking styles” that nonprofit board members typically exhibit, and the key drivers of these styles.

The first driver is how you interact with others. “Are you extroverted or introverted?” he asked.

“If you're an extrovert, you think on your feet and you talk quickly as you're thinking. And so, if you're in a conversation with people and the conversation is ricocheting back and forth, you're in it,” he said.

Meanwhile, introverts like to think and then talk, he explained. They might stop to think about the question, and if they have to answer immediately, they often don't answer as fully as they'd like. And they might even go back later and provide a lengthier, more complete answer.

The second key driver is how a person takes in information, Saber said.

“Are you analytical or intuitive? Do you start with the data and figure out the idea, or do you start with an idea, you have a gut, and then you see if the data supports it?”

he asked.

When we put the two together, we get the asking styles that Saber refers to as the rainmaker, the go-getter, the kindred spirit, and the mission controller.

“So we start with the rainmaker. When people think fundraiser, they think rainmaker, the analytic extrovert, competitive, ‘I'm going to close the biggest gift,’ goal-oriented, ‘I'm going to close three gifts. I'm not going to get deterred. It's all objective for me. I'm not going to take it personally. I can keep going, and I'm going to be very strategic. I'm driving ahead,” he explained.

Meanwhile, he said, the go-getter is the “intuitive extrovert, big picture thinker, makes friends easily, creative, high energy, life of the party.” These are great skills when we're trying to get people to be enthusiastic or when trying to find new people and open up relationships and excite them, he noted.

Next comes the kindred spirit, the category that he himself identifies with. “I'm a classic kindred spirit, an intuitive introvert, feelings-oriented. We wear our hearts on our sleeves,” he said. Everything is personal to these individuals, and they tend to be attentive and caring in their interactions with donors, asking them if they feel heard; thanking them for their gift and noting their appreciation.

“And then we have our mission controller,” he said. “The Eagle Scout who always gets the job done, the analytic introvert, systematic, methodical, detailed, responsible, and observant,” he said.

This person is the most likely to “sit back, not talk too much, and watch what's happening,” Saber said.

According to Saber, it's critical for board members to understand these different styles, which category they belong to, and work to put their personal skills and styles to work in the fundraising arena.

He said nonprofit leaders should ask their boards to take the Asking Style Assessment on the Asking Matters website. The assessment consist of 30 true/false questions and can be taken on any electronic device.

Once everyone has taken the assessment, you can map your board, he said, and see what you have to work with. Do you have a board full of go getters? Maybe one or two kindred spirits? Who is best suited for the mission controller role? When you have a sense of your board, you can

*continued on page 8*

## NONPROFIT RESEARCH

# Funding shortages, growth difficulties among most cited nonprofit challenges

New research from accounting firm UHY finds that a lack of funding and difficulties with growth and scaling operations top the list of challenges nonprofits are facing today.

Based on a survey of some 116 nonprofit organizations, UHY's Not-for-Profit Survey 2022 Trends Report explains these challenges in more details.

- **Challenges with growth and scaling.** Nearly half of the survey respondents identified challenges with growth and scaling as a top concern, which UHY said reflects a philanthropic sector that is dealing with broad-based transformation and surges in demand due partly to the COVID-19 pandemic and the adoption of new technologies.
- **Not enough total funding available.** Per the survey, nonprofits see a broad lack of funding for the entire nonprofit sector. UHY noted that many nonprofits received emergency financial relief during the pandemic, but those sources of funding have dried up even as many organizations are still dealing with the residual impacts of COVID-19 on their operations.
- **Donors are reluctant to pay for full costs of overhead and other critical expenses.** Many survey respondents also noted that donors often balk at covering various non-programmatic expenses, such as evaluation/impact measurement and operational overhead. According to UHY, "this speaks to the unique burden placed on not-for-profits during times of heightened economic uncertainty; in addition to adjusting their balance sheets, not-for-profits are tasked with effectively communicating their resilience and future viability to donors who are increasingly conservative when it comes to their finances."

Aside from these challenges, survey respondents cited inadequate or unreliable evaluation of their organization's impact and performance, lackluster fundraising and development efforts, and weak or ineffective management, UHY said.

Considering the challenging environment that nonprofits are facing, the survey asked respondents what steps they were taking to address these and other issues. They included:

- **Offering new programs and services.** Over half of respondents stated that their organization had created

new programs or services in the past year, which UHY said reflected a reliance on innovation as a response to emerging challenges.

- **Bringing on new technologies.** Many nonprofits indicated their organization implemented some form of new technology in the past year, which UHY said reflected an effort to gain improvements through more efficient and sophisticated tools. It should be noted that these efforts often brought additional challenges, including budgetary restraints and lack of IT or technical staff, UHY said.
- **Increased collaboration.** More than half of the survey respondents said they had collaborated in recent months with other organizations to deliver programs and services—which UHY said offers the potential to achieve positive outcomes that may have otherwise not been possible by each individual organization. Not only can collaboration magnify impact, but it can help decrease administrative costs or the need to attract additional outside funding, UHY said.

Going forward, the survey found that many organizations hoped to shore up revenue sources and/or bolster their fundraising efforts more generally to help them adapt to the challenging landscape. But most importantly, the philanthropic sector plans to focus resources on staffing up their operations.

Per the survey, some 40% said their top priority was attracting and retaining qualified people. 40%, a finding that UHY said highlight the "absolutely critical importance of recruiting and retaining talent in the not-for-profit sector."

To access the report in full, visit <https://bit.ly/3RY6gYb>. ■

## Check out our improved NBA website

Our secure website, [wileyonlinelibrary.com/journal/nba](https://wileyonlinelibrary.com/journal/nba), provides subscribers with access to all of our *Nonprofit Business Advisor* content online at no additional charge.

Access it for news affecting nonprofits, business strategies, best practices and tools to help your organization meet its mission.

**Contact [cs-journals@wiley.com](mailto:cs-journals@wiley.com) for more information.**

## INDUSTRY NEWS

# Research shows public unfamiliar with donor-advised funds, private foundations

A large swath of the American public are unfamiliar with how private foundations and donor-advised funds work and how they are used by wealthy individuals to garner tax breaks for donations that often don't make their way to nonprofit charities for many years.

- Those are the findings of a new survey of over 1,000 adults conducted in June 2022 by Ipsos and the Charity Reform Initiative at the Institute for Policy Studies. The survey reveals:

- 82% of Americans surveyed support the important role that charitable foundations play. At the same time, they remain unaware of specific details about how foundations and DAFs work.
- Once they are informed that donors receive tax breaks when they give to charities while one third of all charitable donations accumulate in private foundations and DAFs, the vast majority (81%) do not believe taxpayers should subsidize the wealthy to create private foundations that will exist in perpetuity.
- 69% of those surveyed support a 10% payout requirement for foundations (up from the current 5%) and for DAFs (which currently have no payout

requirement), even if this reduces the amount of money in foundations and DAFs in the future, the research showed. Currently, the IPS said, some \$1.2 trillion in charitable contributions are currently sitting on the sidelines in private foundations or DAF accounts.

- 72% support requiring DAFs to make grants within 2 to 5 years of receiving donations.

According to the survey, there's a good deal of ignorance on many of these issues, the IPS said. For example:

- Only 17% of those surveyed said they were aware that a third of all individual charitable donations now go into private foundations and DAFs and of the amounts accumulated there.
- Survey respondents were similarly unaware that foundations are required to pay out just 5% of their assets each year (21%) and that DAFs have no such requirement (18%).

The IPS said the findings confirm that as more Americans come to understand these issues, the more strongly they support changes to laws governing charitable giving.

*To read the report in full, visit <https://ips-dc.org>.* ■

## Fidelity Charitable DAF awards hit record high in first half of 2022

Grants made through donor-advised funds administered by Fidelity Charitable, the nation's largest grant-maker, reached a record high for the first half of 2022, with donors committing \$4.8 billion in grants—11% higher than in the same period in 2021, which itself was a record high at the time.

The growth in giving came even as current economic pressures have many donors tightening their budgets, Fidelity said. During the first half of 2022, the S&P 500 saw a decline of more than 20% from the beginning of the year—marking its worst first half since 1970. Typically in times of uncertainty, Fidelity noted, charitable giving can often be one of the first things to be cut as other necessities take priority.

But by design, DAFs can offer some insulation from these market pressures, Fidelity said, which could be contributing to the continued growth in granting from

its account holders despite the current stock market dip.

Another explanation for the boost in DAF commitments may be the nation's response to the war in Ukraine. According to Fidelity, its donors recommended more than \$128 million in grants specifically earmarked to Ukraine aid efforts during the first half of the year. Organizations providing assistance to refugees, such as food, medical care, and temporary housing, saw significant spikes in support.

For example, the organization said, the International Medical Corps saw a more than tenfold increase in the number of DAFs that recommended a grant compared to the first half of 2021. And the number of DAF accounts supporting World Central Kitchen grew more than fivefold, Fidelity said.

*For more information, visit <https://www.fidelitycharitable.org>.* ■

**FUNDRAISING**

*continued from page 5*

then tailor any fundraising and development-related tasks to suit the styles that each board member matches up with the most, he said.

Having the board go through the assessment will also help you understand why board meetings unfold the way they do, Saber added.

“Often, in team dynamics, group dynamics, we tend to get annoyed by someone. “Oh, this person is asking so many questions. I wish they wouldn’t.” Well, it might be really helpful that you have that person who’s asking questions. Once you realize that a lot of you are go-getters maybe, you want that mission controller or you want that rainmaker really digging deep and saying, “Give us a factual answer. This isn’t concrete enough,” and so forth,” he explained.

With the widespread use of video conferencing platforms like Zoom during the pandemic, understanding they different styles of your board members is especially important.

“I think it’s gotten even harder for introverts to participate because it’s harder to read the Zoom room than it is when you’re all sitting around a table,” he explained. “When you’re around a table, it’s easy to see someone wants to speak. It’s easy for the chair to see, “Oh, Sue wants to say something,” and call on Sue. In the Zoom room, it’s very hard,” he said.

“I find, and I’ve been asking my clients and such, that

introverted board members are having a harder time participating,” Saber noted.

“Your chair may need to make a point of asking the introverts’ perspective in advance or calling on them because they’re less likely to offer up any suggestions otherwise.”

*For more information, you can access the complete webinar online at <https://bloomerang.co>. ■*

**Research shows global challenges impacting funder timeframes and spend-downs**

A new report from Rockefeller Philanthropy Advisors (RPA) shows that the various challenges of 2020 and 2021 has spurred many grantmaking foundations to accelerate their spending and/or consider revising their philanthropic timelines.

The study—Global Trends and Strategic Time Horizons in Philanthropy—is based on surveys of 150 grantmaking institutions from 30 countries—most commonly, family-led philanthropies or independent or privately endowed foundations, followed by corporate foundations (11%), community-based foundations (11%), or private business vehicles (3%). The report expanded on RPA’s previous research in 2019 and 2020 to explore how the COVID-19 pandemic, socio-economic uncertainty, and rising For example:

- Over three quarters of all respondents (76%) cited a desire to influence social change as their top motivation for philanthropic giving. Nearly two-thirds (64%) wanted “to give back to society” and over half (57%) cited “urgent need” as a motivating factor, the report showed.
- Although “in-perpetuity” remained the dominant time horizon for a significant majority of respondents (74%), results show a growing adoption of time-limited philanthropy in the past two decades.

According to RPA, the time horizon chosen by a funder has significant implications beyond the operations of that organization. The decision between “giving while living” and “in perpetuity” directs a funder’s approaches, resource allocation, issue areas, and relationships with the greater ecosystem of beneficiaries and partners, the group explained.

*To access the research in full, visit <https://bit.ly/3JpOUzT>. ■*

**ORDER YOUR SUBSCRIPTION OF NONPROFIT BUSINESS ADVISOR**

Start your one-year subscription (12 issues) today!

Print only: **\$263**

Online only: **\$211**

Print + online: **\$290**

Institutional rates are also available.

Visit our website for prices.

**3 Easy Ways To Order**

**CALL Toll-Free:** 800.835.6770

**EMAIL:** [cs-journals@wiley.com](mailto:cs-journals@wiley.com)

**ONLINE AT:** [www.wileyonlinelibrary.com/journal/nba](http://www.wileyonlinelibrary.com/journal/nba)

**Wiley Guarantee:** If you are not completely satisfied with this newsletter, let us know and we will refund the cost of your subscription.



---

## RESOURCES

---

### Charityhowto.com webinar gives tips on annual giving campaigns

Nonprofit resources website Charityhowto.com will host a webinar titled “How to Organize an Annual Giving Campaign that Draws Donors in and Keeps Them Engaged” on Sept. 7 at 1:00 pm ET.

According to organizers, an annual giving campaign is a perfect way to leverage individual donors who know, like and trust your organization. Such campaigns strengthen the relationship you have with your supporters, targeting donor retention and lapsed donors.

The webinar—led by Sabrina Walker Hernandez, President and CEO of Supporting World Hope—will explain how an annual giving campaign is a board-driven fundraising initiative, during a defined period of time, to secure unrestricted operating funds from individuals while also demonstrating the impact of a nonprofit’s mission.

They are strategic in nature, requiring planning and process, organizers said. When implemented correctly, a successful campaign will:

- Engage current board members and donors;
- Identify potential donors who can embrace your nonprofit’s mission;
- Lay the groundwork for larger, major and planned gifts.

Registration fees for this webinar are \$87.

*For more information, visit <https://bit.ly/3aVABWO>.*

### Candid webinar gives intro to corporate giving

Candid will host a webinar titled Introduction to Corporate Giving on Sept. 8 at 12:00 p.m. PT.

According to organizers, corporate grantmakers differ from traditional foundations in a number of ways, and nonprofits looking to the corporate sector for support must understand these differences before approaching companies for support. To that end, this webinar will provide a basic overview of:

- The different types of corporate giving.
- What motivates corporations to give.
- How to find potential corporate partners.

Upon completion of this webinar, attendees should be able to:

- Define different types of corporate philanthropy and their motivations.
- Learn how to find information about different types of

corporate philanthropy.

This webinar is free to the public.

*For more information, visit <https://bit.ly/3yXrfBM>.*

### Webinar looks at growing, curating email lists

Nonprofit resources website Charityhowto.com will host a webinar titled “How To Grow Your Email List and Convert Subscribers into Donors: A Step by Step Guide” on Sept. 14 at 1:00 pm ET.

According to organizers, this webinar—led by Ephraim Gopin, founder of 1832 Communications—will show how email marketing should be a vital part of your organization’s fundraising portfolio. Participants will learn best practices, get expert advice and receive useful tips that they can implement right away in their own organizations.

Attendees should walk away with the knowledge necessary to create, execute and manage an email marketing program that gets results, helps their organization raise awareness, educates the public and builds relationships with subscribers so their organization can fundraise and service more people in their local communities.

Registration fees for this webinar are \$87.

*For more information, visit <https://bit.ly/3Pst1Sv>.*

### Candid offers intro class on proposal writing

Candid will host a webinar titled Introduction to Proposal Writing on Sept. 29 at 5:00 p.m. ET.

According to organizers, this webinar is oriented towards those new to proposal writing as well as anyone wanting a quick refresher on the topic. Participants will receive an overview of how to write a standard project proposal to a foundation. Among other things, the webinar will go over:

- The basic elements of a proposal.
- The “do’s” and “don’ts” of writing and submitting a proposal.
- How to follow up whether the answer is yes or no.

After the course, attendees should walk away with a clear understanding of how to write a standard project proposal to a foundation, and know how and when to follow up with funders after submitting a proposal.

This event is free to the public.

*For more information, visit <https://bit.ly/3IQpBqj>. ■*

## EMPLOYMENT LAW

Here's a look at several recent notable lawsuits involving nonprofits. Nonprofits should regularly review employment laws and their compliance efforts to avert similar issues.

### Disability

#### Judge rules against former employee in retaliation claim

The plaintiff was a Dallas Housing Authority resident services coordinator.

In April 2018, she began a medical leave of absence due to a back injury because her doctor had submitted a "Certification of Healthcare Provider for Employee's Serious Health Condition," indicating she couldn't perform any of her job duties.

The plaintiff's request for short term disability benefits was approved later in the month.

Two months later the plaintiff's doctor recommended she needed to be off work for another year.

While she was on medical leave in July, the plaintiff made a harassment complaint claiming her supervisor had discussed both her disability and her leave of absence with other DHA employees. She also claimed that when a DHA manager asked to work additional hours or hire a temporary employee to help with the workload caused by her medical leave, the supervisor stated no help would be needed because proceedings to terminate the plaintiff would be started if the plaintiff didn't return to work by early August.

DHA commenced an investigation into the plaintiff's formal complaint later in the month, and ultimately disciplined the supervisor.

The plaintiff was fired six months and nine days after beginning her authorized medical leave for the stated reason of violating the company's leave policy.

The plaintiff filed a suit claiming (1) retaliation in violation of Title VII for complaining about her supervisor and (2) disability discrimination.

DHA filed a motion for summary judgment.

The district court judge said a plaintiff claiming retaliation in violation of Title VII must show: (1) she engaged in a protected activity, (2) she was subjected to an adverse employment action and (3) a causal connection existed between the protected activity and the adverse employment action.

Jennings argued that her July formal harassment complaint was the real reason why she had been fired because less than three months had passed between the two events.

**EMPLOYER WINS** ► However, the district court judge said a three-month gap without some other evidence or indications of causation wasn't sufficient to establish causation.

The judge also said that a plaintiff claiming discrimination in violation of the Americans with Disabilities Act must show that she: (1) either had a disability or was regarded as disabled, (2) was qualified for the job and (3) was subject to an adverse employment decision on account of her disability. She also explained that if the employer produced a legitimate explanation for imposing the adverse employment action, the burden shifted to the employee to show (1) the stated reason was false or (2) if the stated reason was legitimate, that the employee's disability was a substantial motivating factor in the decision.

According to the judge, the plaintiff hadn't refuted the defendant's evidence that it had fired the plaintiff because holding the job open for an additional year would have caused undue hardship.

The judge dismissed the claims.

[*Jennings v. Dallas Housing Authority*, U.S. District Court for the Northern District of Texas, No. 3:20-cv-03462, 02/17/ 2022.] ■

### Americans with Disabilities Act

#### Judge rules against NYDOC in case alleging ADA violations

The plaintiff was a New York City Department of Corrections computer systems manager in the IT department, and his supervisor was the departmental director.

In January 2018, he asked the director for permission to leave work to see his doctor because of "extreme back pain." She granted the request but allegedly said, "Don't let this happen again."

### Let us know ...

#### Got a great idea for an article?

Contact: Nicholas King, Editor  
Email: [nicholaskingllc@gmail.com](mailto:nicholaskingllc@gmail.com)

#### Want to update your company's contact information?

Contact: Samara Kuehne  
Email: [skuehne@wiley.com](mailto:skuehne@wiley.com)

---

Although the plaintiff was instructed by his doctor to stand up and walk around every hour to alleviate his back pain, the director purportedly criticized him whenever he did it throughout 2018.

The plaintiff was admitted to a hospital for two days in May because he suffered an additional back injury.

According to the plaintiff, he was still unable to work upon being released from the hospital because he couldn't stand or walk without "excruciating pain."

The plaintiff contacted the EEO office of NYCDOC and requested permission to work from home until his back healed. However, the director granted him only two weeks of working from home.

A non-disabled colleague who held the same position as plaintiff was allegedly permitted to work from home whenever he pleased.

After he returned to work at the end of the month, the director allegedly humiliated the plaintiff around his colleagues on a routine basis by making comments such as "Are we going to need to get you a wheelchair?" and "You are like an old man."

Approximately three weeks after he returned to the office, the director told the plaintiff he was fired. According to the plaintiff, the director was the decision maker with respect to his termination.

The plaintiff filed a suit, and one of his claims was disability discrimination.

The NYCDOC filed a motion to dismiss.

The district court judge said the plaintiff was required to plausibly allege that: (1) his employer was subject to the Americans with Disability Act, (2) he was disabled within the meaning of the statute, (3) he was otherwise qualified to perform the essential functions of his job with or without reasonable accommodations and (4) he suffered an adverse employment action because of his disability.

She also said a plausible inference that an adverse employment action was caused by discrimination in violation of the ADA could be supported by (1) verbal comments from his superiors and (2) a close temporal proximity between the plaintiff's termination and informing his employer of an injury.

The judge then ruled the director's alleged remarks when he physically returned to the office after being hospitalized indicated a discriminatory animus towards the plaintiff's disability.

**EMPLOYEE WINS** ► Viewing each of the plaintiff's allegations together—the discriminatory comments, the preferential treatment of a non-disabled colleague, and the temporal proximity between plaintiff's hospitalization and his termination—the judge refused to dismiss the claim, ruling the plaintiff had plausibly alleged being fired

because of disability discrimination.

[*Mehta v. City of New York, et al.*, U.S. District Court for the Eastern District of New York, No. 1:19-cv-03857, 01/31/2022.] ■

## Title VII

### Judge rules against former employee alleging retaliation

The plaintiff was a Washington Gas Light Company dispatch specialist who was reprimanded in writing in 2018 because of her participation in a workplace altercation with a coworker.

In January 2020, a different coworker approached the plaintiff at her desk with a perceptible erection under his pants, stating "See what you do to me."

The plaintiff immediately picked up her phone and began recording the incident.

The coworker asked the plaintiff if she was recording him, and she responded in the affirmative.

When the coworker asked the plaintiff why she was recording him, she replied "Why shouldn't I?"

The plaintiff refused the coworker's request to delete the video and said she was going to post it online instead.

The coworker left the area for a little while.

Upon returning, the coworker noticed the plaintiff was looking at some tennis shoes online.

He then asked the plaintiff if she liked the shoes, and the plaintiff once again replied in the affirmative.

When the coworker asked the plaintiff how much the shoes cost, she nodded her head toward the price listed on the screen which was roughly \$160.

The coworker left the area again.

When he returned for the third time, the coworker tossed \$160 in cash on the plaintiff's desk and walked away.

Although the plaintiff had never mentioned cash, she put the money in her wallet.

The plaintiff's supervisor reported the matter to human resources when she learned about it in early February.

After an investigation, HR decided: (1) the coworker should be fired for violating the WGLC sexual harassment policy and (2) the plaintiff should also be fired for violating the WGLC ethics policy because she had used the video as leverage to elicit a cash payment.

The plaintiff was fired in the middle of February for the stated reasons of being involved in the September 2018 incident and the January 2020 encounter.

One of the claims in her suit was illegal retaliation in violation of Title VII.

WGLC filed a motion for summary judgment.

The district court judge ruled the stated reasons for firing the plaintiff were legitimate, and she had the burden of showing they weren't true.

The plaintiff claimed the reasons were false because the proceedings were flawed. She claimed (1) the investigation should have been conducted by an independent third party and (2) a more appropriate sanction would have been to require her to return the money.

**EMPLOYER WINS** ► The judge ruled the plaintiff's "quibbles" with the proceedings were irrelevant because:

(1) the critical inquiry didn't involve the wisdom of the decisions made by WGLC, (2) the issue was whether it honestly believed the stated reasons for termination were true, and (3) the plaintiff's criticisms of the proceedings were simply an attack on the wisdom of how they were conducted.

The judge dismissed the claim.

[*Taylor v. Washington Gas Light Company, et al.*, U.S. District Court for the Eastern District of Virginia, No. 1:20-cv-01390, 01/24/2022.] ■

## NEWS

### GivingTuesday launches \$26 million capital campaign

GivingTuesday has announced the launch of a \$26 million capital campaign for the expansion of its Data Commons, which it says is the largest philanthropic data collaboration ever built. With the new funding, GivingTuesday hopes to scale the Data Commons and expand the infrastructure and partnerships needed to transform the social sector with the largest collection of comprehensive, up-to-date datasets of giving behaviors around the world, a connected network of practitioners, and leading-edge accessible and extensible tools, the organization said.

According to the group, the Data Commons tackles one of the most significant problems the social sector faces: data that is incomplete, siloed, opaque, closely guarded, and outdated. These problems hamper research and limit innovation in the sector, GivingTuesday said.

To counter this, the Data Commons uses a collaborative, knowledge-based environment that promotes participation from a wide range of stakeholders, which is expected to yield a comprehensive data infrastructure that provides a more holistic understanding of global giving, the group said.

Further, the Data Commons makes that data accessible to philanthropic organizations with sophisticated, easy-to-use tools that can inform better decision-making by organizational leaders, academic researchers, policymakers, and social enterprises.

The \$26 million capital campaign has already secured commitments of about 40% of the total from donors such as Google.org, The Bill & Melinda Gates Foundation, Fidelity Charitable Trustees Initiative, Belfer Family, Heinz Family Foundation, National Philanthropic Trust, Paypal, and Schwab Charitable, GivingTuesday said.

For more information about the campaign, visit <https://www.givingtuesday.org>. ■

### Wells Fargo launches new grant program aimed at real estate development

The Wells Fargo Foundation has launched a new \$40 million grant program, dubbed Growing Diverse Housing Developers, focused on expanding the growth and success of real estate developers of color, including Black- and Latino-owned firms.

Launched in collaboration with Capital Impact Partners, the Low Income Investment Fund, the Raza Development Fund, and the Reinvestment Fund, Growing Diverse Housing Developers aims to increase the supply of homes that are affordable across the country. Working together, these four community development financial institutions have selected 39 developers of color to take part in the four-year program, Wells Fargo said. Participants will have access to lower-cost, flexible capital, as well as the training, mentors and resources needed to accelerate the production of multifamily and mixed-use housing development projects.

They'll also have access to more than \$100 million in additional funding the CDFIs have committed toward innovative loan products, the company said.

For more information, visit <https://www.wellsfargo.com>. ■

#### Check out *NBA* on Facebook!

Drop by our page and join the conversation.

Simply visit Facebook and search for *Nonprofit Business Advisor*. See you there!