



A recent Advance Memphis graduate holding his Individual Development Account (savings) paperwork.

## Non-Profit Best Practices: Finding Tangible Trackable Results

Research and common wisdom proves that donors prefer giving to a ministry or non-profit they know is having a significant impact. Very few organizations take the time to measure results and share these tangible trackable numbers with their staff, board or donors. As the economy tightens the budget for many donors, it is an industry best practice for organization to track the impact data in order to win donors' attention and dollars. If a donor removes the emotions from the decision, how will they determine who to support in 2009? One local non-profit that tracks their progress and that has the eye of many Hope donors is Advance Memphis.

Like any other non-profit, Advance Memphis has a mission, vision, and staff members who work tirelessly to pursue them. Advance Memphis also shares another common trait of many non-profits: a small staff facing big challenges.

In order to steward resources and ensure that consistent progress is made toward goals, Advance has embraced outcome-based management, tying specific activities to their mission

statement and to a numerical baseline against which to measure progress.

While the ultimate goal is to bring glory to God, staff members have found that using measurable goals in day to day work activities has helped them to discern where more energy is required, and to determine which programs are having the most impact on the lives of Advance Memphis participants.

In 2008 every Advance Memphis staff member set specific, measurable goals for each program and tracked those through monthly reports to their Program Manager. Results were then tallied in the quarterly newsletter, giving volunteers and donors the chance to hold staff accountable, and keep up with the good news. Year end results were shared in the December newsletter, and an additional Return on Investment Report tied Advance Memphis' outcomes to the broader community, allowing donors to see how their investment had not just changed lives, but had also saved taxpayer dollars by empowering Advance participants to begin moving from welfare to employment.

Donors responded with great

enthusiasm to the ROI report, sharing that they appreciated being able to share in the joy of the tangible results in the Cleburne/Foote homes. In 2009, staff members have refined their goals and their reporting methods, and are looking forward to reporting more specific information to their donors. Advance has even gone a step farther to recruited a new volunteer—a health economist from the University of Tennessee—who will assist them in gathering and tracking more specific data for the 2009 version of the Return on Investment Report. Advance staff members agree that by holding themselves accountable and reporting regularly to donors, they're able to make the most of the resources entrusted to them.

For more information on Advance Memphis please visit [advancememphis.org](http://advancememphis.org) or contact Director, Steve Nash at 901.543.8525.

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*Advance Memphis serves adults in the Cleaborn/Foote community of inner city Memphis by helping residents acquire knowledge, resources, and skills to be economically self-sufficient through the Gospel of Jesus Christ.*

## Donor Advised Funds 101

Our donors tell us that a significant struggle with sharing the story of Hope with others is explaining the logistics of what a Donor Advised Fund is.

A Donor Advised Fund is a charitable giving vehicle administered by a third party and created for the purpose of managing charitable donations on behalf of an organization, family or individual. It offers the opportunity to create an easy-to-establish, low cost, flexible vehicle for charitable giving as an alternative to direct giving or creating a private foundation. Donors enjoy administrative conveniences, cost savings and tax advantages by conducting their grant-making through the fund.

Simply put, a Donor Advised Fund is the best agent to help make giving easy, strategic and effective. Here at Hope, we are in the business of making giving easy. Our goal is to help grow philanthropy and Christian stewardship in the greater Memphis area. How can we help share your story of Hope?

## Millions of Donations Lost to End 2008

Tens of millions of Americans have already suffered substantial financial losses in the wake of the sub-prime mortgage crisis and subsequent financial challenges. A new survey from The Barna Group shows that more than 150 million adults said they have been affected by the economic turbulence, and most of them expect it to take several years before the nation fully recovers. Americans are now passing on their financial pain to churches and other non-profit organizations by cutting back substantially on their giving during the fourth quarter of 2008. Those reductions - occurring during the most important quarter of the year for donor-driven organizations - will cripple thousands of smaller and less stable donor-supported organizations.

Two out of every three families - 68% - have been noticeably affected by the financial setbacks in America. On average, Americans believe it will take about three years before the economy fully recovers.

During the past four months, one of the ways that adults have adjusted to their financial hardships has been by reducing their charitable giving. In total, one out of every five households (20%) has decreased its giving to churches and other religious centers. The degree of reduction in giving is significant for churches. Among people who have decreased giving to churches and religious centers, 19% dropped their giving by as much as 20%, 5% decreased their generosity by 21% to 49%, 17% reduced their giving by half, and 11% sliced their provision by more than half. In addition, 22% said they had stopped their giving altogether.

The million-plus organizations recognized by the government as non-profit agencies have reason to worry about the economic climate, too. Nearly one-third of all adults (31%) said they have already reduced the amount of money they are donating to non-profit entities.

George Barna, whose company conducted the survey, commented that the economic woes hitting families will be felt in a major way by churches and non-profits. "The average church can expect to see its revenues dip about 4% to 6% lower than would have been expected without the economic turmoil. We anticipate that other non-profit organizations will be hit even harder. This is a time for church leaders and non-profit organizations to demonstrate restraint and wisdom in their financial decisions."

For more information on the study, please go to [barna.org](http://barna.org) or read the full article at <http://tinyurl.com/49eoa2>

## Creative Uses for Your Hope Donor Advised Fund

At Hope we understand the best uses for Donor Advised Funds. Sure there are tons of ways to use your fund to make giving easy, strategic and purposeful in order to support ministries and non-profits you are involved with, but did you know you could use your fund to make a loan to your favorite non-profit?

In addition to giving cash grants, Hope Christian Community Foundation has implemented a new program which will allow donors to make loans to their favorite ministries from their donor advised funds. A loan will allow the donor to make multiple impacts with their funds.

Giving has a new form through this program that will help sustain and strengthen many non-profits and ministries who are facing unique challenges during a challenging economy.

Please contact Hope to open a donor advised fund or to learn more about this program.



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