



building capacity • developing partnerships
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Cause Effective builds the capacities of other nonprofits to enlist human and financial resources so they are better able to accomplish their critical missions.

H I G H L I G H T :

See page 8 for information about Cause Effective's latest publication, *The Special Events Toolbox*.

A Message from **Cause Effective**



Lata N. Reddy, Esq.

Dear Friends,

We are very pleased to report that as a result of their work over the past year with Cause Effective, 500 nonprofit organizations are more efficient and effective and better able to serve their constituents. As in past years, our clients are large and small, serve a diverse group of people, and address issues in their communities through a wide variety of mission areas. In working with these inspiring organizations, Cause Effective drew closer to seeing the realization of its vision of a healthy nonprofit sector enabling a fair and just society.

After a period of shrinking resources, the nonprofit sector experienced a slow recovery this year. Foundation and corporate giving increased, but nonprofits continued to face challenges, as government funding continued to decrease and competition for funds intensified. In order to operate and grow in this environment, organizations must be more deliberate, innovative, and efficient, especially in their fundraising. Cause Effective will continue to provide support, guidance, and a helping hand as nonprofits become more strategic in their resource development efforts.

One example of Cause Effective's impact in the past year was its work with Art Start. Art Start transformed its fundraising efforts from a number of disconnected activities to one strategic, multifaceted approach that resulted in more money raised from more people. With Cause Effective's guidance, they raised \$55,000. Another important example of Cause Effective's work is its consultancy with Children's Neurobiological Solutions Foundation (CNS) to expand its event which resulted in a 50% increase in funds raised over the previous year.

We are also proud to announce the publication of *The Special Events Toolbox*, a comprehensive guide to planning and implementing special events. The book is a unique resource in the field and is based on our acclaimed *Make Your Events Special*. We believe the book will provide valuable guidance and insight to the organizations that use it.

The successes achieved by Cause Effective and the groups we served this year could not have happened without the support of our funders, the dedicated work of our staff, and the time and energy of our clients. We are honored to have the opportunity to work closely with such visionary people.

At Cause Effective, we work to enact and support change. As we focus on plans for the coming year, Cause Effective continues to look for ways to build on existing services, enhance our capabilities and adapt to change. Our focus always has been, and will continue to be, on our clients – to help them build stronger and more efficient organizations that make a difference. We look forward to many more years of working together to change the world.

A blue ink signature of Lata N. Reddy.

Lata N. Reddy, Esq.
Chair, Board of Directors

A blue ink signature of Lauren Goldstein.

Lauren Goldstein
Executive Director

making a difference

The Board and staff of Art Start, an organization dedicated to transforming the lives of under-served children through the creative process, had great discomfort at the idea of throwing a “boring chicken dinner” to raise funds. But they didn’t know what else to do.

With two years of intensive coaching and guidance from Cause Effective, Art Start moved from disconnected fundraising efforts which relied solely on the organization’s founder to a strategic, multifaceted plan involving volunteers, celebrities, Board members, and staff. This new approach has raised thousands more dollars and helped the organization expand its innovative arts programming to homeless and at risk youth.

Art Start worked with Cause Effective to build skills and systems to support the efforts of a larger group of people “asking” on the organization’s behalf. Now instead of one person asking the same contacts again and again, many individuals are fundraising from their circles, exponentially increasing the number of people being asked... and the number of people saying “yes.”

The organization is now working hard to build relationships with donors instead of just approaching them when it is time to renew their gift, resulting in a rich field of supporters who are primed to give more and to give more often.

Armed with a host of new skills, the Board and staff worked with Cause Effective to develop strategies that would reflect Art Start’s mission and image. Instead of the feared “chicken dinner,” Art Start hosted an art showcase to highlight the volunteer artists who work with kids in the City’s shelters. The event was a huge success, connecting the volunteers more deeply to the organization and inspiring individual donors.



“I want to thank you again for your heartfelt support and dedication to our cause over the last two years. Your guidance, inspiration, wisdom and cajoling helped us forge ahead with both our Board development and a broad fundraising/development strategy. I can safely say that none of this would have been possible without you!”

— **Simon Fulford,**
Art Start, Former Executive Director

Cause Effective also worked closely with Art Start to professionalize and develop the Board. The Board, made up of friends and colleagues of the founder, was ready and needed to change. Cause Effective helped the group articulate what the organization needed from its Board and identify individuals who bring those skills to the table.

As a result of their work with Cause Effective, Art Start has progressed from a mid-sized, youthful non-profit organization to one with effective and sophisticated fundraising practices.

developing partnerships

Since 2000, Cause Effective, in partnership with the United Way of New York City, has offered a four session workshop series four times a year to prepare individuals to effectively serve on boards throughout New York City. Linkages: A Nonprofit Board Self Assessment, Recruitment and Training Program was developed by the United Way to strengthen the nonprofit sector and answer the call from their member agencies for more board members with a varying range of skills and experience.

Over the years, Cause Effective has trained hundreds of corporate executives on a host of issues, including the legal duties of a board and individual directors, nonprofit fiscal management, and fundraising. The participants have gone on to serve on boards around the City, including HIV Law Project, Federation of Protestant Welfare Agencies, New York Service Program for Older People, Community Mediation Services, and New York Asian Women's Center.

Once participants complete the training, they have the skills and the knowledge to be effective leaders and help strengthen the City's nonprofit sector.

This year alone, Cause Effective trained 100 prospective Board members. In 2004, Cause Effective also undertook an entirely new role – the Linkages Training Program, previously co-facilitated by two organizations, was brought in-house and is now facilitated solely by Cause Effective. Cause Effective overhauled the corresponding training manual to ensure a better connection between the sessions and the materials and continues to refine the series each time it is offered.



"I learned so much...The facilitators were great. They explained the information with precision. Before, I felt that being on an effective board was a little out of my reach. Now, I feel that I am armed and prepared to be a responsible, well informed member on any board.

Thank you, Cause Effective!"

– Linkages Participant

FACT

Since 1981, Cause Effective has partnered with more than 8,000 nonprofit organizations serving tens of thousands of people.

strengthening organizations

PE 4 Life, promotes the development of quality, daily physical education programs for all children. Founded by a dynamic individual, the organization had great fundraising success early on. As the organization matured and grew, the Board and staff felt it was time to make some decisions about how to move forward.

PE 4 Life, was one of a select few Youth Smoking Prevention Initiative (YSP) grantees to be offered a resource development assessment on a pro bono basis from Cause Effective. They jumped at the chance to participate in the hopes that the process would help the group identify an appropriate direction.

Cause Effective thoroughly analyzed all aspects of the organization's fundraising efforts. As part of this process, we reviewed projections, budgets, and collateral material; conducted in-depth interviews with Board and staff; and developed conclusions and corresponding recommendations.

Cause Effective crafted a comprehensive assessment which highlighted the organization's strengths, challenges and opportunities. Staff and Board were surprised and excited by what the analysis revealed. Together we worked to identify two to three priority recommendations and PE 4 Life committed to implementing them.



“Cause Effective’s assessment helped us set the organization up for the next five to ten years of growth. The process was instrumental in moving us to a more strategic focus.”

— **Anne Flannery,**
President, PE 4 Life

Upon checking in six months later, PE 4 Life told us that the assessment process has moved the organization to another place and spurred on the Board to greater efficacy. They have begun to work on the issues uncovered in the analysis and to strategize about how to diversify their funding base and more deeply engage their Board.

The President said that the Board meeting following the assessment was the most fruitful in their four-year history and focused on strategy and the future of the organization.

FACT

In working with Cause Effective, one organization increased their event net by 50% in one year.

strengthening organizations

In 2004, Cause Effective worked closely with the Children's Neurobiological Solutions Foundation (CNS). CNS, which promotes the development of effective treatments for children with neurological disorders, came to Cause Effective for guidance and logistical support for its 2nd Annual Benefit. The first year, a group of volunteers with very little experience raised \$150,000. Recognizing the potential, they set higher goals for attendance and fundraising and approached Cause Effective for help in achieving them.

Cause Effective coached CNS event leadership as they identified the organization's fundraising opportunities and helped develop a strategy to capitalize on them. Cause Effective overhauled their auction so that the items were appropriately priced and effectively marketed. In addition, Cause Effective executed the auction from soup to nuts – from designing the catalogue, to displaying the items, to managing the guest check out process. CNS raised \$16,000 more than last year on the auction alone, a more than 60% increase.

Based on all of our work together, CNS raised a record \$230,000 – a more than 50% increase in revenue from the event the year before.

Cause Effective's work didn't end there. All of these efforts were carefully documented resulting in a set of templates and systems to help effectively plan and execute this event and ones like it in the future. CNS has a volunteer corps all across the country, each locale hoping to raise funds to push the research forward. We are confident that our work together will have a long-lasting effect on CNS's fundraising efforts. CNS now has a detailed roadmap for all of its volunteers to host successful events wherever they may be.



“Cause Effective provided us with very useful guidance in the preparation of our promotional materials, a step-by-step guide to get us to our event date and the support and organization that allowed us to execute an extremely successful evening.”

– Sue Ellen Strong,
VP, CNS Foundation, Inc.

FACT

Cause Effective trained over 100 prospective nonprofit Board members through the Linkages Program in 2004 alone.

statement of activities

For the year ended June 30, 2004 (with summarized totals for 2003)

	2004			2003
	Unrestricted	Temporarily Restricted	Total	Total
Revenue and support:				
Grants and contributions	\$ 409,468	-	\$ 409,468	\$ 531,661
Program service revenues	116,261	-	116,261	166,350
Investment income	4,665	-	4,665	7,861
Unrealized (loss)/gain on investments	78	-	78	(98)
Net assets released from restrictions	20,000	(\$ 20,000)	-	-
Total revenue and support	<u>\$ 550,472</u>	<u>(\$ 20,000)</u>	<u>\$ 530,472</u>	<u>\$ 705,774</u>
Expenses:				
Programs	\$ 390,724	-	\$ 390,724	\$ 461,430
Management and general	72,455	-	72,455	70,907
Fundraising	54,862	-	54,862	28,710
Total expenses	<u>\$ 518,041</u>	<u>-</u>	<u>\$ 518,041</u>	<u>\$ 561,047</u>
Changes in net assets	\$ 32,431	(\$ 20,000)	\$ 12,431	\$ 144,727
Net assets, beginning	<u>315,114</u>	<u>20,000</u>	<u>335,114</u>	<u>190,387</u>
Net assets, ending	<u>\$ 347,545</u>	<u>-</u>	<u>\$ 347,545</u>	<u>\$ 335,114</u>

statement of financial position

As of June 30, 2004 (with summarized totals for 2003)

ASSETS

	<u>2004</u>	<u>2003</u>
Current assets:		
Cash and cash equivalents	\$304,858	\$ 532,573
Investments, at market	2,684	2,491
Grants and contract receivables	88,957	51,864
Prepaid expenses and other assets	<u>3,884</u>	<u>4,249</u>
Total current assets	<u>\$ 400,383</u>	<u>\$ 591,177</u>
Property and equipment:		
Office equipment and furniture (net of accumulated depreciation of \$33,887 in 2004 and \$28,737 in 2003)	\$ 15,082	\$ 14,407
Leasehold improvements (net of accumulated amortization of \$21,670 in 2004 and \$15,867 in 2003)	<u>44,452</u>	<u>50,255</u>
	<u>\$ 59,534</u>	<u>\$ 64,662</u>
Other assets:		
Security deposits	<u>\$ 9,167</u>	<u>\$ 9,167</u>
Total assets	<u>\$ 469,084</u>	<u>\$ 665,006</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable and accrued expenses	\$ 12,014	\$ 21,041
Deferred revenues	<u>57,164</u>	<u>257,891</u>
Total current liabilities	<u>\$ 69,178</u>	<u>\$ 278,932</u>
Annualized rent obligations	\$ 35,994	\$ 32,435
Deferred rent	<u>16,367</u>	<u>18,525</u>
	<u>\$ 52,361</u>	<u>\$ 50,960</u>
Total liabilities	<u>\$ 121,539</u>	<u>\$ 329,892</u>
Net assets:		
Unrestricted	\$ 347,545	\$ 315,114
Temporarily restricted	<u>-</u>	<u>20,000</u>
Total net assets	<u>\$ 347,545</u>	<u>\$ 335,114</u>
Total liabilities and net assets	<u>\$ 469,084</u>	<u>\$ 665,006</u>

expanding our services

Cause Effective continues to expand its offerings. And this year, Cause Effective published *The Special Events Toolbox: A Nuts-And-Bolts Guide to Planning and Implementing Special Events Campaigns for Nonprofit Organizations*. The distribution of this book provides an opportunity for Cause Effective to reach many more organizations than we are able to serve through our one-to-one consulting.

The Special Events Toolbox brings together almost 25 years of Cause Effective's event planning expertise in a complete how-to guide to special events campaigns for nonprofit organizations. *The Toolbox* is an updated, expanded version of Cause Effective's critically acclaimed *Make Your Events Special*.

Whether an event novice or a seasoned veteran, this book will help boards, staff, and volunteers think through and maximize the opportunities that special events can provide, while helping to avoid common pitfalls. Through worksheets, templates, sample materials and other tools, this book presents a clear map of how to create and implement successful special events campaigns.

The Toolbox covers a wide range of topics, from committees and logistics to corporate sponsorships and evaluation, and answers the most often asked questions. (See Ten Tips on the facing page.)

The Toolbox is an essential resource and copies are flying off the shelf. Please visit our website www.causeeffective.org to order your copy.

"From A to Z, from soup to nuts, *The Special Events Toolbox* is a great addition to the literature on events, and will help enable willing (and even not so willing) volunteers and staff pull off those giant events we all read about. Cause Effective has distilled their years of experience into a useful and practical manual."

— **Kim Klein,**
Publisher, Grassroots Fundraising Journal





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Ten Tips from *The Special Events Toolbox*

1. Don't skip crucial planning steps by starting with the event's color scheme or the appetizers. The very first step for a successful event is to determine what you want to accomplish – whether it is raising money or thanking volunteers or cultivating new donors. Then base all your decisions around reaching your goal.
2. Two heads aren't always better than one. Have a single coordinator who will take responsibility for the day-to-day tasks and enlist and manage others. Also make sure that only one person is ultimately in charge at the event. Invariably, with co-coordinators the buck stops with no one.
3. Individual ticket sales are not where the real money is made during an event. Sponsorships and package deals are what raise the dollars, so be sure to focus your efforts on those who can help you in that area.
4. Some people will spend more than the cover price on tickets. Let them! Give people the opportunity to buy the same number of tickets at different prices – offer two tickets at both \$200 and \$450.
5. Even for the smallest events, check out the space well before the event. When walking through the space consider your logistical and volunteer needs and fill those needs so you are ready for the night of.
6. Even the best speakers tend to speak longer than their time limit. If your speakers are willing, draft a script for them and rehearse it with them so the speech will be to the minute (or as close as possible) at the event.
7. There is no one right way to list your committee members. Remember form follows function. So let the reason you brought them on guide how they are listed. The only hard and fast rule is to keep it consistent.
8. If you are spending all of your time planning an event, chances are you are putting other responsibilities on hold. Always calculate and include "staff time" as an expense in your budget so you know what your events really cost.
9. Thank your donors, sponsors, Board members, volunteers, and staff before, during and after the event. Take every opportunity to show them how important they are to the organization.
10. Evaluate, evaluate, evaluate. Put your findings in writing and use this document as a guide when you plan for the next year.



how to get assistance or contribute to cause effective

If you represent a nonprofit organization that has opportunities or challenges it needs help meeting, contact Cause Effective to discuss how we can play a role.

Like the organizations it assists, Cause Effective relies on financial contributions and volunteer services to carry out its work. To volunteer, contribute, or find out more, contact Cause Effective. You can also make a donation by going to our website at www.causeeffective.org and clicking on the **donate now** button.



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