L.E.A.P. Resources: Creating and Sustaining a Nonprofit

A thesis submitted to Miami University Honors Program in partial fulfillment of the requirements for University Honors with Distinction

By: Ellen Winternheimer
May 2009
**Introduction**

Nonprofit organizations have only in the recent past become a large contributing factor to the social and economic welfare of America. While volunteer organizations have been in form since the mid 1700’s, they were not favored as fundamentally important to the American democracy (Dobkin Hall 112). The prominence of nonprofits began to rise in the 1960’s, when American government decided to make nonprofits major beneficiaries of government support. The government gave money for services that the public was weary of the government presiding over. This partnership helped to expand the scope and services of nonprofits. Over the past twenty years challenges with changes in policies, attitudes, and social needs have forced America’s nonprofits to respond in new, innovative ways. (Salamon 5) While some challenges have proven detrimental to organizations, others have defied the odds of success.

These triumphs and tribulations of nonprofit organizations became real to me after a summer of volunteering as an intern for one the world’s largest sources of nonprofit funds dedicated to the fight against breast cancer, *Susan G. Komen for the Cure*, the Indianapolis Affiliate. Only during my time of self reflection did I realize that nonprofits are not sustained on genius, but on their ability to overcome challenges, adapt to changing circumstances, and share their passion for service with the public.

While there is a large and ever-increasing number of nonprofit organizations, roughly 1.2 million with 501 (c) (3) and c (4) status as of the mid-1990’s, I continue to be convinced that many needs in southwest Ohio were still not being met by the government or any other agency. Mid-2008, I was approached by a mother of a young girl with cerebral palsy, Utawn Leap, who had been raising awareness for the needs of those with
special abilities around Ohio. She had heard of my passion for the nonprofit sector and she explained that she had been trying to figure out how to start and sustain her own nonprofit for years. In consequence, and in part, my thesis is the designated plan for the nonprofit agency entitled L.E.A.P. Resources. Through workshops, research, and learning by example, I discovered that a basic plan for a nonprofit is not enough to sustain an organization. Thorough knowledge of the potential barriers to success and criteria for excellence are critical for a self-sustaining, long lasting, needs fulfilling organization.

**Potential Barriers to Success**

While planning can provide an accurate prediction of future events, bumps in the road to success are inevitable. Examining potential bumps proves to be critical to the success of the organization. It is not worth the creation if you cannot build a sustainable product.

I went a workshop called “Forming Your Own Non-Profit”. This seminar was thorough in its explanation of the steps to creating your own organization including the legal steps in the process. While talking with others at the meeting who seemed to have public’s best interest at heart, there was talk about their selfishness in terms of the ownership of their potential nonprofit. The term “Founder’s Syndrome” is often used to describe the selfishness of the founder of a new nonprofit organization. While one or a small group of individuals must first have an idea for the organization, once a board is in place the leadership of the organization is taken over by the entire board. Power is therefore taken away from the individual and given to a team. If this decentralized decision making process is not effectively given over by the founder, destruction within
the organization can occur. According to the National Resource Center, numerous organizations have found this to be the determining factor in the success of their institution.

In organizations that are first starting out, “baby” organizations, there tends to be a smaller group of people leading the organizations. By-laws are often set up at this time with little lee way for future circumstances. As the board grows, new members with new ideas can cause a digression from the original template of ideas. There can also be changes in the community and needs for the services provided. Conflicts can arise when the founders resist the needed change for “their” organization. One idea for coping with “Founder’s Syndrome” is to make sure the founders are aware that the organization will need to change or develop in the future to keep up with ever changing situations. It is also pertinent that board members are chosen based on their promise to work towards the current and future goals of the organization. The board members and staff also need to be evaluated at the end of each year based on their efforts to meet these goals (National Resource Center). Each position needs to have a clear job description so personnel have guidelines and specific goals to meet. Lastly, there should be yearly or monthly meetings to remind the staff and board of the specific goals trying to be attained. These reminders and checks help to ensure that everyone is working towards a common end. Good boards are ones that wholeheartedly understand the mission and their place in attaining it as a team member.

Keeping fiscal resources flowing is a continued barrier to success for nonprofits as well. In our ever changing and unstable economy, nonprofits can take hard financial hits. The federal government has in the past recognized the need for assistance in tough
times. For example, after WWII, America’s nonprofits were suffering from lack of donations due to economic downturn (Salamon 12). The government increased the money given to nonprofits because it recognized their important role in overcoming poverty and health issues. In the 1980’s, the Reagan administration decreased federal spending in these areas, decreasing federal support to nonprofit organizations by 25 percent (Salamon 12). Now though, according to the American Recovery and Investment Act of 2009, more than $5 billion will be given to state and local governments, which are grants that can be applied for by nonprofit agencies (Schneider Downs). While this is good news for many, with the ever discouraging 2009 economic state, American individuals are tending to donate less; therefore, resulting in smaller revenue for nonprofits. For example, Chicago’s Meals of Wheels program is trimming its budget 35 percent this year. Churches across America, who provide for the needs of many poor and elderly, are expecting to have a $3 to $5 million decrease in donations for the last quarter of 2008. This decrease in funds becomes a problem when many nonprofits, like the United Way, have seen a 68 percent increase in request for basic needs such as food, shelter, and clothing. (Bridgeland and Reed 3)

If the economic crisis continues there will be a real need for pushing for more national and state money for nonprofits. Fiscal management of the organization’s money is fundamental to its survival through tough times. Having an accountable and reliable fiscal manager and financial committee can get an organization through tough times. Getting recommendations for highly regarded Certified Public Accountants or other local financial advisors is necessary when choosing people for fiscal management. If and when
financial problems are predicted, the board should call a mandatory meeting with the financial advisor to discuss plans and implications of the matter.

With the current fiscal challenges, the actual number of nonprofits is decreasing. For example, nonprofit child daycare services have decreased by 27 percent from 1982 to 1997. Nonprofit home health agencies have decreased nearly 52 percent. (Salamon 14-15) While this is good news because competition for government grants is decreasing, for-profit businesses are taking over a large chunk of the “market share.” (Salamon 14) With larger funds, for-profit organizations are ever gaining a strategic edge over nonprofits because they can afford technologies and highly skilled personnel. This disadvantage can be detrimental to the services of nonprofits. Before taking the first step in developing a new nonprofit, it is important to do research on the other services provided around your area. The questions must be asked: Who exactly am I trying to serve? Is there a need for my service in the area? Is this service already being adequately provided? Instead of a new organization, can I better partner with an already established organization in the same field? Starting an organization that does not have an initial demand is setting it up for downfall.

The sustainability of personnel is evidentially one of the largest problems facing nonprofit organizations to date as well. Too many times, organizations do not realize the importance of attracting and retaining skilled staff. There needs to be an increased pressure for advertisement and recruitment. More money needs to be spent on adequate training for employees. Opportunities for advancements are critical to retention. According to The Chronicle of Philanthropy, a nonprofit newspaper, only 27 percent of nonprofit employees are satisfied with opportunities for advancement at their
organization (Schmitz and Stroup 1). Attracting and retaining skilled staff cuts down on costs for the organization in the end; meaning less wasted resources and more money for services.

For nonprofits as a whole, trust is another serious issue in their relationship with the public. Unrealistic expectations of services and outcomes, sometimes posited by the organization itself, leaves the public feeling unsatisfied with efforts and untrusting of where their donations are going. There has also been discouraging words of mistrust about the relationships between nonprofits and government bureaucrats to increase government spending for programs without the public interest in mind (Salamon 20). Keeping in touch with the ideas and concerns of the people being served is critical in keeping public donations and organization morality at a high. Surveys in 1994 and 1996 found that only 33 percent of respondents had a “great deal” of confidence in nonprofit agencies (Independent Sector 3). Openness with the public about budget and program plans can make the public more secure in the organization. Prospective donors also like to know how much of their money will be directly going to organizations and programs. Without fundraising support and volunteers the nonprofit sectors will fall to pieces. Communication and fulfilling promises will build trust and legitimacy in the organization.

Criteria for Excellence

While the previously discussed problems pose great risks to organizations, there are several key components to the success of a nonprofit; but firstly, the standard for success must be examined. According to the Ohio Association for Nonprofit Organizations, “The
success of Ohio’s nonprofit organizations depends upon public confidence and broad public support” (OANO) Others such as Sandra T. Gray, co-author of Profiles of Excellence, states that one necessity for excellence in nonprofit organizations is a clear mission statement that is the focal point for the board and staff (Berger, Knauft, Gray 1). Some believe sustainability is the determining factor, while others believe it is the organization’s managerial or adaptability skills (Center for Nonprofit Management).

I have compiled 5 key criteria that I believe are critical to the success of a nonprofit organization.

1. Clarity and common understanding of the mission statement and the goals of the organization.
2. Communication between the public being served and the organization.
3. Accountable leaders with a passion for the mission and the needs of the public.
5. Continued fiscal and human capital resources.

Clarity and common understanding of the mission statement and the goals of the organization set up the foundation of the whole organization. Like a house, if the foundation is weak, the house will crumble. Firstly, the board members and staff, together as one, must have a common understanding of the meaning and applicability of the mission statement. This statement will be seen everywhere from pamphlets to fundraising events. If board members and staff do not fully understand the mission, the public will not either. The mission statement transforms the organization’s plans into actions.
Among the board chairs that were surveyed by Knauft, Berger, and Gray, 82 percent said “making mission central” was the most recommended way that nonprofits could improve (3). When the mission is unclear, resources are wasted. Not stretching money and time to its fullest can cause the public to become weary of the organization and its management; eventually leading to declined funding and use of the organization.

While sticking to the mission statement is pertinent, this does not imply that the statement can never be changed. As people and situations in the area change, mission statements should be discussed. Just like for-profit businesses change their strategy as the demand and necessity change, so must nonprofits. Beware of steering completely away from the original purpose of the organization though. Diversifying into a field that the organization is unfamiliar with can be detrimental to ongoing success.

Secondly, it is essential to have good communication between the public and the organization. An easy to read, clear mission statement is always a good place to start when helping the public understand the purpose of the organization. Once the public understands what your purpose is, you must advertise the programs and products that you provide. Handing out brochures at health fairs, sporting events, and church functions are simple ways to begin the process. The brochures should mention in more detail the services offered and how the reader can get involved. The representative who attends these events in the name of the organization must be knowledgeable about the current and past details of the organization.

Megan Andress, a senior education major at Indiana University, recalled a health fair she attended recently,

When I approached the elaborate table [for an undisclosed nonprofit] asking for more information on volunteering, the lady gave me little helpful information and no contacts.
I could not figure out why she was sitting there if she knew only a small amount about the organization. I liked their cause, but I would never volunteer there (Andress).

Like most, Andress was initially attracted to the organization because of the elaborate brochures and the cause. While the organization had gotten Andress interested in checking it out further, her possible donations and volunteer time were lost due to the lack of knowledge and professionalism of the representative. It is critical that the board and staff represent the organization in their public, as well as private, life in a manner that follows the mission and values of the organization.

Once donations and volunteer time is being given, continued communication is necessary to keep the individual involved. Updates on events, changes in programs, etc. help to keep the public active in the organization. As discussed previously, trust is one of the biggest problems in the relationship between the public and a nonprofit. People want to know the specifics about where their money is being spent. If an agency is open with their budget and future plans, the public trusts that the leaders are responsible and therefore, the organization is accountable.

At the same time, do not be afraid to let funders know of the hardships. One director explains the situation as “a double-edged sword. I really want to be candid, but not at the risk of punishing the organization” (Knauft, Berger, Gray 29). Directors might justifiably believe that donors will halt donations if they knew the organization was going through tough times. This is not necessarily the case. When the East Bay Asian Local Development Corporation was having trouble with their Board they confided in the San Francisco Foundation who provided them with grants to help their organizational skills.
Individuals might also be willing to help as long you are informing them of the hardship along with future plans to improve standings. (Salamon 52)

Thirdly, an organization must have accountable leaders with passion for the mission and the needs of the public. It is fundamental that the leaders and staff embody the mission and values of the organization. According to studies by Knauft, Berger, and Gray, “in the best organizations, the leader and the mission are inseparable.” (8) Leaders hold the staff accountable for their fulfillment of the mission. If there is a disconnect with goals at the top level of administration, the bottom is less likely to pursue the original goals of the organization.

The most successful nonprofit organizations implement the first two criteria for excellence, connecting the mission to the public. The leaders should be aware of the changing needs in the community and the public’s continued response to the organization. A focus group determined that the best leaders have clear goals with a vision to look past the current situation into the future, a willingness to stand up for what they believe is best for the organization, the courage to make hard choices, are in touch with the public’s needs and concerns, and can motivate the staff and public to fulfill the mission. (Knauft, Berger, Gray 9,10)

The leader of the organization is often times classified as the CEO or Executive Director who is the link between the board and the staff. But, the board of directors can be considered leaders in the organization as well due to the fact that they make pertinent decisions to the status of the organization. The board must hold the executive director accountable for everyday actions and implementation of the mission. In a start up organization the Executive Director will be in charge of hiring permanent staff, creating
programs, and keeping track of paperwork. As the organization begins to grow, the Executive Director must take on new, changing responsibilities including more events and evaluation of programs. Therefore, it is pertinent that the Executive Director be keen on the needs of the public and the changing goals of the organization.

Fourthly, there needs to be clear, realistic goals for the future of the organization. As the organization has gone through the growth stage and achieved some stability in funding and full-time staff, future goals become essential. Goals create motivation for development. The goals should be smaller, attainable steps to further implementation of the mission.

Goal-based planning is one of the most highly used strategic plans for organizations (McNamara). Along with the goals should be a plan of how to attain them and in what sort of time. This is where realistic deadlines should be in place. Bumps in the road should be expected; therefore, give yourself a realistic deadline for development. Do not be discouraged if the deadline is not met. There are no perfect plans. If the deadline is not met, take time as an organization to reflect on why and how the team can learn from it for the future.

Part of the planning process involves the SWOT method. The board of directors should meet to determine the organization’s strengths, weaknesses, opportunities, and threats. (NetMBA Business Knowledge Center) This basic examination allows for conversation to be brought up on creative ideas to use strengths, strengthen weaknesses, take advantage of opportunities, and minimize threats. These four categories can help predict the hardships to come in the future. Goals can be created or evaluated based on these four areas.
Clear, realistic goals will minimize wasted resources, create continued direction, and provide a base for which progress can be measured. Goals should be re-evaluated each year and others should be added. New goals should also be created when embarking on a new program, project, etc.

Lastly, continued fiscal and human capital resources are necessary for an excellent organization. According to the American Association of Fund Raising Counsel in 1990 about 84 percent of all charitable giving came from living individuals, 6 percent from bequests, 6 percent from other organizations, and 4 percent from corporations. Meaning, besides the federal and local governments, the most charitable giving tends to come from individuals. Therefore, an organization must learn to identify with groups of individuals who would be willing to support the organization. It is important to articulate to the public why they should help your organization in terms of volunteering and fiscal funding. Also, it is important to have an open budget that allows the public to see where there money is going. Newsletters and letters of appreciation for time and money are great ways to keep individuals involved and confident that their giving is making a difference.

L.E.A.P. Resources Plan

The acronym L.E.A.P. stands for Learn, Empower, Advocate, and Plan for those with special needs. These four prized words characterize our goals for the organization.

Learn: One main goal of this organization is to help family members, friends, and the community learn more about special needs and how it affects those we love. Through education, we strive to help families with special needs children cope with
different and sometimes difficult situations. We want families to be educated enough on the subject that they can teach friends and extended family members the truths about those with special needs. Lastly, we want the community to be educated about the everyday stresses and joys of these families. By getting the community involved we can potentially teach others how to advocate for those with special needs through their jobs and talents.

**Empower:** We want learning to result in an empowering of the community, family members, and those individuals with special needs. Families of those with special needs can often times feel as though others do not understand their situation, and many times they do not. In most circumstances, knowledge can empower the public to make changes and be more confident in their interactions with those with special needs.

**Advocate:** With knowledge and the feeling of confidence, others can become lifelong advocates for those with special needs. Whether it means helping to raise money for families who need specific items or advocating for buildings to be more handicap accessible, the more knowledgeable the public the more dynamic the advocacy.

**Plan:** Lastly, it is important for families with special needs children to plan for the future. There are numerous resources available for financial assistance, but to take advantage of these resources you have to apply for things that your child may not necessarily need at the moment. We aim to help others lay out future needs now, in order to take advantage of the resources available.
Mission Statement

L.E.A.P. Resources aims to help the parents of those with special abilities to more easily find and use the resources available for help and support. We want to encourage college students to become advocates for those with special needs, especially in the areas of accessibility and ADA compliance. Lastly, we strive to educate the community of the needs of those with special abilities.

Goals

1. Educate the community, especially college students on the needs of those with special abilities.
   - Achieved: Speaking in classrooms or public events
   - Achieved: Publicity through pamphlets and website

2. Inform families about the resources available for equipment and needed services.
   - Achieved: Through meetings
   - Achieved: On website and through mail contact

3. Advocate for handicap and accessible buildings.
   - Achieved: Contact with community and school leaders
   - Achieved: Volunteers who can create awareness

4. Teach families of those with special abilities how to deal with teachers and other students.
   - Achieved: Meetings with parents
   - Achieved: Get special education students to participate
5. **Website: eleap.org**
   - Achieved: Hire website designer
   - Achieved: Organize information needed for website

**Board of Directors**

When choosing our Board of Directors, our goal is to compile a group of many backgrounds and professions. These members need to have the time to dedicate to monthly meetings. In order to be considered for a L.E.A.P. Resources’ Board member position one must fill out the L.E.A.P. Resources Board Member Application Form (see Appendix C). Once officially elected as a new Board member, one must also sign the Contract for Board Members (see Appendix D).

At the first Board of Directors meetings, the members will:

1. Review and approve the mission statement
2. Review and approve the By-Laws (see Appendix A)
3. Review and approve the Strategic Plan
4. Determine the official officer positions

**L.E.A.P. Resources Board of Directors:**

1. Utawna Leap
2. Walter Leap
3. Tracy Meehan
4. Lori Clements
5. Elaine Garver

6. Dr. Erin Redle

7. Mike Alford

8. Charity Shepherd

**Official Responsibilities of Board of Directors:** The goal of L.E.A.P. Resources’ Board of Directors is to maintain fiscal balance (see Appendix B for budget plans), ensure sufficient resources, manage resources efficiently, improve the organization’s public image, assess its programs and practices fairly, and sustain the organization.

The Board also has legal and moral responsibilities towards L.E.A.P. Resources. The Board must attend each called meeting or turn in an excuse of absence. Board members should fully understand the documents and current activities being undertaken by L.E.A.P. Resources. This will result in complete participation of each member in meetings and special events.

The Board should be loyal to the goals and mission of the organization, forgetting all personal agendas. If there is believed to be a conflict of interest between a Board member’s duties and personal/public life, the issue should be addressed. The consequences and severity shall be determined by the Board.

It is each member’s legal responsibility to follow the laws of Ohio and the United States. Whether it be paying taxes or driving the speed limit, all actions of the Board reflect on L.E.A.P. Resources. It is suggested that L.E.A.P. Resources purchase Fidelity
Loss Coverage, which protects the organization from theft, forgery, larceny, embezzlement and other legal threats of an employee (Reed Smith).

**Board Committees**

The Board can and should be organized in smaller committee groups that specialize in specific areas such as finance, fundraising, marketing, etc. The Board can place outside people on committees as well. Committees are formed to take full advantage of the talents and expertise of the Board members. Committees should focus on long term and short term projects.

**Basic Strategic Planning**

In order to achieve our goal of establishing a long-term, successful organization, we must assess the strengths, weaknesses, opportunities, and threats to L.E.A.P. Resources. This SWOT method of planning allows us to better predict the barriers and eases of our success (Net MBA).

- **Strengths:**
  - Tawna has personal experience with informing the community about those with special needs.
  - There are many local supports of L.E.A.P. Resources who will volunteer.
  - Many of the legal forms are already filled out
  - Passion and determination for the goals

- **Weaknesses:**
  - Establishing and maintaining a realistic amount of goals. (We must realize that at this point we cannot achieve thirty things.)
- Time to plan and recruit
- Pulling together all the resources for booklets and pamphlets

- **Opportunities:**
  - Colleges willing for staff to present
  - To work with Cincinnati Children’s Hospital Medical Center
  - Meet with other local resource groups on projects and fundraising

- **Threats:**
  - Time management for Board and staff
  - Current fiscal situation
  - Retaining personnel

**Consequent goals for next three years:** Our first priority is to get the website set up in order for people to access available resources. We would like to be giving weekly presentations at schools, community centers, and other places in Ohio about ways to advocate for those with special needs. We would also like to raise enough money to eventually have our own resource center to give guidance on what resources are available for families with special needs and how to actually obtain these resources.

**Legalities**

**Step 1: Apply for Employer Identification Number**

- Legal Name: Leap Resources
- Along with SS-4 Form

**Step 2: Submit Initial Articles of Incorporation for to Secretary of State**

- $150 Filing Fee
• Identify Board of Directors

**Step 3: Apply for Recognition of Exemption under Section 501 (c) (3) of IRC**

• Two forms required
  
  o Form 1023, An application for Recognition of Exemption Under Section 501 (c) (3) of the Internal Revenue Code
  
  o Form 872-C, A Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

• $750 Filing Fee

**Step 4: Hire an attorney and Certified Public Accountant**

• Determine their experience with nonprofits

• What are their specialties?

• Need to follow Generally Accepted Accounting Principles

**Further Implications**

As a result, we must ask: How does the plan for L.E.A.P. Resources take into consideration the barriers to success and the criteria for excellence? The mission statement, By-laws, SWOT planning, and position descriptions are the beginning steps to creating a sustainable nonprofit. You can only be warned of the potential barriers to success because these problems arise through months of development. While the criteria for excellence can be set up through plans and thorough decision making, the true results are a process that cannot be measured in the beginning.

Therefore, this thesis is to show you the initial steps that nonprofits should take before the implementation for better results. It is important to learn from other’s
mistakes. Too many nonprofits have failed from bad predictions and bad planning. While bumps are hard to predict, it does not mean they cannot be hypothesized.

Nonprofits play a larger role for their communities and the nation than they are given credit for. They are a major defense for the socially and economically disadvantaged in America. But, due to many new inexperienced leaders and founders, too many nonprofits are miserably failing. Learning from previous examples is the only way we can revive the ever decreasing social and personal morale of nonprofit organizations.

**Reflections**

Throughout this process, I have learned that sustaining a nonprofit is harder than it looks. With the outstanding number of nonprofits out there, tribulations and failures rise more than one would think. I did not realize how critical leadership and planning are to sustainability. I went into this project believing that a solid plan was the only thing that mattered. As I read about the mistakes that other organizations have made, I realized the importance of researching as well as understanding why nonprofits have failed in the past. It is also important to determine why certain nonprofits have succeeded. Learning by example in this industry can prove to be one of the best planning tips around.

Up to this point, I believe L.E.A.P. Resources has great potential for success. It is already clear that there is a passion for service and sharing of responsibilities between Utawna and the other potential board members. We have a great logical plan for success, but what really sets L.E.A.P. Resources apart is the in-depth learning of the mistakes and triumphs other nonprofits have made in the past. If these lessons are truly learned, time will prove this organization to be an outstanding one.
Appendix A

L.E.A.P. RESOURCES
AN OHIO NON-PROFIT

Article I
Name, Purpose

Section 1.01. Name. L.E.A.P. Resources

Section 1.02. Purpose. L.E.A.P. Resources aims to help the parents of those with special abilities to more easily find and use the resources available for help and support. We want to encourage college students to become advocates for those with special needs, especially in the areas of accessibility and ADA compliance. Lastly, we strive to educate the community of the needs of those with special abilities.

Article II
Directors

Section 2.01. Number of Elected Officials. The number of people that sit on the Board of Directors shall be no less than 3 and no more than 15. The approximate number shall be 13 and shall be fixed by the initial Board.

Section 2.02. Elections and Terms in Office. The initial Board members shall elect the full Board at their annual meeting. The Chair shall serve from after that meeting until the next annual meeting. In case of death, resignation, or removal, the Vice Chairman of the
Board shall become Chair. Each position will be decided based upon a majority vote of the Board. Three-fourths of the Board must be present in some way, shape, or form in order for the vote to be valid.

**Section 2.03. Vacancies.** In the occasion of death, removal, or resignation of a Board member, the Chairman of the Board shall appoint another to that position.

**Section 2.04. Nominations of Board.** Only those who have complied with the following procedures may be elected and confirmed as members of the Board. Nominations shall be made at the annual Board meeting by the members of the current Board. Nominations may be made by Board members at any additional meeting called for the purpose of nominating a new Board member because of death, termination, or resignation.

**Section 2.05. How to Nominate.** A formal letter of nomination is to be written by that who is nominating. These nominations are to be given to the Secretary no less than 7 days prior to the annual or called to meeting of the Board. The nomination letter should include: name of nominee, age, business, business address, residential address, occupation, business title, the number of capital shares held by the nominee, legal disclosure, and a brief statement of the reason for the person’s nomination. It is also required that the nominee know of the requirements of the position he or she is being nominated for, and has agreed that if elected they intend to fulfill these requirements. Once nominated, the nominee can fill out a Board Member Application Form (refer to pages 18 and 19) to verify their intent to sit on the Board.
• No one shall be eligible for election unless the requirements have been met up to 7 days in advance to the election meeting.

**Section 2.06. Annual Board Meeting.** Members of the Board shall meet annually after the yearly members meeting. At the meeting the new Board members shall be sworn into their positions. They are to schedule a time to meet with the previous Board member who held their position to go over the responsibilities of that position.

**Section 2.07. Regular Board Meetings.** At the first annual Board meeting the regular meeting schedule will be determined. The Board should meet no less than quarterly throughout the year.

**Section 2.08. Special Board Meetings.** Special Board meetings can be called by the Chairman of the Board or two-thirds vote of the Board. The place and time shall be determined no less than 24 hours before the meeting.

**Section 2.09. Chain of Command at Board Meeting.** The Chairman of the Board opens and closes all Board meetings. In the event that the Chairman is absent the Vice Chairman shall preside at that meeting. If the Vice Chairman is absent, the Board will decide with 2/3 vote who will direct the meeting.

**Section 2.10. Special Communication Arrangements.** If a member is out of town, they can sit in on the meeting over telephone conference or other similar devices.
Section 2.11. Resignations. Any Board member may resign at will. A letter of resignation shall be given to the Chairman of the Board and the Secretary. If not specified in the letter, the resignation will begin when the Chairman of the Board receives the letter.

Article III
Membership and Involvement

Section 3.01. Annual Membership Meetings. The annual meeting of the members of L.E.A.P. Resources shall be held at the determined date and time set by the Board of Directors.

Section 3.02. Special Member Meetings. Special member meetings can be called at any time by the Chairman of the Board or two-thirds vote of the Board members. No issues shall be talked about at the meeting that was not previously designated by the notice of the meeting.

Section 3.03. Organization. The Chairman of the Board should preside and the Secretary, or Assistant Secretary in the absence of the Secretary, shall make note of all that is said in the member meetings. If the Chairman of the Board is absent, the Vice Chairman shall preside over the meetings. If both are absent, the Vice Chairman shall designate another Board member to preside over the single meeting. If the Vice Chairman fails to designate one, a majority vote shall be taken on who should preside over the meeting.
Section 3.04. Member Meetings. No business may be talked about at the annual meeting other than business that has been (a) previously stated in the notice of the meeting (b) or approved by the Chairman.

Section 3.05. Order of Business. The order of business shall be decided by whoever presides over the meeting. The person who presides shall have the power to adjourn the meeting to a different date and time if necessary.

Article IV
Other Committees

Section 4.01. Committees Needed. The Board should form a finance committee and a fundraising committee. The committees will be chosen by the Board and can be made up of those on the Board if needed. Committees will keep minutes of each meeting by an appointed member.

Section 4.02. Committee Head. A committee head is nominated by a 2/3 vote of the committee. They will lead each committee meeting. If unable to attend, the head will appoint another committee member.

Section 4.03. Rules. A Committee will make its own rules and regulations by majority vote. The rules must not conflict with any of the rules in the By-laws.

Article V
Mandatory Officer Positions
Section 5.01. Chairman of the Board. The Chairman of the Board is responsible for the direction of each Board meeting. The Chairman can be the Executive Director of the organization.

Section 5.02. Vice Chairman of the Board. The Vice Chairman is a helper to the Chairman. In the absence of the Chairman, the Vice Chairman acts as the Chairman.

Section 5.03. Secretary. The Secretary is responsible for keeping minutes at the meetings. The Secretary will also keep the books and papers for the organization in order.

Section 5.04. Treasurer. The Treasurer is responsible for keeping track of the finances of the organization. They are accountable for the records of to where and whom the money is going. They must abide by the Generally Accepted Accounting Principles laid out by the AICPA Code of Professional Conduct. The Secretary and Treasurer can be the same person if needed.

Article VI
Amendments

Section 6.01. Amendments. Amended and restated By-laws may be passed by a 2/3 vote of the shareholders or Board of Directors.
**Appendix B**

**Layout of Budget Plan**

**L.E.A.P. for CP Inc.’s Estimated Regular Costs**

<table>
<thead>
<tr>
<th>Regular Expenses</th>
<th>Monthly</th>
<th>Yearly</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program Costs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation-gas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation-Vehicle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wear</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paper</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fidelity Loss Insurance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Printing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment Rental</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**L.E.A.P. for CP Inc.’s Estimated Fixed Costs**

<table>
<thead>
<tr>
<th>Fixed Costs</th>
<th>Monthly</th>
<th>Yearly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Space</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director Salary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff Salary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telephone Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Supplies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Website Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**To be completed at a later date based on grants awarded.**
**Appendix C**

**L.E.A.P Resources Board Member Application Form**

Name:_________________________________________________ Date:___________________________

Cell Phone:____________________ Home Phone:_________________________________________

E-mail: ________________________________________________________________

Position and Place of Employment:___________________________________________

*Please attach resume if desired.*

Why are you interested in serving L.E.A.P. Resources?

How much time do you have to dedicate to our Board?

What is your past experience with non-profit organizations?
Other Community Commitments:

Past Board Experiences:

Legal Convictions:

Signature: ________________________________________________________________

For Board Use

__Nominee has met with Board of Directors

With whom? _____________________________________________________________

__Nominee interviewed by Board Date: _________________________________

__Nominee reviewed by Board Date: _________________________________

__Actions taken by Board ____________________________________________

_______________________________________________________________________
Appendix D

Contract for Board Members

Name:________________________________________ Date:_____________

As a member of the Board I pledge to:

1. Attend the scheduled Board Meetings and if I am unable to attend I will notify the Board in advance.

2. Contribute at least 5 hours a month to L.E.A.P Resources.

3. Perform the roles and responsibilities of my position to the best of my abilities.


5. Provide donations suitable for a Board member of this organization.

6. Participate in my special committee activities when scheduled.

7. Represent L.E.A.P. Resources in a positive and classy manner.

__________________________________________________________________________ ________________________
Signature Date
Bibliography

Andress, Megan. Personal interview. 03 Mar 2009.


