

Membership Initiative Overview

One of the challenges that the League of Women Voters needs to overcome is that while we enjoy great name recognition, potential members have limited awareness of the core values that the League has to offer them. This strong name recognition and corresponding solid reputation stem largely from our long history and our work on candidate forums. However, the League does not have a potent, easily-defined position that is distinct from groups who are engaged in similar work. Overall, individuals outside the organization do not clearly understand the value of becoming an LWV member.

Materials provided in this Membership Initiative

- Membership Retention Best Practices
- Outreach Overview
- Election Activities
- Messages and Value Statements
- Using the Messages
- Preparing to Communicate
- Asset Survey
- Developing a Workplan
- New Member Prospect Letter Template
- Fiscal and Compliance FAQ
- Membership Brochures
- Membership Handbooks

Steps in the Membership Initiative

- 1. Participate in a workshop.**
- 2. Fill out a workplan or be scheduled for a workshop by September 15, 2008.**
- 3. Grow your membership by 10% by January 31, 2009.**
- 4. Keep in touch with an M&T committee member.**
- 5. Report on successes by January 31, 2009.**

The Reward

Receive an LWVMA PMP rebate on your 10% of membership growth!

Key ways to succeed

- Ask everyone all the time.
- Develop an “elevator speech” to give to potential members about joining the League.
- Practice and role-play to get comfortable talking about the League and asking someone to join.
- Know your dues structure.
- Carry membership brochures with you.
- Have a potential member fill out a check on the spot and take it to give to your treasurer.
- Have a potential member send a check to any League member to join.
- When planning meetings, make membership recruitment a priority.
 - Think about speakers a potential member would be interested in.
 - Think about potential members to invite to meetings.
 - Bring a potential member and ask if he/she would like to attend the next meeting.
- Brainstorm ways to target potential members.

Membership Retention Best Practices

While many League members think of recruitment and retention as two separate practices, good retention practices actually begin as soon as a new member is recruited. Retention is a continuous activity to which League time and resources should be devoted – just like membership recruitment! Below is a list of suggested best practices that Leagues can use to welcome new members, keep members engaged, and reach out to members considering leaving LWV.

Welcome New Members

The first step is making new members feel welcome and a part of their League. We all know that first impressions mean a lot, so make new members' initial experiences with the League great ones. Here are some ideas to make welcoming new members a consistent and customary practice.

Welcome Packet - Every new member to your League should receive a Welcome Packet. Ideally, this would be a kit that is full of information about your League, including a welcome letter from the president, a calendar of planned activities, a member contact list, and a small League item (e.g., pin, lanyard, button, or bumper sticker). Some Leagues' resources might not permit creating something as elaborate as this, but new members need to know the basics of how the League works and how they can get involved. This is the first official League communication a new member will receive, so make a good impression by carefully considering what goes into the packet. Include only those pieces of information critical to getting started, not everything. Overwhelming a new member is not a good strategy.

Orientation - Many Leagues have had success hosting new member orientations at the beginning of a new League year or twice a year (in the fall and spring). These orientations should be a fun way to familiarize new members with League processes, programs, and activities. Make it a casual experience by having a lunch or reception orientation. Don't be afraid to try new things and make sure there is time for new members to ask their questions about the League. Provide concrete examples of the League's work and successes, and have established members share their personal stories about the League.

Mentoring Program - Start a mentoring program by pairing new members with seasoned League members. Mentors give new members first-hand insight into League practices and provide valuable history. Consider pairing up people with shared backgrounds or interests. The bond between new members and their mentors is irreplaceable, and many stay close throughout their shared years at the League.

Introduction - It is always intimidating to be the new person in the group. New members should be introduced at their first meetings to the whole membership and recognized at annual meetings. Having the League president say, "Please welcome our new members Jane Smith and John Doe," is an effortless way to open the door for other members to welcome them to the League, and makes the new members feel welcomed. Leagues might also consider asking those gathered at an event to wear nametags. This practice allows a new member to get to know fellow League members without feeling uncomfortable.

President Outreach - The local League president (or his/her designee) should reach out to new members by calling them when they join and thanking them for becoming a member. This call is a good time to ask new members what their interests are and alert them to upcoming events. A personal welcome will mean a lot.

New Member Ambassador/Committee - Designate one member as the new member ambassador or create an entire committee of new member ambassadors. The ambassador(s) should be responsible for

welcoming new members, sending them their packet of information, setting them up with their mentor, answering any questions they have, and keeping track of their interests.

Keep Members Engaged

The best way to retain members is to never have them consider dropping in the first place. League members who are engaged, are having fun, and are fulfilled by the time they spend with the League will be the ones who stick with the League for the long haul.

Have an Agenda - Nothing frustrates people more than not knowing what is going on. People don't want to waste their time. Try to have an agenda for every League meeting. It doesn't have to be fancy; simply list the items of business and an estimated timeframe in which things will be addressed. Members, new and old, will appreciate the organization and consideration for their time. Less time will be wasted, leaving more of it to connect with fellow League members.

Create a Calendar - A calendar lets people know what the League will be working on in the coming year. At the beginning of the year send all members a tentative calendar. Nothing is set in stone, but giving members an idea of what will be happening in the coming year will allow them to plan accordingly and set aside dates when appropriate. It will also assist your League's Board and organizational committees in maximizing the media coverage, community visibility, and recruitment opportunities well in advance of scheduled events. LWVUS/EF has a national calendar that lists many important dates that your League may want to consider placing on its calendar. The LWVUS/EF calendar is located in the "Tools for Leaders" section in the "For Members" area of www.lwv.org.

Continuously Promote Member Benefits - Why are you a member of the League? Mentioning the benefits of membership, both tangible and intangible, in member communications such as your League's monthly newsletter will remind people what they are getting out of all the hands-on work they do. Members join for a variety of reasons - from shaping the important issues in their community to getting the *National Voter*. Remind people of the benefits of being a League member wherever possible.

Remind Members - Send out email reminders the week of an event (in addition to listing events in your newsletter). Very simply, people are busy and may forget about events that were announced weeks or months before. Reminders can be short and simple. Assign a person working on the event to email the entire membership when the event approaches. A quick reminder will result in higher turnout and will remedy any "I meant to go to that!" laments.

Create Small Opportunities - Not everyone has a lot of time to contribute to the League. Many people want to help but are afraid that they will get assigned to be a chair of a committee if they speak up. In all League undertakings, make sure that there are small opportunities for members to help out and be sure to announce that these small opportunities exist. Whether it is sending out the reminders or delivering Voters Guides to the library, small tasks make people feel like they are contributing without being overwhelmed.

Make Members Feel Special - Always, always, always make members aware that they are special and appreciated. Send thank you emails or notes to the committees or members that helped put together an event. Recognize League members who have given 15, 25, 35 or even 50 years of service to the organization. Recognizing birthdays with a cake at one meeting a month is a nice addition to the business at hand. Whatever way your League chooses to express appreciation, just be sure that members know that they are extraordinary for all that they do in serving the League.

Survey Member Interests – At the beginning of the year, try surveying member interest in various calendar events. This will give event leaders a better feel for who may want to assist with their event. Interest surveys also provide you with an opportunity to ask what sort of tasks members would be willing to undertake throughout the year. You can plan events accordingly when you know who is going to be available to help. You will also see if there are any topics of interest to your members that are not scheduled to be covered in the upcoming year. This can be remedied early in the year, before their interest in the League drops. Knowing what people like to do and want to discuss is very important in keeping interest in the League high.

Have Fun - Above all else, make sure your members enjoy the League and are having fun. Just because we take on the important issues facing our communities does not mean we have to be serious all the time. Bring a bottle of wine or have a potluck at your next meeting. Have educational reception events, combining the League with some hors d'oeuvres or finger food. Strictly social events can lift the spirits of League members and are just as vital to creating change in the community. The League is a social network by nature and League friendships often last a lifetime. Why not make the time we spend together as enjoyable as possible?

Don't Give Up on Members

It's always discouraging when members drop from League rosters. However, your League doesn't have to be passive when members decide not to renew. Reach out with the tactics below to ensure you have done everything possible to keep that person as a member of the League.

Ask - When a member doesn't renew their membership, make sure that someone is assigned to reach out to them. First, send out an email reminding them that they have not renewed (some people just need a reminder). If they don't renew, call the member and ask why they are not renewing. Listen to their concerns and make note of them to take to the Board, but also be sure to ask them to reconsider. Have your local League president send a note or call the lapsed member and ask them to reconsider again and address their concerns. Additionally, be sure to let them know that the League values their membership and wants them to continue to grow with the League. Make sure you exhaust all three of these methods before giving up. The personal ask always has tremendous power in recruitment and retention.

Follow Up - Whether a member does or does not rejoin after asking, make sure someone is responsible for following up with either a "Thank you" or a "We'll miss you" note or email. Again, making the member feel wanted and valued (whether they renew or not) is crucial to future interactions. Sincere follow-up leaves the member with a good impression of the League, and the former member will be more likely to reconnect with the League at a later date or perhaps support the organization in some other way.

Reconnect - Revisit your old member lists and reconnect with members who have dropped in the past five years. Send them "We miss you" post cards or emails, an invitation to an event, or a discounted membership rate if they reestablish their membership. Former members know the importance of the League and are more likely to rejoin the League than those not familiar with the organization.

Outreach Overview

Your League knows your community best. To gain new members, Leagues must conduct consistent and constant outreach in order to promote the value of membership in the League. By being a part of the membership initiative, your League can be proactive in attracting new members. Remember, new members are not concentrated in one location; they are everywhere in the community. These three outreach methods are designed to widely deliver the League's membership message:

- **Direct outreach** - outreach on a one-to-one basis or directly to a group of people
- **Allied outreach** - outreach to partner with groups or allied organizations
- **Ongoing outreach** - incorporation of the membership message into everything the League does

In order to maximize the League's continuous presence in the community, all three must be done in coordination with the membership recruitment initiative program and all other League activities. Such coordinated effort is essential to the successful delivery of the League's membership message.

In addition to these three main outreach methods, there is a fourth large component of outreach that combines direct and ongoing outreach strategies. This final component is the League's media outreach. Media outreach is a critical component of the membership recruitment initiative and an important piece of all program components.

Media outreach is about forming a relationship with the local press to heighten the League's visibility in the community. Because it requires both continuous and direct outreach methods to establish an ongoing relationship, media outreach is the most difficult to realize. However, these efforts often result in commensurate rewards, making media outreach a crucial piece of the membership recruitment initiative.

Outreach takes time and patience. Leagues may be discouraged if initially unsuccessful. However, if Leagues are persistently proactive in all outreach efforts, the rewards will be great. A longtime friend may finally decide to join the League after long debating it, an organization in your community may see the mutual benefits of hosting a shared event, or a reporter may attend and cover an event because he/she received multiple invitations from the League throughout the year.

Direct Outreach

Direct outreach is simply communicating the message to the target audience. It is outreach on a one-to-one basis or directly to a group of people. Below are examples of how Leagues can accomplish direct outreach.

One-to-One Direct Outreach

- **ASK** people to join! Ask your neighbor, your friends, members of other clubs or organizations you belong to. Just ask everyone you know to join the League.
- Carry a membership brochure or flyer with you at all times. This way you can give it to the next person you meet that is interested in joining the League. Purse-sized membership brochure folders are available from the LWVUS store.
- Collect contact information at events (as simple as a sign-in sheet). Follow up with non-members a few days later via a phone call, an email, or a letter and ask them to join.

Group Direct Outreach

- Deliver the message and ask to join from the podium at a League debate, forum, or event.
- Insert the message and invitation to join into remarks for the League's speaker bureau or if the League has a representative participating in a panel discussion or their community event.

Other Direct Outreach

- Insert the message into press releases and media advisories. Incorporate the invitation to join into statements given to the media or in an op-ed or letter to the editor.
- Place a membership ad in all of your League publications - study reports, Voters Guides, newsletters, etc. A membership ad can be placed in your education fund publications if purchased with your League's general funds. (Refer to "Tools for Leaders" section of LWVUS website for additional information if you have question.)

Allied Outreach

Many organizations and groups in your community may work on issues and activities that are similar to or related to those of the League. These organizations can offer opportunities for local Leagues to reach potential new members. It's important that local Leagues consider how to best connect with other organizations that have the attention of individuals who would be great League members!

While much of this might seem like common sense or be part of some best practices that most Leagues already employ, the main thing we want to stress throughout this initiative is the need to be **proactive and consistent**. Even if you have an existing relationship with an organization, look to see if there are new ways to partner with them or to promote our core value messages with them. If an organization has not been open to partnerships before, think of new ways to approach them. Be consistent and persistent, and **ask** for opportunities. You know better than anyone that the League has a lot to offer!

Establishing these connections with allied organizations is called "allied outreach." This section outlines key steps to reach out to allied groups that have similar interests or activities that may provide the League with an opportunity to speak to potential new members. In addition, make sure to ask your contacts at allied organizations to become members of the League.

Research & Identify Targets

Begin by thinking about organizations in your community that have overlapping interests, and that may have worked with you in some capacity already. Brainstorm with your local Leaders about opportunities to interact with potential members that are offered by these and other organizations and decide which opportunities will be most valuable to the League in its membership recruitment efforts. When evaluating an opportunity, consider some of the following:

- What specific opportunities can be pursued to talk about the value of League membership? These could range from a linked website, to a brochure distributed at an event, to a co-hosting a major event!

- What is the size of an event? If the request is to cosponsor an event, are there likely to be other benefits (e.g., media coverage)?
- How many members does the organization have that the League might reach?

But local Leagues can't wait for opportunities or "asks" to come to them. Local Leagues need to identify specific opportunities for League involvement and pursue them! (E.g., sitting on a panel, displaying a booth at their convention or conference, sponsoring a table at their annual fundraiser) If the Chamber of Commerce is holding a meeting about revitalizing the downtown area Leagues should ask to be a part of the panel. A seat on the panel will provide the League with an opportunity to express the contribution of the League to the community and to demonstrate the value of League membership.

Making Contact

Local Leagues should identify the individual at the organization who can say yes to their request. Schedule a time to connect with the individual either by setting up a phone call or meeting to discuss ways in which the League would like to work with the organization.

When speaking with a representative, prepare yourself and know exactly what you're asking them for, and be thoughtful about how you present your request. Are you asking to set up a booth at their regional convention? Or are you calling to see if the League might participate in advancing a shared goal of the two groups by participating in the regional convention?

Much the same way local Leagues have messages designed to resonate with potential members, your communications with allied organizations should be customized according to their interests/shared organizational interests. Local Leagues should look over the other organization's values and messages and tailor their pitch to the organization by telling them why it is mutually beneficial for them to partner.

After you've made initial contact, reach out again to the organization or group in person or via phone or email at an appropriate time - 5 to 7 days. The key to reaching your target audience is developing partnerships with the people and organizations where they get their information.

Fine-Tuning the Target Audience

Finally, you've identified the group you are going to reach out to and the opportunity of which you would like to take advantage. You've secured your booth at the convention, seat on the panel, or invitation to the event. Now is the time to add on membership recruitment initiative, think about the messaging and develop your key points for communicating with potential new members.

Follow-Up

The last thing to do is to make sure that you are maintaining your new relationship with the allied organization. Send thanks to your contact for their assistance and consider and suggest future opportunities to work together!

Ongoing Outreach

Ongoing outreach ensures that every activity is a membership growth opportunity. Ongoing outreach is how a League **intentionally** and **consistently** incorporates its membership message into everything it does. These ongoing outreach opportunities are just as important as the big components and other outreach strategies above.

For example, ongoing outreach opportunities include:

- Updating your League membership brochure to reflect the messages and be more inviting to non-members.
- Using the message in internal League communication so that members are reminded of the messages, get familiar with them, and in turn repeat them to potential new members that they encounter.
- Updating your League website to include the membership message and ask to join. (Tips on how to update local League websites are included in this section.)
- Including an invitation to join in a Voters Guide or in the fundraising materials sent out to non-members. If they have given money in the past but aren't members yet, there is a golden opportunity to recruit them now.

Ongoing outreach opportunities never cease and it is the local League's responsibility to constantly strive to include the membership message and ask to join in everything the League says and does. All committees and members should look at their activities through an “ongoing outreach” lens and apply the message. No opportunity is too large or too small.

Election Activities

The ideas and messages contained in this section are meant to complement the voters service efforts that your League does during election season. It is a reminder to Leagues that, during this time of increased visibility, it is critical to be able to articulate (in a concise way) why membership in the League is important and to ASK people to join. **Membership recruitment is something that can and should be done around your League's voters service efforts.**

LWV is well known for its work on election related issues. In developing the LWV Membership Recruitment Initiative, research found that LWV media coverage peaks around elections. A significant amount of that coverage surrounded the many fantastic local League election-related activities, such as Voters Guides and candidate forums. The upcoming elections (local, state, and federal) will offer a similar period of heightened visibility. To help maximize this opportunity, Leagues should incorporate membership recruitment messages into planned election activities.

Assessing the Election Opportunities

In order to best leverage existing election outreach opportunities, Leagues should conduct an assessment of the already-existing opportunities at which League members will communicate with potential new members.

- Existing LWV Opportunities - Leagues should review their entire calendar from September through November (or spring election months) and identify scheduled (or anticipated) events (e.g., candidate forums), communications (e.g., website, Voters Guides, flyers, etc.), and other relevant activities that will reach an external audience.
- Opportunities Presented by Other Groups - Similarly, Leagues should consult community calendars to identify the events and activities that are being sponsored by other organizations - including area universities, local media outlets and potential allied organizations- and generate a list of the opportunities that may exist for Leagues to disseminate relevant voter materials and the message.

Using the Message during Elections

Once Leagues have identified election opportunities, Leagues are encouraged to promote the benefits of membership and ways to join in their activities. While different contexts may necessitate some adjustments, the membership message is designed to tap into a core value of wanting your community to be strong, safe, fair and healthy. It is believed that this will resonate with many in your community, especially women ages 50-65, who are entering retirement and have been politically active (see messages).

Membership recruitment messaging should be consistent and constant. Include a membership message in as many of your media statements and election materials as possible. We anticipate that messaging focused on League membership as an opportunity to build strong communities and serve as community leaders is likely to resonate powerfully during the election cycle.

While there are plenty of opportunities at League-sponsored events to weave in “the message,” it is not always easy to make these two very distinct subjects (election issues and League membership) fit together in a cohesive way. Below are some suggestions for how to do so during election season. The exact words are not critical, but communicating the underlying values is.

- **At a Candidates' Forum**

From the dais, the moderator could include the following message in his/her opening remarks: “The League of Women Voters is a trusted, nonpartisan political organization. Our members do the hands-on work to safeguard democracy. While we never endorse a candidate, we are directly involved in shaping the important issues to keep our community strong. As an LWV member, I have the opportunity to contribute in a leadership role (such as this one) that has a great impact on local, state and even national issues. If you are interested in learning about how you can make a similar impact, I would encourage you to pick up some of the League's information available here tonight or visit our website at ____.”

- **At an Issues Forum**

From the dais, the moderator could include the following message in his/her opening remarks: “The League of Women Voters is a trusted, nonpartisan political organization. Our members do the hands-on work that safeguards democracy and leads to civic improvement. As an LWV member, I have the opportunity to contribute in a leadership role (such as this one) that has a great impact on local, state and even national issues. If you are interested in learning about how you can make a similar impact, I would encourage you to pick up some of the League's information available here tonight or visit our website at ____.”

- **In a Voters Guide**

****This must be paid for with your League's operating funds, NOT education fund monies.****

You may place an ad for membership, such as:

“The League of Women Voters is where hands-on work to safeguard democracy leads to civic improvement. Join the League and be directly involved in addressing important issues to keep our community strong, safe and vibrant. As an LWV member, you are a part of an organization where thoughtful, active leaders work toward change in their communities. To join us, please contact us at [YOUR LEAGUE'S CONTACT INFO] or visit [WEBSITE].”

The Key Step

There is a messaging step that you must take at all election events (and in all activities): **You must ASK people to join.** Make sure the home page of your League's website has a highly visible and easy option for people to join. Have forms and sign-up sheets at your forums. Encourage people who attend candidates' forums and debates to join. Put a “Join the League” ad in your Voters Guide (paid for by your operating fund), and when talking to someone who becomes excited about what your League is doing, **ASK** them to join right then and there! Carry membership brochures and sign them up! (Please note that membership brochures and brochure carriers can be ordered from LWVUS.)

Remember to make it easy for an individual to join. Have League materials (such as membership brochures and copies of the Voter) available at events. Follow up (e.g., by sending participants a letter asking them to join) using the membership messages provided, and engage people with your own personal League success story. Most importantly, make sure you remember to **ASK** people to join the League (see Fiscal and Compliance FAQ if you have any questions about what you can and cannot do at a 501(c)(3) event).

Opportunities for Media Outreach

The following are suggested outreach activities that Leagues are encouraged to explore to increase visibility, drive traffic to your League's website and, as appropriate, deliver membership recruitment messages through the media during the election season. When possible, we would like you to use the

election as the media “hook” and integrate the membership messages. At a minimum, please try to wrap up all media contacts with a “plug” for the League that emphasizes membership.

- *Membership messages.* Leagues should use the membership messages on all media communications (media advisories, press releases, press statements, etc).
- *Tip Sheets.* A tip sheet with ideas for creating local stories could be released in your local and regional media markets at a key point during the election season. These tip sheets would be disseminated to your local media via email and include a brief story idea and relevant League contact information where the reporter could follow up. In other words, you can provide story ideas to the reporters in your area. They will be looking for ideas beyond the “horse race” story, and your League can provide those ideas. A sample tip sheet is provided.
- *FAQs.* Develop a list of the top 5 questions for journalists to pose to local officials/election commissioners regarding steps that are being/have been taken to ensure voters are enfranchised. (Please refer to the June 2006 and October 2006 issues of the National Voter for possible ideas.)
- *Talk Radio/Public Television.* Propose ideas to talk radio shows and public television programs about hosting key League members to discuss the status of the area's election system and any concerns about voter access or participation. Leagues may consider recruiting/recommending additional participants from allied organizations. In preparation for participation in any radio and/or TV appearance, key talking points should include a message to visit the website for more information. Leagues may also want to inquire about how to air PSAs. Scripts are available on the LWVUS website.
- *Opinion Pieces.* Draft an opinion piece that highlights key issues/concerns around the voting process or voter access to participation. Special consideration should be given to the signer of the op-ed and Leagues may consider whether co-signing the piece with an allied organization may elevate League visibility.
- *Rapid response.* Leagues should scan media coverage on an ongoing basis through the election season to identify opportunities for the League to insert messages on voter access and participation through letters to the editor.



Election Activities – Press Release Template for Local Leagues

LOGO
FOR IMMEDIATE RELEASE
[DATE HERE]
[YOUR LEAGUE'S WEBSITE]

Contact:
[YOUR CONTACT
PERSON AND INFO]

**LEAGUE OF WOMEN VOTERS OF [YOUR LEAGUE]:
WORKING FOR YOU THIS ELECTION SEASON**

[YOUR CITY, STATE] ~ From coast to coast, League members are rolling up their sleeves and doing the hands-on work of safeguarding democracy. From educating and registering voters to breaking down the barriers to voting that still exist in many states, the League of Women Voters (LWV) has worked for more than 87 years to actively engage voters in building a better nation - and this election season is no different.

“As we approach the [DATE] Election, the LWV of [YOUR LEAGUE] is working hard to register, educate, and encourage voters to fulfill their most precious civic responsibility,” said [LOCAL LEAGUE LEADER NAME]. This year, we have been proud to offer [ELECTION ACTIVITIES YOU'VE SPONSORED] to the [AREA] community.”

From providing voters with nonpartisan, up-to-date and accurate candidate and issue information in Voters Guides to hosting candidate and issue forums, League members are actively building stronger communities. Leagues are also engaging voters and participating in voter registration drives to ensure that everyone who is eligible has the opportunity to vote on Election Day. [INFORMATION ABOUT LOCAL ELECTION ACTIVITIES.]

In conjunction with the League's traditional election activities, the League of Women Voters also has an easy-to-use, nonpartisan voter information website, www.VOTE411.org. The site provides a polling place locator and state-specific information related to voter registration, absentee voting, early voting, ID requirements, voting machines and contact information for elections officials.

League members in [COMMUNITY NAME] and throughout the country have also distributed “5 Things You Need to Know on Election Day” cards to voters. The 5 Things voter card is a handy last-minute checklist designed to help voters get ready to vote and participate in this election. The League of Women Voters consists of leaders that do the hands-on work to safeguard democracy and bring civic improvement to [COMMUNITY NAME]. To join, or for more information, please visit [www.lwv.org or [YOUR WEBSITE](#)].

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The League of Women Voters, a nonpartisan political organization, encourages the informed and active participation in government, works to increase understanding of major public policy issues, and influences public policy through education and advocacy. Membership in the League is open to men and women of all ages. With more than 87 years of experience and 850 local and state affiliates, the League is one of America's most trusted grassroots organizations.

Election Activities – Sample Post-Election Letter to the Editor

On Election Day, the real winners were the voters. Voters nationwide turned out in large numbers and, according to exit polls, 87 percent of them reported that they felt confident that their votes would be counted accurately. According to initial reports from election officials, nationwide voter turnout was more than 40 percent— higher than during the 2002 midterm election [CHANGE TO CURRENT STATISTIC].

As a leader of the [LOCAL TOWN] League of Women Voters, I work year-round to safeguard democracy and ensure that our democracy works at all levels of government. I was immensely gratified to see so many people engaged in the political process. As the League's work continues, I encourage others in the community to maintain their commitment to civic improvement by joining the League. Together we can keep our community strong, healthy, and vibrant.

Sincerely,

[LOCAL LEAGUE PRESIDENT NAME]
[LEAGUE NAME]
[TOWN/CITY]
[WEBSITE]

Election Activities – Sample Reporter Tip Sheet

Story Idea #1

This year brings a new way of voting and these differences will make many feel like first-time voters.

For example, there are plans that require eligible voters to show not only photo I.D. at the polling place, but also present documentary proof of citizenship. The public has yet to be informed of what's changed- the system has failed to include a mechanism to educate the public about these important changes within an already complicated voting system.

An explanation of the new requirements to prepare your readers and [YOUR COUNTY'S] voters is critical to avoid the potential for widespread voter disenfranchisement.

The League of Women Voters opposes such plans and is available to speak about both the details of the plan and what voters can do to ensure their vote counts on Election Day.

Story Idea #2

Have American's lost their will to vote?

With ongoing debates about the validity of elections and so much attention being paid to voter disenfranchisement are we just further dampening the enthusiasm of voters?

We need to do everything possible to encourage and assist voters in exercising this important right. Members of the League of Women Voters are working to build enthusiasm for November [OR SPRING ELECTION MONTH] and [CONTACT] would be interested in speaking with you about a potential piece that highlights some of the encouraging news as we enter this year's election season.

Story Idea #3

Although rarely mentioned, confusion about the location of polling places was one of the biggest barriers to voting in 2004.

Voting seems like an easy task to complete, but there are several things a voter needs to know prior to going to the polls, the chief one among them being where to go!

The League has taken this problem into its own hands and has developed a new one-stop-shop for election information, www.VOTE411.org. The site, launched in 2006, includes an interactive feature for voters to find their specific polling place. The LWV would like to discuss this and other steps that voters can take to make sure their vote counts on Election Day.

Messages and Value Statements

- **Message #1 – Value to tap: Want communities to be strong, safe and healthy**
 - The community needs everyone to participate in order to be a strong, safe, fair and vibrant place to live.
 - LWV is the organization where your hands-on work to safeguard democracy leads to civic improvement.
 - Join LWV and be directly involved in shaping the important issues to keep our community strong.
 - As an LWV member, you are part of an organization where smart, active leaders work to create change in their communities.

- **Message #2 – Value to tap: Want to have an impact outside the home after retirement**
 - As you well know, retirement doesn't mean the end of productivity, it means getting to choose what to work on and when. Retirement affords you the time you never had before to change your community for the better.
 - LWV is the organization where your hands-on work to safeguard democracy leads to civic improvement.
 - Join LWV, where citizens like you are actively engaged in effecting change on the local, state and national level.
 - As an LWV member, you are a part of an organization where smart, active leaders create lasting change in their communities.

- **Message #3 – Value to tap: Want to continue to have opportunities to serve as a leader**
 - Retirement opens a whole new world of opportunities to apply the skills and smarts you've accumulated during a successful career.
 - LWV is the organization where your hands-on work to safeguard democracy leads to civic improvement.
 - Join LWV, where new members just like you are taking advantage of leadership opportunities and making an impact.
 - As an LWV member, you have the opportunity to contribute in a leadership role at a well-respected organization with a great impact on local, state and even national issues.

Using the Messages

Many nonprofit organizations struggle with the task of developing a short, pithy description of their work. Most of the issues we tackle are complex, the policies nuanced, the needs of our constituents huge. However, unless we can develop straightforward language to describe what we do, we risk alienating those we most want to reach. It's not about "dumbing down" the explanation of our work - it's about opening it up so that others find it relevant and interesting.

Today, we have been stressing the importance of consistent messaging. Now this is your opportunity to try out these messages - to speak about the League pointedly, enthusiastically and in a way that will resonate with our target demographic.

Here are some tips to get started:

Brevity. It's not just the soul of wit, it's also the core principle of a good membership ask. You should be able to say what you need to say in about a minute. Focus on what's most important and cut away the rest.

What does your audience value? What is important to them?

Write these down and prioritize them.

The Opening. You want a hook to pique the listener's interest, or a quick tagline to encapsulate what you are about to say.

For example: In year one of the Membership Recruitment Initiative, LWVUS has used the language, "LWV is where hands-on work to safeguard democracy leads to civic improvement."

Problem. Define the task at hand in clear, simple terms to illustrate the purpose of your work.

For example: "Today, our communities are only as strong, safe and healthy as our residents are willing to make them."

Solution. What are you doing about community problems? Do your organization's mission and approach match the scale of the problem you've outlined?

For example: "At the League of Women Voters, our members are smart, active leaders who apply the skills and sense they've accumulated during successful careers to create lasting change in their communities."

Action. Close with an invitation to your listeners to be part of your solution. What can your audience do to engage, assist, or support your work?

For example: "Join the LWV, where new members just like you are taking advantage of leadership opportunities and making an impact."

A few other things to keep in mind:

Avoid jargon. Nonprofits are notorious abusers of acronyms, buzzwords and insider speak. Avoid these, or you'll see the listener's eyes glaze over.

Address value and values. What value does your organization provide? **What does your audience value, and how do your organization's values intersect with them?** Values can be tangible (e.g., people living longer, healthier lives) or emotional (e.g., making people feel good about providing opportunity). Don't just list your services or ideology - focus on outcomes, not process.

Be passionate. Perhaps the most important part of a good membership ask is the gusto, enthusiasm and commitment to the work it expresses. Don't be afraid to demonstrate the passion and drive you feel for the work.

Preparing to Communicate

A Three-Step Process

What opportunity (e.g., event with the Chamber of Commerce, city council breakfast meeting) is on your calendar?

STEP ONE:
What is the overall goal of this opportunity?

STEP TWO:
Who is the audience at this opportunity?

Describe the audience and what they value. What do they care about most?

STEP THREE:
What are you going to say? Which MRI messages will resonate most strongly with the audience?

Asset Survey

This form is a tool to help local Leagues identify and evaluate opportunities in their communities. It is designed to be a short exercise, not a lengthy research project. Answering/discussing these questions and completing this form will help Leagues to better define their opportunities. It will help you assess who to reach out to and how best to reach out to them, as well as assist in overall planning.

League Name: _____

Do you currently have any established relationships with community organizations? If so, identify which ones and explain the relationship in more detail.

Have you worked with any businesses in your community? In what capacity?

Does your local League have an existing media list(s) that they use? Please provide.

Who are your current spokespeople?

What specific activities do you have planned for the upcoming year – membership and organizational? Attach calendar.

Do you have any existing membership materials? If so, what specifically do you have and how often are they used? Provide samples.

What methods have you used to recruit or attract new members?

Do you participate in or exhibit at any annual conferences or meetings?

Have you conducted any surveys of women in your community? Speaking to general interests, background, lifestyle, career, etc.

Developing a Workplan

One of the key components to success in the Membership Initiative is being intentional with your efforts - always focusing on membership recruitment by integrating it into everything you do. To some members, this might sound like a simple and sensible thing, while others may feel overwhelmed and unclear where to start. Having a detailed workplan that breaks down the different the steps that your League will undertake to elevate membership recruitment, will make managing the effort much easier - and more likely to produce a successful outcome (i.e., MORE MEMBERS).

Maximizing the 2008 election season, our most visible period, is one way the League can find new members. But any event your League holds is a membership opportunity.

PLANNING FOR AN EVENT

- What events/activities is your League undertaking in the next few months? What organization-building outreach components can be added on?
 - 1.
 - 2.
 - 3.
- List two specific goals related to working with the media. Be as specific as possible (e.g., get the message to break through in some number of articles, form a relationship with a reporter at a specific newspaper, reach out to a new type of media).
 - 1.
 - 2.

Immediate Next Steps

What do you need to do in the next 30–60 days to move forward with the items identified above?

What?	By when?	By whom?
Create a “team”to work on these efforts		
Meet/update Board members to gauge their interest/support		
Flesh out/finalize the workplan		

New Member Prospect Letter Template

[DATE]

[NAME]

[ADDRESS]

[ADDRESS]

Dear [NAME],

Thank you for your interest in the League of Women Voters, where hands-on work to safeguard democracy leads to civic improvement!

LWV of [YOUR LEAGUE] is an organization where smart, active leaders work to create lasting change in the community. For [NUMBER OF YEAR YOUR LEAGUE HAS BEEN ESTABLISHED] years, the members of LWV of [YOUR LEAGUE] have worked to:

[LIST THREE SUCCINCT AND RECENT ACCOMPLISHMENTS HERE].

As a valued member of our community, we hope you'll join us in contributing to efforts that will make [YOUR COMMUNITY] stronger. Members of LWV of [YOUR LEAGUE] have many opportunities to create an impact on local, state, and even national issues. I've enclosed a membership brochure to give you more information about joining our League.

In addition, you will also be receiving our newsletter, *The Voter* [OR NAME OF YOUR LEAGUE'S NEWSLETTER], for the next three months so that you may familiarize yourself with our League. To learn more, I encourage you to attend our general meetings, which are held on [USUAL MEETING DATE], at [USUAL MEETING PLACE].

By joining LWV, you become part of one of the most respected groups directly involved in shaping the important issues, which help to keep [YOUR COMMUNITY] strong. I would be happy to answer any questions that you have, and I sincerely hope that you will join the League as an active leader for civic improvement.

Our next event is [DAY, DATE], at [TIME], at [PLACE]. I look forward to seeing you there!

Sincerely,

[YOUR NAME]

[TITLE]

Enclosure

Fiscal and Compliance FAQ

As a League leader, you occasionally face questions about the rules that govern Leagues - what Leagues can do and what they can't. We often receive similar questions at the national office.

In order to shed light on the subject, we asked a lawyer specializing in nonprofits for detailed guidance. We combined the advice he gave us with information from IRS publications and other sources to produce the following series of frequently asked questions and answers. We hope you find it to be helpful.

1. My League is hosting an event funded by a grant from the [local, state or national] education fund. Given that tax deductible funds are paying for the event, can we permit speakers to endorse the League and/or ask audience members to join the League? Can we hand out membership brochures? Can we use the list of attendees for membership activities or to raise funds for our League?

Yes, yes and yes. Speakers at League events can and should talk about the League and encourage attendees to join our organization. Volunteers can and should hand out membership brochures at League events. Leagues can use the list of attendees at educational events they host to recruit new members and solicit support. Use every opportunity to recruit new members and supporters, especially at public events.

If your League plans to use education fund monies to pay for an event at which any of the recruitment activities listed in the first paragraph will occur, your League should sign a written grant agreement with the education fund. (The national education -fund uses a project approval form for this purpose). The written grant agreement must:

- Restrict the funds to be used for a specific educational event.
- Require the League to return any unspent funds to the education fund.
- Require the League to submit written and financial reports that explain how the funds have been used and the progress made toward achieving the grant's purpose.
- Require the League to maintain adequate records to permit the education fund to test the accuracy of the reports.
- Prohibit the use of grant funds for lobbying or partisan political activities.

The important distinction here is that your League is hosting the event; the education fund is not hosting the event itself. Education funds should almost always sponsor events and projects through Leagues. The League is not well served when education funds directly sponsor events and projects themselves.

Leagues can actively solicit membership and support at events and other projects they sponsor. This is not the case when education funds directly sponsor events or projects.

2. Our education fund is directly hosting an event under its own name. Can speakers promote the League or ask attendees to join the organization? Can we hand out membership brochures? Can we use the list of attendees for membership recruitment or to raise funds to support our League?

If an education fund hosts an event under its own name, activities on behalf of the League should be limited to passively making information available without explicit solicitations. League volunteers can hand out brochures that describe the League to the audience, can announce the availability of these materials from the podium; and even encourage individuals to sign up to receive additional information

about the League, but should not explicitly solicit new members or contributions. (The League would have to pay for production of any membership brochures or fundraising materials, of course).

Your League can use the list of attendees for membership development and fundraising, but only if it compensates your education fund for using the list. (In determining the value of attendee lists, you should consider the values at which direct marketers exchange similar lists — direct marketers charge the national League about 9 cents per name for one-time use of prospect lists).

May our state education fund pay for part of the cost of our state convention or council? Education funds can pay for the cost of purely educational sessions at convention or council such as nonpartisan issue panels and similar issue-oriented activities. Education funds may not underwrite League lobbying, membership or governance activities such as the election of the state League board or recruitment activities.

As a general rule, education funds should not pay for training League leaders to lobby or raise funds. Our lawyer has advised us that the IRS may consider training delegates in these activities to be infrastructure or fundraising costs of the League, and, therefore, not permissible education fund activities.

3. What are some “best practices” for education funds sponsoring League events?

Education funds should prepare written documentation to show that it reviewed and approved the League proposal to sponsor the event. In many cases, the education fund board itself will discuss and approve proposals to sponsor events and this will be reflected in the board minutes. Education funds should sponsor most events through the League, rather than conducting events directly themselves. By granting funds to Leagues to sponsor events, Leagues have greater flexibility to promote League membership and to ask for support at the events. Education funds and Leagues should execute written grant agreements to document education fund sponsorship of events. Grant agreements must:

- Restrict the funds to be used for a specific educational event;
- Require the League to return any unspent funds to the education fund.
- Require the League to submit written and financial reports that explain how the funds have been used and the progress made toward achieving the grant's purpose.
- Require the League to maintain adequate records to permit the education fund to test the accuracy of the reports.
- Prohibit the use of grant funds for lobbying or partisan political activities.

Education funds should document their review and approval of grant reports submitted by Leagues. In many cases, education fund board minutes will document the review and approval of event reports.

4. Can our education fund pay part of the cost of sending delegates to the state or national convention or council?

Education funds can provide grants to Leagues to pay the costs for delegates to attend educational sessions at convention or council. However, the process involves a fair amount of paperwork. We recommend against underwriting delegate costs with education fund grants. The LWVEF does not approve League requests to fund delegate costs through the national grant service program.

We recommend that education funds not make direct payments to delegates because the delegates represent their Leagues and do not represent the education fund itself. Education fund payments to

Leagues should always be supported by written agreements. Agreements to underwrite the cost of attending convention or council must:

- Restrict the funds to be used for educational sessions at convention or council;
- Require the League to return any unspent funds.
- Require the League to submit written and financial reports that explain how the funds have been used.
- Require the League to maintain adequate records to permit the education fund to test the accuracy of the reports.
- Prohibit the use of grant funds for lobbying or partisan political activities.

Joint costs, such as travel, lodging and meals, should be allocated between the League and education fund in proportion to the time spent on each type of activity. Delegates must submit receipts along with an annotated program or diary documenting their attendance at educational sessions to qualify for reimbursement.

5. Are there any circumstances in which education funds can pay for training on lobbying or fundraising?

Under limited circumstances, education funds may pay for training on lobbying or fundraising if the training is open and advertised to other nonprofit groups or the general public and is attended by significant numbers of non-League members. However, we advise education funds not to enter this gray area and not to underwrite such training. The LWVEF will not approve League requests to fund training on lobbying or fundraising through the national grant service program.

6. Can our education fund pay for part of the cost of our Voter?

Yes. Education funds can make grants to Leagues to underwrite purely educational articles in Voters. Education fund grants should always be based on written grant agreements approved by the education fund and League boards. Refer to the best practices for funding League events (FAQ #3 above) for the requirements for education fund grants.

7. Can our education fund pay for part of the cost of our office space?

Yes. Your education fund can pay for its fair share of the cost of the League's office space. League leaders should prepare a written cost-sharing agreement that specifies how operating costs will be allocated between the two organizations. The education fund and League board minutes should document that each board discussed and approved the agreement before it is executed.

The organization that leases the office space should periodically bill its sister organization for its fair share of the rent. The invoices should document the basis for allocating costs between the League and education fund. For example, Leagues may allocate office space costs based on how many square feet each organization occupies or on how much time volunteers and staff spend working in the office for each organization.

8. Can we include League membership solicitations or membership forms in education fund publications?

Yes, your League can include membership solicitations in publications that the education fund underwrites, so long as your League pays for the fair value of its material. This is true whether the education fund produces the publication itself or makes a grant to your League to pay for the publication.

For example, let's suppose that your local education fund grants \$5,000 to your League to produce and distribute a ten-page Voters Guide. One of the pages in the guide consists of a full-page invitation to join the League. Your League should reimburse the education fund for the fair value of the membership piece. You can estimate the value by multiplying the cost to produce and distribute the guide by the percentage of space used for the membership solicitation. (One page of League material divided by ten total pages times \$5,000 total actual cost equals an estimated reimbursement of \$500).

9. Can we include appeals for contributions in publications funded with League [that is, 501(c)(4)] funds?

Yes. Publications funded with League, i.e., 501(c)(4) funds can include appeals to contribute to the League, to the education fund, or both.

10. Can we include appeals for contributions in education fund [that is, 501(c)(3)] publications?

Publications funded with education fund monies can include appeals to contribute to the education fund. They can also contain appeals to contribute to the League, so long as the League pays for the fair value of the appeals.

11. Our League [or education fund] would like to pay one of our members a small stipend for the work she is undertaking on behalf of the organization. Do we need to report the stipend to the IRS?

Yes. The IRS considers all payments to individuals as compensation for their efforts to be taxable income to the individual that must be reported to the IRS. However, reimbursements for reasonable expenses that are backed up by receipts are not taxable compensation and do not need to be reported to the IRS.

Leagues and education funds must file an IRS Form 1099-MTSC for any independent contractor to whom they pay \$600 or more during any calendar year.

12. Can we reimburse League members and other volunteers for their mileage costs?

Yes, Leagues and education funds can reimburse volunteers for mileage. Reimbursements can be based on standard mileage rates or on actual costs.

Reimbursing League Volunteers' Mileage

The IRS has not clarified whether Leagues and other nonprofits that don't have charitable status should use the business standard mileage rate (currently 48.5 cents per mile) or the standard mileage rate for charities of 14 cents per mile to reimburse volunteers.

If your League uses a standard mileage rate to reimburse volunteers, it must require volunteers to submit contemporaneous records documenting the date and time, mileage, place or use, and purpose of their travel. The standard mileage rates are in lieu of all operating expenses (including gasoline and oil). Costs

for items such as depreciation or lease payments, insurance, and license and registration fees are not deductible, and are not included in the standard mileage rates. Volunteers may be reimbursed separately for parking fees and tolls.

Reimbursing Actual Costs

Both Leagues and education funds have the option of reimbursing volunteers for the ACTUAL cost of gasoline and oil expenses incurred. This allows Leagues and education funds to provide for increased fuel prices.

The IRS requires that volunteers keep detailed records of their travel and expenses in order to qualify for reimbursement of actual costs. To allocate costs, volunteers should report their total gasoline and oil expenses, the total miles driven, and the miles, time, place or use and purpose of travel on the League's behalf. The League or education fund may reimburse volunteers tax-free the percentage of miles driven on behalf of the League or education fund.

Reimbursing Education Fund Volunteers' Mileage

Education funds have the options of using the charitable standard mileage rate to reimburse volunteers for automobile expenses or reimbursing actual costs. The charitable standard mileage rate, which is 14 cents per mile, can only be changed by an Act of Congress.

Education funds that reimburse volunteers using higher rates than the charitable standard mileage rate can put the volunteers in a precarious tax position. The IRS has subjected some tax payers to penalties and interest for the difference between the reimbursements they received and the charitable standard mileage rate.

13. Should our League incorporate? How would we accomplish this?

Your League is not required to incorporate. However, doing so is usually worth the small investment of time and money. Incorporating can help in the process of applying for nonprofit postal permits, tax identification numbers, etc. Incorporating provides assurance to potential board members that they will not be held liable for the organization's debts. Incorporating helps ensure that the Volunteer Protection Act will protect volunteers from legal claims.

Steps to incorporation include the following:

1. Prepare separate articles of incorporation and bylaws.
2. Determine who will act as the registered agent.
3. Register with your state's secretary of state or attorney general's office.
4. File reports and with the state annually.

14. Are we required to apply to the IRS for a letter stating the tax status of our League?

No. Leagues acquire 501(c)(4) status automatically. According to author Jody Blazek ["Tax Planning and Compliance for Tax-Exempt Organizations," second edition, page 193], "The critical need for (c)(3) organizations to [request a determination letter from the IRS] is absent here, because qualification is a matter of law." If the requirements are met, exempt status is automatically granted with no action on the League's part. There is no deadline for requesting a determination letter.

As a practical matter, even though exemption is automatic without action on the League's part, many Leagues choose to request a determination letter from the IRS to remove any uncertainty. Some states

rely upon the federal determination letter to grant exemption for income, franchise, sales, or other tax purposes. Having the federal letter also makes U.S. Postal Service nonprofit bulk mailing permits easier to obtain.

15. Is our League or education fund eligible to mail at nonprofit rates? How can our League apply for a nonprofit mailing permit?

State and local Leagues and education funds should qualify to mail at nonprofit rates. The United States Postal Service publication 417, "Nonprofit Standard Mail Eligibility" describes the criteria and application process to mail at nonprofit rates, which are from 20% to 40% lower than regular rates.*

To begin the application process, your League must submit a Form 3624 to the post office where it intends to mail. You can obtain a Form 3624 from your local post office.

You should include the following with your application form: copies of your League's articles of incorporation or charter; evidence of its nonprofit status, such as an IRS determination letter (if your League has one) or audited financial statements; and other documents such as a list of activities during the last year, sample publications and board minutes.

Your local post office will review the application for completeness and then forward it to the Nonprofit Service Center in Memphis, Tennessee for evaluation- The Postal Service should send your League an authorization letter in about two weeks.

** Postal regulations allow educational, philanthropic and fraternal organizations to mail at nonprofit rates. According to postal regulations, educational organizations include those whose primary purpose is to "instruct the public on subjects beneficial to the community. An organization may be educational even though it advocates a particular position or point of view, as long as the organization presents a sufficiently full and fair exposition of the pertinent facts to permit the formation of an independent opinion or conclusion . . . Examples of educational organizations include . . . organizations whose activities consist of presenting public discussion groups, forums, panels, lectures, or similar programs, including broadcasts of such activities on radio or television." The Postal Service's description of philanthropic organizations states that "If an organization, in carrying out its primary purpose, advocates social or civic changes or presents ideas on controversial issues to influence public opinion and sentiment to accept its views, that does not necessarily make it ineligible for Nonprofit Standard Mail rates."*

16. Should our League consider forming its own education fund?

It's usually better for a League to use the LWVEF national grant service program or an existing state grant service program to raise and spend tax deductible funds rather than form its own separate education fund.

By using the national or state grant service program, local Leagues avoid the onerous tasks of forming and registering a second organization, applying for recognition of charitable status from the IRS, filing reports and fees with the state and filing returns with the IRS.

National and state grant service programs operate in a similar manner to local education funds. Leagues deposit the tax-deductible contributions they raise into their ear-marked accounts, apply for and receive approval for their educational projects, and then withdraw the funds to reimburse expenses- Please contact your state League or Francine Hartey at the national office to obtain additional information about

available grant service programs. The national Education Fund does not charge state or local Leagues for using its grant service program.

17. Our state or local League already has its own separate education fund. Should our education fund make the 501(h) election?

Yes. The 501(h) election protects your education fund's charitable status. IRS regulations define lobbying very narrowly for organizations that make the 501(h) election. By making the election, your education fund will have greater latitude to educate the public on pending legislation without incurring lobbying costs.

Organizations that make the 501(h) election can legally engage in a small amount of lobbying. However, we recommend that education funds refrain from lobbying. (Lobbying activities should be conducted through Leagues).

There really isn't a good reason not to make the 501(h) election. (Besides, the election can be reversed in future years).

18. Does our League or education fund need to file an annual report with the IRS?

Leagues and education funds must file Form 990 ("Return of Organization Exempt from Income Tax") or Form 990-EZ with the IRS if gross receipts (i.e., total receipts before deducting expenses) averaged over \$25,000 during the last three tax years.

Leagues and education funds can use the shorter Form 990-EZ as long as their gross receipts were less than \$100,000 and their total assets at the end of the year were less than \$250,000.

If you have any doubts as to whether your League or education fund are required to file Form 990, you should consult the instructions for Form 990 and/or your tax advisor. Form 990, Form 990-EZ and instructions are available from the IRS in Adobe Acrobat.

19. Does our League or education fund need to file an unrelated business income tax return with the IRS?

Your League or education, fund is required to file IRS Form 990-T ("Exempt Organization Business Income Tax Return") only if it has gross income (i.e., gross receipts minus the cost of goods sold) of \$1,000 or more during the year from an unrelated business. Unrelated business excludes the following:

- Bona fide contributions and member dues;
- Any fundraising activity in which substantially all the work is performed by volunteers;
- The selling of merchandise which was received as gifts or contributions;
- Activities that contribute importantly to the to the purpose of the organization (in addition to providing funds);
- The distribution of low-cost fund-raising premiums (the IRS defines low cost in 2005 as \$8.30 or less);
- and,
- Activities that are not regularly carried on.

If you have any doubts as to whether your League or education fund are required to file Form 990-T, you should consult the instructions for Form 990-T and/or your tax advisor. Form 990-T and instructions are available from the IRS in Adobe Acrobat format.

20. Are Leagues and education funds exempt from sales taxes?

Leagues and education funds are not automatically exempt from state and local taxes such as sales taxes.

All states except Alaska, Delaware, Montana, New Hampshire and Oregon levy sales taxes. Localities sometimes levy their own sales tax.

Some states offer exemptions to nonprofit organizations. Your League or education fund may be able to apply to the state and local taxing authorities for exemptions. States and localities that offer exemptions often require nonprofits to submit an IRS determination letter to verify their nonprofit status. (Your League may or may not have applied for and received an IRS determination letter in the past).

Disclaimer

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