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► Fears of recession, war Some child-sponsorship agencies pull together amid 'trying' times

LARRY BLUMENTHAL
NPT Staff

In the mid-1980s, most child-sponsorship groups faced dramatic growth as the Ethiopian famine focused the world's attention on the desperate need in the developing world. But, as is often the case, the attention was short-lived. The headlines shifted to other issues, and the groups found they were no longer the favored cause.



Today, the major child-sponsorship organizations face a tougher fundraising environment dominated by fears of a recession and a war in the Persian Gulf. Interest in Third World issues has dropped dramatically and the cost of acquiring new donors is ballooning.

"These are very trying and difficult times," says Charles Gregg, director of development

for Christian Children's Fund, Richmond, Va.

Not all groups have been affected equally. Some, such as Children International, Kansas City, Mo., and Compassion International, Colorado Springs, Colo., have been insulated somewhat from the recent slowdown.

But all have been affected to some extent by a litany of common woes, which has, in part, lead five of the six major groups to do something that is rare in the nonprofit world—share marketing and fundraising information.

"The biggest single thing that is hurting us is the Persian Gulf and the recession," says Mr. Gregg at CCF, noting that his organization added just 10,000 new sponsors to its list of nearly 400,000 last year and expects to add less than that this year. He says the same thing happened during the mid-70s as the

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FIRST COLUMN

Teens volunteer as much as adults

WASHINGTON—American teenagers, who are often criticized for lack of commitment and caring, actually volunteer at the same rate as adults and have been making financial contributions as well, according to a recent study by Independent Sector.

The survey by the Washington-based coalition of nonprofits and grantmakers shows that 58 percent of American teenagers volunteered last year. That compares with 54 percent of adults. The teens averaged 3.9 hours of volunteer time per week. More than 25 percent volunteered five or more hours each week.

The teens also showed financial generosity, with 48 percent of them contributing money in 1989. The average contribution was \$46.

Among other findings:

- About 29 percent of volunteering by teenagers was performed as extra-curricular activities. About 79 percent was conducted outside of school.

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Goodwill tests water in Soviet Union with plan for retail store in Moscow

LARRY STERNE
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It was a poignant moment for Admiral David Cooney. A veteran of 30 years in the Navy where he had learned "to respect citizens of the Soviet Union, but to always regard them as a tough foe," the admiral, who now heads Goodwill Industries of America, was greeted with tears as he delivered an impromptu sermon in a Baptist church in Moscow.

Admiral Cooney's agenda on this, his first visit to the Soviet Union, centered on a plan to open an affiliate Goodwill retail store in Moscow similar to those the \$600 million human-services charity operates in the United States. Revenue from the store would then be used to fund an umbrella program of rehabilitative services.

The difficulties of establishing such an enterprise reflect the current chaotic situ-

ation in the country, notes the admiral, who nevertheless believes that participation of U.S. charities is needed desperately.

The overwhelming challenge for those who try to do business there, he says, is that one ends up "debating the role of charity in a marketplace economy when they have no tradition of either."

A dire need

What cannot be debated is the need for rehabilitative services provided by Goodwill and other charities. Statistics indicate that there are some 43 million disabled people in the Soviet Union compared with about 23 million in the United States. The substantially larger number is due in part to poor medical care, he says.

There is no prevention program, limited availability of medical services and no special accommodations such as curb cuts, ramps

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Pres. Bush signs \$268 million Natl. Service Act

LARRY STERNE
NPT Staff

WASHINGTON—President Bush signed the \$268 million National and Community Service Act Nov. 16 despite "reservations about the wisdom of employing 'paid volunteers' to the extent contemplated" by the legislation.

Both Donald Eberly, executive director of the National Service Secretariat, and Roger Landrum, co-director of Youth Service America, hail the inclusion of stipends as a particularly important element since they will encourage participation by low-income youths.

The administration's support was won as part of a compromise in which the amount of

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NEWSPAPER

"I think life is circular and there's something very enabling and empowering when you take people out of boxes on a structured chart."

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President signs National Service Act

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money appropriated was reduced. Mr. Eberly says Mr. Landrum and others stress that the question of who gets appointed to the commission that will watch over development of National and Community Service Act will play a "decisive" role in its success or failure. But there was widespread praise among nonprofits for the decision to devote substantial sum to the effort over the next few years. Mr. Eberly, whose Washington-based group has pushed hard for national service, says the creation of a commission gives the movement "an identity unto itself", adding that "national service is a unique entity and

will do better when treated as such."
'Paid volunteers'
 The Act provides \$62 million for fiscal 1991, \$105 million in 1992 and \$120 million in 1993.
 First-year funding includes \$5 million for the Points of Light Foundation.
 The Act also provides funding for:
 • school-aged service, which may include implementing or expanding community service programs for school dropouts and adult school volunteer programs;
 • campus-based service, which includes encouragement for programs that offer academic credit for service and training for teachers and community leaders to provide volunteer/service management;

• conservation and youth corps, which includes two types of corps programs for people between the ages of 16 and 25, including many without high school diplomas, who are required to serve between one and two years. Full-time program benefits include an in-service stipend equal to the poverty line for a family of two, as well as a post-service grant for education of up to \$5,000 for each year of service; and
 • national and community service, which will provide opportunities for citizens over 17, preferably with high school diplomas, to engage in full- or part-time demonstration projects. Like the youth corps program, participants will be paid a stipend and will receive post-service education benefits.

21 members
 The commission that administers the act will have a board of 21 members nominated by the Speaker of the House, the Majority Leader of the Senate and the president and must be balanced by race, age, gender, ethnicity and political party. The president has questioned the constitutionality of restricting his ability to make the appointments and has asked the attorney general to prepare remedial legislation on the subject, which could slow appointment of the commission. The commission itself will include an executive director who will hire up to 10 professional staff members.
 Based on past record, many observers expect the executive director to be someone with close political links to the president.

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in addition to overseeing the other programs, the commission has authority to develop up to four national and regional clearinghouses to assist state and local community service programs. The commission also will bestow presidential awards for program and personal service excellence in each state and congressional district.

The role of the Points of Light Foundation will be in part to identify successful and promising community service projects and initiatives and to promote their national adoption. The fledgling foundation also will help identify leading individuals and groups that can provide models to others.

Mr. Landrum of Washington-based Youth Service America says the Act should help weave together grassroots efforts around the country rather than "foster a lot of random volunteerism." He says he was not too disappointed about the relatively small amount of money appropriated initially, noting that "our general philosophy is that the field should be developed incrementally."

Mr. Landrum voices some concern, however, about the large amount of money that will be funneled through state government rather than being transferred directly to specific programs.

"I am very pleased with it both symbolically and substantively," said Brian O'Connell, president of Independent Sector, Washington. On the symbolic level, he notes that the Act sends the message that the ethic of community service is important for the government to encourage. And, in substance, the legislation encourages the development of models of service that already exist rather than simply ignoring them, he says.

■ NPT Interview

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 with people and, as Peter Drucker says, learn to lead them and not to contain them.
 Peter Drucker says he believes that nonprofits are harder to manage than for-profits. Do you believe that?

Yes, I do. I think that we have to have superior management—superior to that of the public or private sector. Peter Drucker says we have no bottom line, but he also says we share a bottom line of changed lives. And I think that kind of human bottom line requires you to observe a stringent financial bottom line also. ... In financial management you have to manage stringently and tightly.

Then, the different dimension of a volunteer board requires great skill—in maintaining a strong board and a strong effective management team. They both have to be strong and effective. And this is different.

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