I also want to recap my proposal to restructure our Fund Raising activity, it is as follows:

“In order to actually make something happen with fund raising, we need to set some policy and goals for the Society’s Fund Raising operation, which right now is pretty much coasting on inertia and has been for several years. I propose the following.

A) We should abolish the Fund Raising Committee and make the new post of Fund Raising Officer (FRO). Our experience with projects has been that strong individuals are what get work done, not committees, though committees are good for representing diverse viewpoints when developing policy (FRC, SSC, etc.) The Fund Raising operation does not need to be led by a person who makes policy, it needs a person who carries it out. For action, one person is best. So I advocate that we have a single point of responsibility, the FRO.

The FRO should have control over spending his budget just like the other officers (SO, Treasurer, Committee Chairs) do now. The FRO is responsible for developing new fund raising projects and for operating all new and existing fund raising projects to be sure they are conforming to goals. The FRO will not be required to get each individual project or expense approved by the Board. However, because of the sensitive nature of merchandising IFGS’s image on products, the FRO is required to consult with other IFGS people as follows.

• Trademark registration. The FRO is required to make sure all use of IFGS symbols, etc. or any other symbols/artwork conforms to trademark and copyright requirements. Consultation on the draft version of each project shall be made with the Society legal counsel and with the Board President before final product manufacture commences.

• Finances. The FRO is required to consult with the Society Treasurer regularly to schedule expenses so as to avoid creating cash-flow crises and other financial management problems.

• Contracting. The FRO is required to consult with the Society legal counsel and the Society President on all contracts during their negotiation and again before they are finalized. Signing of contracts is only done by the Society President, except in such circumstances as the President may delegate this authority to the FRO for specific situations.

• Reporting. The FRO shall make quarterly reports to the Board on the nature, financial impact, and scheduling of all Fund Raising projects. The FRO shall also notify the Board of the general features of each new project, including sale price, marketing plans, and number of units. If the Board disapproves of a new project by majority vote, then the FRO must modify the project until the Board no longer disapproves of it, or scrap the project. But it is the responsibility of the Board members to actively express their desire through introducing and passing a motion formally stating their disapproval of the project. The Board may not passively veto a project simply through inaction. This means that every project proposed by the FRO is automatically approved after its accurate and complete presentation to the Board, unless the project is specifically disapproved by the Board after hearing the presentation.

B) Existing Fund Raising projects shall be placed under the supervision of the FRO, but Internal Publications will not be.

• The FRO’s existing projects shall automatically include all existing fund raising products, such as the rules book, other books (GM, GD, etc.), flag kits, award badges, and other products (past example - mugs, bumper stickers,
badges, etc.). These products and others like them will become our profit-centers.

- Internal publications such as Registry forms, the Safety & Sanctioning handbooks, and the Blue Book, will continue to be sold for cost (books are rounded up to the next whole dollar) and will not be Fund Raising projects. These products are a service to our members, not a profit center.

C) Next I propose that we set a long-term Fund Raising goal of consistently bringing in 20-25% of the Society’s net income through sale of Fund Raising products. It may take us a few years to get to this point. For short-term purposes I suggest that the gross FR income should be planned at no more than $7,500 per year for 1997/8 and 1998/9. This will largely be from sales of the Rules Books. The yield on this investment should be set at a minimum of 50% (i.e. - for every dollar invested in inventory and the cost of fund raising operations, at least $1.50 should come back as gross income). This means that the $7,500 would represent $5,000 or less of inventory reimbursement and $2,500 or more of net income. Ideally it will have a much higher percentage of net income. Note that this income level will also take into account the discounts we give to chapters, which enable them to claim a share of the total income generated. Thus, assuming some large percentage of our fund raising sales are through our Chapters, anywhere from 10% to 40% of the total income from product sales will be funneled to Chapters through the existing discount program. This Chapter share of the gross income does NOT count towards the FRO’s assigned income goals.

D) In order to make sales happen, we have to have inventory. To get inventory we need to convert some of our savings into products. I recommended, and we approved as a Board, that we take $8,000 from the existing $15,000 + in the Regular Savings account and put it into a special Income Fund. Next I ask that we grant the FRO authority to draw on this fund for inventory purchases. The first and biggest draw will be approximately $7,500 for the Revised 6.5 Edition Rules Book. This leaves $500 for other projects. From this Income Fund the FRO is expected to generate products that will sell enough to do the following:

- Reimburse the Fund for the full cost of their inventory as they are sold (we may not hold to this completely the first year - it’s a target).
- Generate income above that point equal to the annual target income ($2,500 net or $7,500 gross in the above example) set by the Society Budget.”