



**National Active and Retired
Federal Employees Association**

From: National Treasurer [<mailto:nattreas@narfe.org>]
Sent: Tuesday, July 23, 2013 9:18 AM
To: RVP
Cc: Joseph Beaudoin; Paul Carew; Elaine Hughes

Subject: Fundraising Financial Impact in response to several requests for more background on our fundraising activities and their impact on our financial status, attached are two fact sheets. I am providing to you to provide to your Chapters and Federations.

1) Excel spreadsheet shows contributions for the unrestricted programs versus expenses for 2011, 2012 and projected for 2013. Programs shown are Notepads, Note Cards, Calendars, PAH, & Silver Circle; these provide almost all fundraising unrestricted revenue. Amounts have been round off for ease of reading.

2) Background information on all of the fundraising activities we track thru the budget process; I have not provided data on all of these as some are restricted to specific activities and/or have little impact on our general fund.

Some have asked: "Why do we have fundraisers?". The simple fact is that since our dues structure satisfies less than 70% of our revenue requirements; we need to generate as much non-dues revenue as possible; especially when we are conducting enhanced legislative and membership campaigns. Most of our non-dues revenue is realized thru our fundraising campaigns as well as a smaller amount from our affinity partners' contributions.

As you review the attached documents keep in mind the following:

- ❖ 2013: We project NARFE net assets will increase by at least \$150,000 (this does not count revenues from Holiday Card Program)
- ❖ 2012: NARFE net assets increased by \$659,456
- ❖ 2011: NARFE net assets decreased by \$678,235

Without the significant positive revenue of our fundraising programs; the losses in 2011 would have much greater (over \$2,300,000) and, in 2012, our increase in net assets would have become a loss of over \$836,000 and we would be looking at a loss for 2013.

We know that some members are not satisfied with all aspects of the fundraising program; some do not like magnets on notepads, some love the magnets, some do not like using members' photos on our note cards others love it, some do not like the cards at all, many ask for extra cards, some want special features on the calendars, many others are happy with the calendars and await their arrival each year. There is no program that can satisfy all of our members, so we have taken the route of using member comments and following the advice of our notepad, note card and calendar producer to provide products that the great majority are satisfied with. The contribution results tend to verify that we are providing what most members want. In addition, you have probably noticed, in our fundraising letters we provide the "premium", but we also discuss the need to support our legislative and membership activities.

As shown above, our fundraising programs are critical to our financial status and quite frankly without the revenue generated, we would have to raise dues significantly (which would be disastrous at this time) and/or curtail many aspects of NARFE. It would mean many very popular programs being canceled or at least cut back; we would have to review our staffing and probably release many of our staff, resulting in a severe impact on services. NARFE would not be able to survive more than a few years before, drastic measures such as mortgaging the building and other steps that would take NARFE to collapse.

A reminder; anyone that does not want to receive these mailings can opt out; it is as easy as sending an e-mail or letter to the HQs. While this is an option, it just insures the burden of supporting NARFE is placed on fewer and fewer members; of course we know this is what happens in the Chapters and Federations; a few very loyal and dedicated members carry the load.

I hope this helps explain the critical need for our fundraising program.

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