

CHARITY DRIVES

Who really benefits?

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But even using Balentine's figures for number of children (500) and wholesale price of toys (\$4), the total gift tab would have been \$2,000.

— entertainment One Lincoln entertainment agency estimated the cost of the magician's act at \$100; no cost estimate was obtained for the musicians.

— refreshments. All were donated, according to Kontos.

— room rental. Balentine rented the auditorium for \$45 — the price for non-profit organization events — according to a Gateway representative.

Balentine also was responsible for the operating expenses of conducting a phone campaign such as hiring solicitors. The amount of those additional costs is not known.

The costs that are known equal \$2,145. That would have left Balentine Enterprises with \$9,855, more than three times what the sheriffs' group made.

And yet the phone solicitors began their telephone spiel by saying the sheriffs' organization was putting on the Christmas show for the unfortunate and handicapped children of Lincoln. The solicitor also said the sheriff's group was buying adjustable chairs for the handicapped with their profits. That was only partially true.

At the Christmas party, Kontos told a reporter the event was a fund-raiser for his group. He said the sheriffs' association, a group dependent on donations for its existence, would keep \$1,000 of the party's profit and spend about \$2,000 for the adjustable chairs. Contacted later, Kontos said the association will keep \$2,000 and spend \$1,000 for chairs or another similar charity project.

The Better Business Bureau said the sheriff's organization did not meet its standards because:

— an excessive amount of funds raised went to the promoter for administration and program costs, with only a small amount going to the sheriff's association.

— the company failed to provide financial information concerning its completed solicitations.

According to a BBB publication, titled "Standards for Charitable Solicitations," reasonable use of funds requires that at least 50 percent of donations be spent on programs and activities directly related to the organization's purposes; at least 50 percent of the contributions be spent on the programs and activities described in solicitations, as expected by donors; fund-raising costs not exceed 35 percent of the contributions; and total fund raising and administrative costs not exceed 50 percent of the total income.

Tefft said her office draws up a report on each group that applies for a solicitation permit.

The Nebraska Sheriffs' and Peace Officers' Association is not the only

fund drive to be denied the BBB seal of approval. The Fraternal Order of Police, a group for UNL police officers, also received an unfavorable report.

The FOP conducted a fund-raiser Dec. 11, the same day the sheriff's group did. The BBB report said that the event, a variety show, didn't meet BBB standards because:

— an excessive amount of funds went to the promoter, not the FOP;

— the promoter refused to divulge information about his company or promotion.

— the company failed to provide financial information about completed solicitation.

Douglas Petersen, FOP president, said the variety show was operated much like the sheriffs' party. The FOP hired a promoter named Mostafa Vand, who sold show tickets — \$12.50 for a family and \$20 for a business — over the telephone.

Petersen's and Vand's contract called for a 50-50 split after expenses were extracted. Petersen estimated that between \$22,000 and \$23,000 was raised in tickets sales and other donations. The FOP got \$7,857.90, he said. Vand got that amount less the amount of his weekly salary. Fifteen hundred dollars was left in Petersen's and Vand's joint checking account for their next fund-raising project.

The FOP's share will be put in the group's treasury and used as needed for involvement in charitable functions, Petersen said.

Petersen said he disagrees with the BBB report. He said he believes BBB thought that too much of the money raised was going to leave the city. He disputed that by saying Vand hired Lincoln phone solicitors, Lincoln entertainers and rented the Lincoln High School gymnasium, all of which pumped money back into the city's economy.

He also said the BBB is tougher on a new group — the FOP is less than one year old — than it would be on more established groups like the Jaycees.

His charge may be right. One of the Lincoln Jaycees' latest fund drives raised more than \$60,000; only \$9,073.95 of that went to the Jaycees.

The Jaycees hired Balentine Enterprises to sell, via phone solicitation, plastic trashbags and to provide Balentine's profits.

The solicitors told potential donors that the Jaycees were raising money for a special non-barrier playground for handicapped and retarded children. The solicitor said that instead of asking for a straight donation, the Jaycees were selling 30-gallon trash bags. The bags were priced at \$99.95 for 240, \$24.95 for 60 and \$14.95 for 30.

Michael Holtzhauser, president of the Lincoln Jaycees, said the Jaycees' share of money was put into the general treasury and might be used for any of the

60 different charitable activities the Jaycees pursue each year.

The fourth organization that hired a promoter was the American Diabetes Association, a statewide group based in Omaha. The ADA hired a Salt Lake City man named Mark Evan as promoter to put on a magic show in Lincoln last September.

According to forms filed in the city clerk's office, \$3,779.95 was raised in ticket sales for the magic show. Under contract terms, the sales director, Richard Wright, received 45 percent (for wages of people he hired and his own expenses), 30 percent went to Evans and 25 percent went to the ADA.

The financial report filed with the city clerk did not, however, verify if the contract was fulfilled. The lines asking for the cost of fund raising (which includes the promoter's fees) and for the excess income (the ADA share) were left blank. The Omaha ADA office would not provide the missing information without the executive director's approval. That individual was out of town, an office assistant said.

But Maxine McElligott, ADA president, said "the only role we (the ADA) had was allowing him (Evans) to use our name when selling the tickets."

Costs associated with the magic show were not obtained.

If the figures indicate that donors are paying more to promoters than charities, permits primarily because the city ordinance controlling the division of charity dollars is no longer enforced. The section of the ordinance stating that the cost of raising funds must not exceed 25 percent of the total raised was declared unconstitutional in a 1979 court case involving the Unification Church.

The city currently is reviewing the solicitation ordinance, said Rick Peo, assistant city attorney. Among the options is setting another percentage limit on the cost of raising funds. Peo said that is unlikely.

And it appears that any quick change in the handling of solicitation permits is unlikely. The permits, stored in a cardboard filing box on the floor of the city clerk's office, are not always complete. Ross said the Jaycees' permit to sell trash bags has been lost for the past three months. None of the permits included a copy of the contract between sponsor and promoter, as Ross said they should. And, as stated, the financial statement from the American Diabetes Association was incomplete.

Under the current situation, as Peo said, 99 percent of the money collected in the name of charity could go to overhead costs, and the city could do little about it. And until the city ends its lengthy review of the ordinance, the situation isn't likely to change.

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The Counseling Center will again offer an opportunity to learn & practice general assertive skills. Two groups starting Tuesday, February 1 from 2:30 - 4:30 and Thursday, February 3 from 1:30 - 3:30 will each meet once a week for seven weeks. If you are interested, please contact the Counseling Center, 472-3461.