

“THREE OVER THREE”
A Debt Reduction Campaign
2009 – 2012



NSBE World Headquarters Building – Alexandria, VA

NATIONAL SOCIETY OF BLACK ENGINEERS

March 2009



“THREE OVER THREE”

A Debt Reduction Campaign

of the

National Society of Blacks in Engineering

In light of the serious economic situation our nation now faces, its growing adverse impact on the revenue of the National Society of Black Engineers (NSBE), and the need for NSBE to keep its focus on its mission, the organization is embarking on a new individual giving, fund-raising initiative: the ***Three Over Three Mortgage Debt Retirement Campaign***. This development effort is designed to retire the debt over the next three years on the \$3-million mortgage balance on NSBE’s World Headquarters (WHQ) Building, located at 205 Daingerfield Road in Alexandria, Virginia.

This one-time, three-year campaign will rely on NSBE members and friends for support. By ridding the organization of its most pressing fixed debt, NSBE can concentrate its programming and fund-raising efforts on the important work of increasing the number of culturally responsible Black engineers who excel academically, succeed professionally and positively impact the community. NSBE must continue its tenacious drive to build a pipeline of future Black engineers and scientists. African American youth of all ages must remain the focus of NSBE resources, not overhead.

While the proposed campaign will go a long way to support the organization’s ongoing and future financial viability, its success will also provide the NSBE community with an even greater spirit of self-help, self-determination, self-empowerment and accomplishment. Further, its implementation should create spirited competition among its six U.S. regions, further building a cadre of donors at all levels.

THE HISTORY OF NSBE WORLD HEADQUARTERS FACILITIES

As a nonprofit organization, and a student-managed, membership organization at that, NSBE has an outstanding record of purchasing its headquarters properties. As early as 1987, when the organization had only been incorporated for 11 years, it purchased its first administrative facility at 344 Commerce Street in Alexandria, VA for \$349,000. Outgrowing that space, NSBE bought a much larger building to house its main operation at 1454 Duke Street for \$1.2 million in 1991. In October 2004, upon sale of both of the previous properties, NSBE purchased its current headquarters building.

Facts about the 205 Daingerfield Road facility include:

- Original purchase price - \$3,800,000
- Purchased: October 2004
- Occupied: June 2006
- Renovation costs - \$1,500,000 – financed separately and paid off



NSBE World Headquarters Building

Facts about renovation to the 205 Daingerfield Road building:

- 18,470 sq ft property upgraded
- 24 covered parking spaces included
- 26 offices changed to 30 offices
- Two high-tech conference rooms added
- A state-of-the-art training space created
- A temperature-controlled server room added
- Five temporary work stations provided
- The architect was Fredrick Ward & Associates
- Construction management was by DRI, Inc.

Today, the mortgage balance is \$3,225,000. The mortgage term ends in 2030, in 21 years.

CAMPAIGN RATIONALE

Retiring NSBE’s mortgage obligation over the next three years through this campaign will substantially reduce the organization’s annual expenses at a time when the country’s financial crisis promises continued corporate cutbacks in NSBE contributions and program/event participation. Furthermore, by creatively and independently raising substantial funds for this cause, we will prove to ourselves and show the world how we empowered our own organization – how we can not only survive, but thrive, in spite of economic conditions.

The campaign will also occur at a time when the organization will be gearing up for a new, multi-faceted development thrust to increase and diversify funding. With the **Three Over Three** campaign, NSBE’s program capacity and progress toward fulfilling its mission will be stronger than ever, and its financial standing healthier than most nonprofits in the country.

NSBE has four current national directives: cultivate leadership, excel academically, expand the pipeline, and mobilize the membership. While the proposed campaign will ultimately affect all four, three are particularly pivotal:

- Leadership, which is critical to the NSBE mission, can be visibly demonstrated by continuing to take a strong ownership position of organizational resources and properties. The first two steps were taken in 2004, when the organization’s leadership voted for NSBE to purchase this substantial property just outside of the nation’s capitol, Washington, DC. Then, renovations were planned, completed and paid off that did not affect long-term mortgage financing. The final step is to have members and friends help retire the mortgage debt on the building. This will not only make the WHQ facility truly our own, and provide NSBE budgetary relief over the next two decades, but it will give the organization an opportunity to “provide each NSBE member with the skills to lead and serve ... and the ability to benefit those whom NSBE has pledged to ‘positively impact.’ ” There should be no greater pride than for a NSBE member or friend to proclaim his or her role in creating a wholly-owned, “bricks and mortar” asset for the organization.

- Expand the Pipeline – As NSBE continues to pay particular attention to the engineering pipeline, adult members and friends must show by example – by giving ourselves, and by asking African American youth to give. To truly “establish a standard community presence and demonstrate our organization’s relevance,” we must all share the value of giving to support and own Black institutions. Every youth can give something, if only a nickel or a dime, everyone can save and give something. Let’s encourage all members and friends participate in this campaign.
- Mobilize the Membership - If “NSBE members represent all that is positive in the black community,” and our organization is determined to “display its broader relevance through community action,” then we must first mobilize our members to “put their money where their mouth is” at this poignant time in America’s history.

Despite the economic crisis America and the world is now facing, individuals are still supporting those causes that they feel in their hearts are worth supporting. While many people find it hard to believe, it is a documented fact that three-fourths of the giving in the United States consists of personal donations by individual people. The amount and percentage of contributions from private individuals dwarfs those made by companies, foundations or government. A report issued by the Giving USA Foundation in June 2007, provides statistics:

“Giving by individuals is always the largest single source of donations, according to the report. It rose by 4.4 percent. (1.2 percent adjusted for inflation) to an estimated \$222.89 billion and accounts for 75.6 percent of all estimated giving in 2006.”

It is also true that the African American community is a very giving community:

“Studies conducted by major foundations have revealed that a growing percentage of America's ... annual contributions comes from philanthropists of color. Since the number one reason people make financial contributions or volunteer is because they are asked (Saxon-Harrod, 12), viewing African-Americans as philanthropic will promote more asking of them to give. ... Fortunately, there currently exists within the African-American community a greater accumulation of wealth than ever before, and with a tradition of giving back to the community, how black philanthropists are approached will affect the nonprofit sector.”

“Black Philanthropy”

An essay by Yvonne M. Brake, Case Western Reserve University graduate student, 2002



CAMPAIGN ELEMENTS AND TIMEFRAME

1. NSBE is immediately commencing a six-month, silent phase of the Three Over Three campaign. It is anticipated that 2-3 major gift pledges by significant NSBE stakeholders and friends will be announced at the upcoming 35th Annual National Convention in Las Vegas. Taken from the convention theme, it will be an example of how NSBE will truly “energize creativity” and really achieve “exponential growth.”

2. It is anticipated that lead donors will be NSBE lifetime members, alumnus, or noteworthy African American engineers, scientists or philanthropists.

3. Named gift opportunities in the World Headquarters Building will be available, including the naming of wings, lobbies, suites, offices, and doors after top donors.
4. In the fall of 2009, with 10-20 percent of pledges needed in hand, the full-fledged, public phase will begin with the regional conventions in the fall of 2009. At that time, public solicitation of three-year pledges by all members will commence, and continue over the next two and one-half years, and end with a final result announcement and awards at the 38th Annual Convention in 2012.
5. Allowing as many people as possible to participate in this a three-year, multi-year gift campaign is key. Whether members and friends can give \$25,000 or one dollar, all donations are important! A suggested gift leadership and pyramid chart is attached.
6. As part of the public phase of the campaign, NSBE’s six regions can enjoy friendly competition. The campaign is structured to have 6,000 participants, 1,000 from each of the six regions. Barometers can be maintained on the website to show how each region is progressing. As well, the overall national campaign status can be provided.
7. All donors of \$1.00 or more will be recognized in the campaign. A form/pledge sheet will be available in hard form and posted on the NSBE website for those donating at least one dollar, so that names, addresses, chapters, regions and amounts are duly identified, and contributions acknowledged.
8. As many names as possible will be engraved on name plates on a huge WHQ wall plaque; the remainder will have their names on a “virtual wall” on the NSBE website.
9. Recognition with high visibility will be provided to top donors, including the creation of at least four active donor leadership societies is being proposed: a **“Platinum”** society for those contributing \$10,000 or more annually; a **“Golden”** society for those contributing \$1,000 to \$9,999 annually; a **“Silver”** society for those giving \$100 to \$999 per year; a **“Bronze”** society for those giving \$10 to \$99 per year; and a **PCI/NSBE Jr.** society for all participating kids (and parents, if they so choose). Preliminary gift society benefits follow.

INDIVIDUAL RECOGNITION AND BENEFITS

Platinum Donors – Individual gifts of \$10,000 to \$25,000 per year for three years; summative goal of nearly \$1.5 million over three years, or \$500,000 per year

From March 2009 through February 2010, NSBE will be actively seeking at least 33 donors across the nation willing to provide financial leadership at giving levels between \$10,000 and \$25,000 or more per year for three years. Nationally, a leader(s) will be selected to help provide peer-to-peer requests at this gift level. These crucial gifts will go a long way to help the organization obtain full ownership of its World Headquarters building, and inspire all membership, and especially youth to give. The *Three Over Three Platinum Donor Gift Society* members will:

- Be recognized for their commitment in a special ceremony at the 2009 through 2012 NSBE annual national conventions
- Be honored with a physical “named gift” in the WHQ building, such as a wing, lobby, suite, office, or door after top donors, and receive media attention at the building regarding the naming
- Have their names listed in future convention literature through the end of the campaign
- Have their names permanently engraved on a large special wall plaque at WHQ, along with the names of the other 32+ top donors to demonstrate the strength and depth of commitment of our national effort
- Have their names listed at the top of a *virtual wall* on NSBE’s website, along with the names of the other 32+ Platinum Gift Society donors to demonstrate the strength and depth of commitment of our national effort
- Be invited to attend one special Platinum Gift Society reception each year

Golden Donors – Individual gifts of \$1,000 to \$9,999 per year for three years; summative goal of close to \$1 million over three years, or \$330,000 per year

NSBE will also be searching for at least 180 donors nationwide, the equivalent of 30 per region, who will agree to provide financial leadership at giving levels between \$1,000 and \$9,999 per year for three years. Nationally and regionally, leaders will be selected to help provide peer-to-peer requests at this gift level. These substantial gifts will go a long way to help the organization obtain full ownership of its World Headquarters building. The *Three Over Three Golden Donor Gift Society* members will:

- Be recognized for their commitment in a special ceremony at the 2009 through 2012 NSBE annual national conventions
- Receive a special certificate citing their participation at that ceremony
- Have their names listed in future convention literature through the end of the campaign
- Have their names permanently engraved on a large special wall plaque at WHQ, along with the names of the other 180 Golden-level donors to help demonstrate the strength and depth of commitment of our national effort
- Have their names listed on a *virtual wall* on NSBE’s website, along with the names of the other 180 Golden Gift Society donors to demonstrate the strength and depth of commitment of our national effort
- Have their names listed at the top of a *virtual wall* on NSBE’s website, along with the names of the other 180+ Golden Gift Society donors to help demonstrate the strength and depth of commitment of our national effort
- Be invited to attend one special Golden Gift Society reception each year

Silver Donors – Individual gifts of \$100 to \$999 per year for three years; summative goal \$342,000 over three years, or a little over \$100,000 per year

NSBE will also be reaching out to identify 444 donors nationwide, about 74 per region, who will agree to provide financial leadership at giving levels between \$100 and \$999 per year for three years. Each NSBE region will select leaders to help provide peer-to-peer requests at this gift level. The *Three Over Three Silver Donor Gift Society* members will:

- Have their names listed in future convention literature through the end of the campaign
- Have their names permanently engraved on a large special wall plaque at WHQ, along with the names of the other ~450 Silver-level donors to demonstrate the strength of their commitment to NSBE
- Have their names listed on a *virtual wall* on NSBE's website, along with the names of the other ~450 Silver Gift Society donors to demonstrate the strength of their commitment to NSBE
- Be invited to attend one special Silver Gift Society reception each year

“Bronze” Donors – – Individual gifts of \$10 to \$99 per year for three years; summative goal \$167,400 over three years, or about \$50,000 per year

In addition, NSBE will be seeking 2,028 donors nationwide, roughly 338 per region, who will agree to provide gifts at levels between \$10 and \$99 per year for three years. *Three Over Three Bronze Donor Gift Society* members will:

- Have their names listed on a *virtual wall* on NSBE's website, along with the names of the other 2,000-plus Bronze Gift Society donors to demonstrate their commitment to NSBE

PCI/NSBE Jr Donors -- Suggested Goal: Individual gifts of \$.05 to \$9.00 per year for three years; summative goal of \$15,600 over three years, or \$5,200 per year. This represents \$2,600 per region over three years, or \$867 per region per year, OR roughly \$.75 on average for each child (or parent) involved per year, if 3,300 give something.

Perhaps, a NSBE Jr. Donor Wall can be set up in a different location at WHQ to name kids who gave any amount. If NSBE Jr. members are so inclined and their parents are supportive, they can also hold their own small fundraisers.

Three Over Three PCI/NSBE Jr Donor Gift Society members will:

- Have their names listed on a *NSBE Jr. virtual wall* on NSBE's website, along with the names of all other donors to demonstrate their commitment to NSBE

NSBE *Three Over Three* Fund Gift Pyramid

<u>Gift Category</u>	<u>Gift Size</u>	<u>Per Donor x 3 Yrs.</u>	<u># Members/Friends Giving</u>	<u># Per Region</u>	<u>Total</u>
Platinum	\$25,000	\$75,000	3	N/A	\$225,000
Platinum	\$20,000	\$60,000	6	1	\$360,000
Platinum	\$15,000	\$45,000	12	2	\$540,000
Platinum	\$10,000	\$30,000	12	2	\$360,000
Platinum	Subtotal	<u>\$210,000</u>	<u>33</u>	<u>5</u>	<u>\$1,485,000</u>
Golden	\$ 5,000	\$15,000	24	4	\$360,000
Golden	\$ 2,500	\$ 7,500	36	6	\$270,000
Golden	\$ 1,000	<u>\$ 3,000</u>	<u>120</u>	<u>20</u>	<u>\$360,000</u>
Golden	Subtotal	<u>\$ 25,500</u>	<u>180</u>	<u>30</u>	<u>\$ 990,000</u>
Silver	\$ 500	\$ 1,500	120	20	\$180,000
Silver	\$ 250	\$ 750	144	24	\$108,000
Silver	\$ 100	\$ 300	180	30	\$ 54,000
Silver	Subtotal	<u>\$ 2,550</u>	<u>444</u>	<u>74</u>	<u>\$ 342,000</u>
Bronze	\$ 75	\$ 225	216	36	\$ 48,600
Bronze	\$ 50	\$ 150	252	42	\$ 37,800
Bronze	\$ 25	\$ 75	360	60	\$ 27,000
Bronze	\$ 20	\$ 60	600	100	\$ 36,000
Bronze	\$ 10	<u>\$ 30</u>	<u>600</u>	<u>100</u>	<u>\$ 18,000</u>
Bronze	Subtotal	<u>\$ 540</u>	<u>2,028</u>	<u>338</u>	<u>\$167,400</u>
NSBE Jr./Family	\$ 5	\$ 15	600	100	\$ 9,000
NSBE Jr./Family	\$ 2	\$ 6	600	100	\$ 3,600
NSBE Jr./Family	\$ 1	\$ 3	900	150	\$ 2,700
NSBE Jr./Family	Misc. nickels, dimes and quarters		<u>1,200</u>	<u>200</u>	<u>\$ 300</u>
NSBE Jr./Family	Subtotal		<u>3,300+</u>	<u>550+</u>	<u>\$ 183,000</u>
TOTAL			Approx. 6,000	Approx. 1,000	THREE MILLION!!!