Tool #3: Family-Based Nonprofit Organizations

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Overview

It is not uncommon for nonprofit organizations (NPO) addressing the problem of missing and sexually exploited children to be formed by members of a victim child’s family — often the parents or guardians of the child. In fact, much of the progress made on behalf of the problems of missing and sexually exploited children is due to the tireless efforts of the families of victims and the organizations they formed to honor the memory of their children. NPOs exist to address community needs and therefore do not directly belong to an individual or individuals. Keeping this central to the development of the organization from the beginning may help alleviate conflicts in the long term.

NPOs founded by family members of a victim child are subject to the same considerations discussed in “Tool #2: How to Start a Nonprofit Organization.”

Lessons From Other Families

At a meeting family members who have started NPOs addressing the problem of missing and sexually exploited children shared the lessons they learned from their experiences. One participant stressed the importance of being prepared for the emotional turmoil, “Families are going through so much emotionally when a loved one is missing. Step away to heal yourself and then take another look at starting a missing persons’ organization.”¹

¹The Association of Missing and Exploited Children’s Organizations Inc. (AMECO) facilitated a focus group meeting at the 2010 “Responding to Missing and Unidentified Persons National Conference” in Appleton, Wisconsin, on February 24, 2010. Eighteen family members, representatives of missing persons’ organizations, and missing persons’ advocates participated.
There was general agreement among participants in the meeting that forming an organization is a significant undertaking. In the words of one participant, “Don’t assume an NPO will be a part-time job — it takes much more time and energy than one can imagine.” Family members considering the formation of a new NPO must complete a realistic assessment of the magnitude of effort necessary. Part of that assessment is the identification of the anticipated role of family members in organizing and operating the organization.

Participants cautioned that forming duplicate organizations may waste resources. One participant suggested time should be spent researching existing organizations before starting a new organization. “Don’t reinvent the wheel. There may be additional NPOs out there that you don’t know about, so take a look to find out what exists.” This is also one of the considerations discussed in “Tool #1: Assessing the Need to Start a Nonprofit Organization.”

The participants indicated they benefited from the knowledge of existing organizations. As one participant said, “Find an existing NPO to mentor you.” A good source for networking with other existing organizations is the Association of Missing and Exploited Children’s Organizations Inc. (AMECO). AMECO is an association of nonprofit organizations located across the United States and Canada that assist in the prevention, recovery, and reintegration of missing and sexually exploited children with their families. AMECO’s mission, as an international association of NPOs, is to provide a voice regarding issues related to missing and sexually exploited children and their families and nurture credible, ethical, and effective nonprofit-member organizations. For more information visit www.amecoinc.org.

Clarity of purpose was another theme that surfaced during this meeting of family members who had formed NPOs addressing the problem of missing and sexually exploited children. According to one participant, organizations should define their mission by asking, “What do you want to accomplish? Can you do this? Can others do this?”

Along these same lines one participant offered this insight into the anticipated personal cost-benefit outcomes from forming a new organization, “In every activity we do, we give something and we get something. If you start an NPO what are you going to give, what are you going to get?”

Family members need to have realistic expectations about achieving their personal goals when they form a new NPO addressing the problem of missing and sexually exploited children.

**Relationship Between the Family and NPO**

The relationship between the organization and case of the founder’s family member must be clear. This is especially true when that case is considered “cold” by law-enforcement agencies and active investigation is placed on hold pending new, credible information to further their investigation. No family with a missing or sexually exploited family member wants to hear their case has been put on the back burner. NPOs help to keep such “cold” cases in the public’s awareness.

An organization dedicated to a single child’s case may help keep the child’s case in the public’s mind but an organization formed to help all similarly affected
children may make a stronger case for public support over a prolonged period of time without diluting the attention focused on the case that was the catalyst for forming the organization. While family members may feel their child’s case is unique, unfortunately there are many families needing support and assistance for their cases and nonprofits should serve this greater good.

**Use of Child’s Name, Image, and Story**

When an organization is formed to memorialize a particular child or focus attention on a specific child’s case, that child’s name, image, and story often become part of the branding of the organization. In fact that child may become a symbol of the issues associated with the specific case.

In a sense, once an organization forms to memorialize a child, the organization assumes control of the child’s name, image, and story. This may not be a problem as long as family members are involved with the organization. When, however, circumstances change and family members are no longer actively involved with the NPO or — in a worst-case scenario — become estranged from the organization, it may be difficult for them to reclaim control of the child’s identity.

The best time to protect the family’s interest in the control of the child’s name, image, and story is when the organization is being formed. Consult with your legal counsel for advice about specific strategies.

**The NPO After The Child’s Case Is Resolved**

Families of missing and sexually exploited children look forward to their children’s cases being resolved. They keep hope for the successful recovery of their missing child and seek the conviction of the perpetrator of sexual exploitation. The certainty of painful outcomes may even be preferred by many families rather than the emotional roller coaster they may experience with unresolved questions.

Family members forming an NPO in their child’s memory before the case is resolved need to consider what might happen to the organization after the outcome of their case is known.

- Will the family still be interested in pursuing the mission of the organization?
- Will a recovered child want to be a “poster child” for the organization?
- Will there be a continuing need for the organization in the community?
- What role will family members play after their child’s case is over?
- How will family members attend to their own emotional and relationship needs and handle the responsibility of an organization?

These questions all present issues for family-based NPOs addressing the problem of missing and sexually exploited children. They are considerations that may be discussed with other parents/guardians and family members who formed organizations as a result of their child’s victimization. Contact AMECO by visiting [www.amecoinc.org](http://www.amecoinc.org) or calling 1-877-263-2620 for more information about family-based NPOs and to obtain their contact information. Family members forming new organizations will benefit from the experiences of these veterans.
Organization of the NPO

Board Composition

The operation of a family-based NPO addressing the problem of missing and sexually exploited children is significantly different from operating a family foundation. A family foundation distributes funds accumulated by the family and uses those funds to support philanthropic endeavors favored by the family members who control the funds. An NPO may be started to support the causes selected by the organizers, but uses resources contributed by others. Family members may be employed by the organization they form, or they may be part of the policy decision-making. It is a conflict of interest for them to participate in decisions that impact their own financial benefit.

Tool #2 stresses the importance of selecting the right people for the board of directors. The selection of board members for a family-based NPO is critical. The board will need to balance the needs and expectations of the family founders with the interests of the community that is being asked for resources to support the organization’s operation. Board members have a legal responsibility to oversee the operations of the organization to help ensure they comply with the laws and regulations governing NPOs.

While not technically illegal, it is generally thought to be bad practice for the Chief Executive Officer (CEO) of the organization and the board Chairperson to be members of the same family. The majority of board members should be independent of the organizers or organizer’s family. This independence helps avoid any appearance of “self-enurement” or unethical financial benefit for members of the family. Sound financial oversight and application of basic business procedures help establish a “firewall” between organizational assets and family assets. Note: Many organizers of family-based NPOs invest more of their financial resources in the organization than they ever receive in return.

Succession Planning

With the passage of time, the organizers of family-based NPOs may feel captured by the organization. It is not unusual for the family-based organization’s founder to want to reduce his or her involvement in the operations of the organization and possibly pursue other interests. This transition may be beneficial for the organization as well as the family member. More importantly the organization may continue to honor the memory of the child who was the catalyst for its formation while serving the broader interests of children in the community.

The board of directors is responsible for helping to ensure a smooth transition if the founder chooses to reduce his or her involvement with the NPO. There needs to be a dialogue between board members and the founder to define the role of the founder in the future on mutually agreeable terms. Transition is a normal process but some stakeholders in the organization may feel threatened by change — in
fact, surviving the transition between the founder and the founder’s successor is a symbol of organizational maturity.

Summary

Forming a family-based NPO addressing missing and sexually exploited children is a significant undertaking requiring significant time and energy. The family-based NPO is different from other NPOs in that the founders have first-hand experience with the problems the organization is formed to address. The organization should have an independent board of directors and be operated according to the best administrative and programmatic standards.

Organizers of family-based NPOs should discuss their plans with the founders of existing family-based NPOs and ask for their guidance. AMECO is a reliable source for networking with existing organizations.

When family, personal, or organizational circumstances dictate a change of role for the founder, a smooth transition should be made through dialogue with the board of directors and founder resulting in a definition for the future role the founder will have in the organization.

Useful Resource

Association of Missing and Exploited Children’s Organizations Inc. (AMECO)
1-877-263-2620
www.amecoinc.org

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