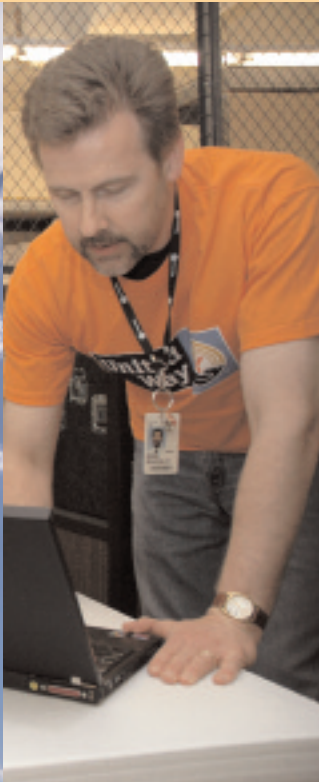


# A Guide to Establishing a Relief Fund



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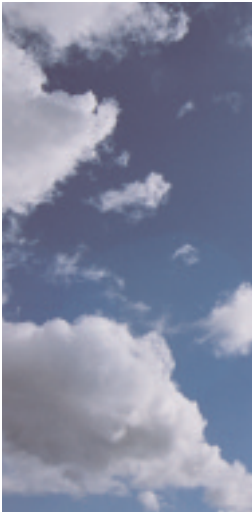
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## Preface

In 2005, Z. Smith Reynolds and Duke Energy Foundation provided funding and in-kind support to create this Guide to Establishing A Relief Fund. The authors have graciously agreed to allow United Way of America to adapt and reprint this guide for use by United Ways across the country.

Using the experiences of the North Carolina Hurricane Floyd Relief Fund, this guide takes you step-by-step through establishing and operating an effective disaster relief fund. While the N. C. Hurricane Floyd Relief Fund was established in response to a devastating hurricane, the lessons learned are applicable to any crisis. Whether dealing with a terrorist attack, major business closing or natural disaster, you can utilize these same principles to address the immediate and ongoing needs of victims and their communities.

We have come to learn that there are two kinds of United Ways—ones who have been called upon to respond to disaster in their communities, and ones who will be. The authors and associated organizations have provided an invaluable service to the United Way system in sharing their information and lessons learned.

We hope you will find this guide a useful and supportive tool in planning for and implementing future disaster recovery work.

Sincerely,

Lynn Pharr, Director  
Crisis Preparedness, Response & Recovery  
United Way of America  
July, 2007



## Foreword

To everyone who has or will work on a disaster relief fund effort:

This guide is for you—individuals, communities, government leaders, corporate executives and any other people or organizations who want or need to establish an emergency relief fund for disaster victims.

Relief funds for disaster victims and their communities are often created whether the disaster is natural such as a hurricane or flood or man-made such as a mass layoff or terrorist attack. The 1998 flooding in Grand Forks, North Dakota, the 1999 ravaging of Eastern North Carolina by Hurricane Floyd, the 2001 terrorist attacks and the damage caused by the 2003 Hurricane Isabel are just a few examples of recent disasters that resulted in the immediate establishment of relief funds.

Using the experiences of the Hurricane Floyd Relief Fund, this guide offers a step-by-step process for establishing a relief fund, developing guidelines for operating the fund and distributing and documenting the fund's contributions, quickly, fairly and effectively. The Hurricane Floyd Relief Fund is a wonderful story of community philanthropy, one that will surely be repeated again and again in different communities and with different leaders. Disaster relief funds emerge in times of crisis and yet their feasibility, efficiency and potential impact can be greatly enhanced by thoughtful planning and implementation. We hope you will find this guide a useful and supportive tool in planning for and implementing future disaster recovery work.

Sincerely,

Thomas W. Ross  
Executive Director  
Z. Smith Reynolds Foundation



## Foreword

During my tenure as Secretary of the N. C. Department of Crime Control and Public Safety—from 1995 until 1999—I oversaw our State’s response and recovery efforts for seven presidentially-declared disasters. I know how people instinctively step up to provide for the unmet needs among their neighbors in the aftermath of the devastation, many times providing care for the emotional damage done as much as for the physical destruction left in the wake of nature’s fury.

I also know that a launching and carrying out of a relief fund is a critical and challenging process.

This publication is an excellent blueprint for any agency or organization to follow in establishing the vehicle through which financial and other needed resources can be collected and distributed to those hardest hit in a disaster. One of the best ways to know what can be done in future is to learn from what has been done successfully in the past.

This guide shows clearly and concisely the pathway North Carolina followed to provide for the needs of our people in the aftermath of unprecedented hardship stemming from a disaster.

Richard H. Moore

State Treasurer Richard Moore co-authored the book, *Faces From the Flood: Hurricane Floyd Remembered*, which features thirty-seven firsthand accounts from the 1999 storm that covered more than a third of North Carolina in flood water.

The unforgettable stories of these victims, heroes, volunteers, scientists, journalists, and government officials cover dramatic rescues, sorrowful losses, and uplifting demonstrations of spirit, self-sacrifice, and courage.



## In Appreciation

We want to thank the many people and organizations that contributed to the ideas and lessons shared in this guide. First and foremost, we recognize the individuals in communities throughout North Carolina who took on the responsibility of operating a relief fund during recent hurricanes.

We greatly appreciate the Z. Smith Reynolds Foundation and Duke Energy Foundation for believing in the importance of this project and for providing funding and in-kind support to make it a reality.

Numerous individuals were interviewed for this guide, many of whom played critical roles in the N. C. Hurricane Floyd Fund's success. They are referenced by the positions they held during the development and distribution of the Relief Fund, unless otherwise noted. They include:

- Charles Archer, County Manager, Halifax County, North Carolina
- Jim Blackburn, General Counsel, N.C. Association of County Commissioners
- Billy Ray Hall, President, N.C. Rural Economic Development Center, Inc.
- Angie Harris, Deputy Chief of Staff, N.C. Office of the Governor
- James B. Hunt, Jr., Governor, North Carolina (1977-85; 1993-2001)
- Kevin Hutchinson, Hurricane Recovery Analyst, N.C. Office of State Budget and Management (2005)
- Jim Morrison, President, United Way of North Carolina
- Mark Munden, Director, Permanent Replacement Housing Program, N.C. Emergency Management Division
- Dennis Patterson, Statehouse Correspondent for the Associated Press
- Linda Povlich, Deputy Chief of Staff, N.C. Office of the Governor
- Patrice Roesler, Assistant Executive for Intergovernmental Relations, N.C. Association of County Commissioners
- Thomas Ross, Executive Director, Z. Smith Reynolds Foundation (2001-present)
- Norris Tolson, Chairman, N.C. Hurricane Floyd Relief Fund
- Priscilla Taylor, Executive Director, The Cemala Foundation
- Joe Stewart, Special Assistant, N.C. Department of Crime Control and Public Safety
- Faye Stone, Deputy Executive Director, N.C. Commission on Volunteerism and Community Service
- Joy Vermillion, Program Officer, Z. Smith Reynolds Foundation



## In Recognition

We want to thank the many people and organizations that contributed to the ideas and lessons learned shared in this guide. We greatly appreciate the Z. Smith Reynolds Foundation and Duke Energy Foundation for providing funding and in-kind support. The four authors of this guide—Warren Miller, Jenni Owen, Libby Smith and David Winslow—were members of the core team that established and managed the N.C. Hurricane Floyd Relief Fund.

Originally Published in 2005 as *Reaching Out to Those in Need: A Guide to Establishing a Successful Disaster Relief Fund*, this guide may not be reproduced, reprinted or published in its entirety without written permission from the authors.

Authored by Warren Miller, Jenni Owen, Libby Smith, David Winslow

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## About the Authors

The four authors of this guide were members of the core team that established and managed the North Carolina Hurricane Floyd Relief Fund.

### **Warren Miller**

Warren Miller served as policy director to the former North Carolina Governor Jim Hunt, where he managed the development and implementation of the Governor's policy agenda. He is founder and president of Fountainworks, Inc., a market research and public policy consulting firm based in Raleigh, N.C.

### **Jenni Owen**

Jenni Owen was a senior policy advisor to former North Carolina Governor Jim Hunt, where she managed the N.C. Hurricane Floyd Relief Fund distribution process. She is director of policy initiatives at Duke University's Center for Child and Family Policy.

### **Libby Smith**

Libby Smith worked for the N.C. Division of Emergency Management, serving as liaison to the Governor's office and Congressional offices regarding emergency management policy and disaster declaration procedures. She also assisted the Director of the Emergency Management Division and the Governor in identifying and securing federal and state disaster funding. She is the senior coordinator of operations for the Risk and Emergency Management division of PBS&J in Raleigh, N.C.

### **David Winslow**

In the aftermath of Hurricane Floyd, David Winslow worked pro bono over a two-month period with Governor Hunt's office in the effort to secure private support for hurricane victims. He is president of the Winslow Group, a fundraising consulting firm in Winston-Salem, N.C., founded in 1983.



## Introduction

### *Hurricane Floyd Strikes*

On September 16, 1999, Hurricane Floyd, a natural disaster unlike any in the state's history, devastated one-third of North Carolina. The record-high floodwaters forced tens of thousands of people from their homes. Many people lost everything—their homes, their farms, their businesses and their loved ones.

Hurricane Floyd killed more than 50 people. Homes were damaged by floodwaters in 39 of the state's 100 counties. More than 1.2 million North Carolina customers lost electricity. At the storm's peak, more than 48,000 people were in official shelters throughout eastern North Carolina. More than 650 roads were closed during the storm.

The state's agriculture industry was devastated when floods killed 2.8 million chickens and turkeys, 880 cattle and more than 30,000 hogs.

Within just one month after Floyd hit, almost 30,000 individuals in North Carolina had registered for Individual and Family Grant assistance with the Federal Emergency Management Agency (FEMA). The U.S. Small Business Administration (SBA) received nearly 25,000 applications for home loans.

While these statistics are striking and federal assistance was available, they do not begin to address the long-term physical, emotional and psychological effects of Hurricane Floyd on thousands of North Carolinians.

**On September 17, 1999, just one day after Hurricane Floyd's devastation, then Governor Jim Hunt established the N.C. Hurricane Floyd Relief Fund to seek immediate assistance for families in need.**

The goal of the fund was to ensure victims received help with needs that were not covered by FEMA or other state or federal programs. This assistance helped families endure the difficult days, weeks and months following the storm while long-term recovery efforts were being developed.

North Carolina used national network television shows to encourage people to support victims of Hurricane Floyd and give to the Relief Fund. Nearly six months after the disaster, the N.C. Hurricane Floyd Relief Fund had received more than 66,000 donations from all 50 states and several foreign countries. Within three months of the storm, more than \$16 million had been distributed to hurricane victims throughout eastern North Carolina.

The fund's success was possible because of a rare collaboration of state government, local governments, nonprofits

**In Beaufort County:**  
**An 87-year-old woman needed emergency assistance after Hurricane Floyd damaged her home. With the help of the Relief Fund, she received \$500 to cover an insurance deductible to get the repairs under way.**

**In Tarboro:**  
**Flooding severely damaged the home of a blind man, his wife and four children. The wife was a certified nursing assistance at a nursing home, but she was out of work for three weeks due to the flooding. The Relief Fund contribution helped the family replace their winter coats, pay a utility bill and cover costs of food for both the family and for the man's seeing-eye dog.**

and private citizens. This team developed the criteria and funding formulas for distributing the contributions quickly and fairly among the counties and hurricane victims.

The United Way of North Carolina handled the administrative work associated with collection and distribution of the funds. A wide range of businesses and nonprofits assisted with the fundraising.

Counties established committees of nonprofit, private, business, faith community and local government representatives to evaluate local damage and ensure that those in greatest need were served.

The Relief Fund allocations to counties totaled more the \$16 million, which provided:

- More than 35,000 families in 34 counties with assistance;
- More than \$3.1 million for home repairs;
- More than \$2.1 million in mortgage and rental assistance;
- More than \$175,000 for medicine and other health needs;
- More than \$1 million to pay for utilities;
- More than \$500,000 to purchase food; and,
- More than \$9.1 million for assistance in other areas such as car repairs home appliances, low-cost business or farm repairs, child care, water and septic system repairs, clothing and building materials.

This guide is intended to assist you in the development of a relief fund for your community's recovery from a disaster. It explains steps taken to establish the fund following Hurricane Floyd's devastation. Many of the guidelines provided should be implemented well in advance of a natural disaster; other steps can be made simultaneously once a relief fund is deemed necessary. The principles outlined throughout are simple guidelines; flexibility to meet your own community's needs is vital to administering a successful and equitable fund.

### In Tarboro:

A family's home was completely submerged by floodwaters, leaving the residence a total loss. The family found temporary housing with the help of FEMA, and used contributions from the Relief Fund to buy bedding, utensils, dishes, towels and toiletries for their dwelling, and to help with utility bills.

Four years after Hurricane Floyd, Hurricane Isabel struck North Carolina. While not nearly as devastating as Floyd, Isabel's high winds and torrential rains destroyed many homes and businesses. Governor Michael F. Easley established a relief fund to respond to Hurricane Isabel, using the Floyd Relief Fund as a model.

On September 17, 1999, just one day after Hurricane Floyd's devastation, then Governor Jim Hunt established the N.C. Hurricane Floyd Relief Fund to seek immediate assistance for families in need.

The goal of the fund was to ensure victims received help with needs that were not covered by FEMA or other state or federal programs. This assistance helped families endure the difficult days, weeks and months following the storm while long-term recovery efforts were being developed.



## CHAPTER ONE

### Guiding Principles for a Successful Relief Fund

Using the experiences of the N.C. Hurricane Floyd Relief Fund, this guide takes you step-by-step through establishing and operating an effective disaster relief fund. It is written from the perspective of a state level agency working through a large-scale disaster such as Hurricane Floyd; however, the principles and practices provide guidance for anyone wishing to create a relief fund through private foundations, local governments or other means.

While the N.C. Hurricane Floyd Relief Fund was established in response to a devastating hurricane, the lessons learned are applicable to any crisis. Whether dealing with a terrorist attack, major business closing or natural disaster, you can utilize these same principles to address the immediate and ongoing needs of victims and their communities.

#### Guiding Principles

- Plan ahead
- Act quickly
- Have a clear and consistent focus
- Establish open and constant communication
- Be accountable and flexible
- Ensure every dollar reaches victims
- Have credible, dedicated leadership
- Be informed

#### 1. PLAN AHEAD

Planning ahead takes time, and time is one luxury you will not have when a disaster occurs. Having a basic framework in place is one of the most effective ways to ensure a successful relief fund.

- Identify the members of the core team and outline their roles and responsibilities so you can act quickly in the event of an emergency.
- Establish or identify a bank account that can be immediately activated to receive and distribute money. If your fund will accept donations via the Internet, set up this process now.
- Identify your fund's fiscal agent (see Chapter Two).
- Each county in your state should have an emergency management plan; if your fund will be local, review this plan and determine where additional needs exist.
- Develop a list of potential contributors (see Chapter Three).

#### 2. ACT QUICKLY

Disaster victims need help immediately. The faster resources are available; the sooner victims can put their lives back together. Quick action will largely determine the overall success of your relief fund. There is a small window when the public's attention and generosity are focused on the disaster and its victims. In most cases, news stories and video footage tell the horrific story of a disaster's aftermath for only a few days. This is the time to tell people that a fund has been established; how it works; and how they can contribute.

#### 3. HAVE A CLEAR AND CONSISTENT FOCUS

What do you need to accomplish with this fund? This question must be answered before operating decisions can be made. Your relief fund should have a clear mission that articulates its enduring purpose. For example, the mission of a fund might be simply to provide for the immediate needs of individuals rather than to address the longer-term economic needs of fami-

lies or a community. Or it might initially focus on the immediate needs and then move toward longer-term concerns if funding allows.

A clear mission and focus for the fund should serve as your guide for making operating decisions.

#### **4. ESTABLISH OPEN AND CONSTANT COMMUNICATION**

A relief fund can literally involve hundreds, even thousands of people—from the donors who contribute to the staff and volunteers who manage it and the victims who are helped by it. In order to be successful, everyone needs to be working off of the same page. Clear communication on all fronts is essential.

The donors and the public need to know how the money is being allocated. Any ambiguity about how the money is spent will be viewed with great skepticism by the media and the public. It means that the people working on the fund understand the rules, guidelines and deadlines for the fund; that relief fund recipients know what the fund can and cannot do for them; and the donors know where and how their contributions are being used. The result is less confusion, more contributors and more dollars reaching victims without delay.

#### **5. BE ACCOUNTABLE AND FLEXIBLE**

The ultimate balancing act is to maintain both accountability and flexibility. Donors will demand accountability. It is not enough to say that funds are being used to help victims;

donors want to know specifics. Accountability measures provide confidence and assurance that money is being used wisely. At the same time, flexibility will be necessary to adapt to changing situations and circumstances. The fund's rules and regulations should be consistent while allowing reasonable discretion based on local or individual circumstances and needs.

#### **6. ENSURE EVERY DOLLAR REACHES VICTIMS**

Avoid using any portion of donated funds for overhead or administration. Every dollar raised must go directly to help the victims. Given the amount of effort that is required to raise and distribute relief money, it can be challenging to abide by this principle. However, in times of great need, people and organizations rise to the occasion and donate their talents and resources to complete the task at hand. Eliminating these administrative costs will increase the fund's credibility with the public, media and donors.

#### **7. HAVE CREDIBLE, DEDICATED LEADERSHIP**

A successful fund needs a leader to give a face and voice to the mission. A strong leader sets the stage by using his or her public platform to increase public awareness and raise funds for the cause. This leader must also provide guidance on unexpected questions and challenges that will almost certainly occur during the relief fund campaign.

#### **8. BE INFORMED**

Relief fund managers should make every effort to be familiar with existing and new assistance programs related to disaster relief.



## CHAPTER TWO

### Launching the Fund

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#### RELIEF FUND: NEEDED OR NOT?

The first step in determining whether to establish a relief fund is deciding if state and federal recovery funding is sufficient. If the disaster is of such magnitude that the area impacted is declared a federal disaster area, additional funding will be necessary.

Many resources such as temporary lodging assistance, rental assistance, home repair and some medical, dental and funeral costs may be available to local governments and individual disaster victims; however, they are not intended to cover the total cost of the damages suffered.

Many gaps will exist between disaster victims' needs and the state and federal resources available. These gaps are referred to as unmet needs. The scope of these unmet needs will determine whether a relief fund is necessary.

#### UNMET NEEDS

Unmet Needs fall into two main categories: Immediate and Long-term. **Immediate Unmet Needs** are basic health and safety needs that require immediate financial assistance. Within days of a disaster, fundraising should begin to address these needs. Within two to three weeks, criteria and administration of funding should be established and funds ready to be disbursed (see Chapter Four). Immediate, unmet needs may include:

- Food and food supplies
- Prescription and medical supplies
- Mortgage payments for homes or businesses
- Car repairs or payments
- Utility payments
- Lost employment income
- Cash assistance for items not previously reimbursed
- Removal of trees and other debris that threaten household safety
- Appliances
- Furniture
- Kitchen utensils
- Bedding
- Clothing

**Long-term Needs** will take more time to address and are usually more costly to remedy. Long-term needs may include:

- Home repair or replacement needed beyond federal/state aid
- Heating/cooling systems repair or replacement
- Septic tank repair
- Business/farm loss (loan, equipment and supplies replacement)
- Car replacement

Deciding whether your relief fund will cover housing repairs and/or replacement creates its own unique set of challenges. In large-scale disasters, the supply of building contractors willing to repair or replace low-

income housing is often out-weighted by the demand. Faith-based ministries and nonprofit organizations like Habitat for Humanity are possible solutions if funding is available for building materials and supplies. Donations from building supply stores or manufacturing companies can also contribute to the solution.

**Begin with the end in mind.** As soon as you make the decision to establish a relief fund, the next step is to define your mission. The more focused you are about what you want the fund to accomplish, the more successful the fund will be.

Fundraising and distribution strategies will stem directly from the fund's mission. It is essential that you define the mission quickly and begin communicating it with staff, the media, affected community leaders and stakeholders immediately. Everyone involved in the fund—from donors to recipients—should have the same goal for the relief fund.

#### CREATING A MISSION STATEMENT

Ask your relief team the following questions:

- What is your charge?
- How will you do the job?
- Who are you working for?
- What will make this fund successful?

#### Sample Statement

##### North Carolina Hurricane Floyd Relief Fund Mission Statement:

*To assist victims with their immediate needs not covered by government programs or other traditional relief sources.*

A fund's mission statement should describe its overall purpose: Why the fund exists. As the fund progresses, its mission may have to shift based on the needs of the victims. For example, if contributions to the fund continue after the immediate needs are met, you can begin targeting

victims' longer-term needs.

For maximum effectiveness, your mission statement should be:

1. Concise and brief (no more than one sentence);
2. Simple and understandable; and
3. Memorized by every member of your team.

#### ASSEMBLING A TEAM

Key teams are vital for developing and implementing a relief fund, including fundraising, communications and policy and distribution teams.

In addition to the core team you established prior to the disaster, volunteers will step forward from government, nonprofit and private sectors to assist in various aspects of fundraising and distribution.

Among the first acts of the relief fund leaders will be to appoint a volunteer fundraising chair to assume a highly public role in the effort. The Chair will be the primary internal and external conduit for information regarding the fundraising effort.

#### Qualifications of the Fundraising Chair

- Available to devote the necessary time (weeks, if not months)
- Well-known and highly regarded with impeccable ethics
- Previous fundraising experience
- Preferably with ties in the affected disaster area

#### STAFF SUPPORT

An effective fundraising effort will require people and equipment dedicated to the task. An office, computers, Internet access, telephones and meeting space are essential. Ideally, even with technological advances, the office or offices used by relief fund managers should be in close physical proximity to the leaders of the overall disaster relief effort, such as the governor (or mayor in the case of a local fund), his or her press operations and Emergency Management.

As a temporary, adjunct office, it is natural that problems will arise as you work with the existing bureaucracy. The Fundraising Chair should handle the political and high profile challenges. Designate someone from your existing team to handle day-to-day issues and support the Fundraising Chair.

The Chair will need staff. Ideally, those working with the Chair will be knowledgeable of the relevant government entities and their inner workings. Those providing staff support should be “loaned” to the effort from public agencies as part of the strategy for avoiding administration costs. Depending on the individual roles, these temporary relief fund positions may last months.

The Fundraising Chair’s support team should handle inquiries about possible contributions; be well-informed of the purpose, workings and status of the relief fund; and interact frequently with the Chair and those managing the fund distribution process.

### PROFESSIONAL FUNDRAISING COUNSEL

If possible, identify a professional fundraising counsel who will offer his or her services pro bono. It is extremely beneficial to have someone with this expertise available to advise the Fundraising Chair on effective fund management processes and procedures.

Ideally, this professional should:

- Have direct experience working with the potential corporate and foundation donors you will be approaching;
- Assist with direct “asks” for contributions;
- Help the Chair determine the appropriate level of “ask” in different situations; and
- Advise the Chair on the best way to approach potential large donors.

Your Secretary of State’s Office of Charitable Solicitation should list fundraising consultants licensed by the state. A local or state foundation executive can also be helpful in identifying someone to play this critical role. Many fundraising experts would be honored to be asked to assist in this effort.

### YOUR FUND’S FISCAL AGENT

Some donors may be reluctant to contribute to a government entity, and some large nonprofit foundations can only give to another nonprofit. For these reasons, your relief fund’s fiscal agent should be a not-for-profit, 501(c)3 organization. Your fiscal agent will act as the legal entity accounting for and physically distributing monies.

A nonprofit 501(c)3 organization, such as a community foundation or the United Way, will have experience in handling large sums of tax-deductible donations.

Nonprofit 501(c)3 organizations provide the donor with the maximum deduction allowable by law. Identify a fiscal agent prior to the disaster; the fiscal agent can ensure the fund is run effectively and legally.

Your relief fund’s relationship with the fiscal agent may go on for months or years in order to handle record-keeping requirements. (Federal tax law requires that donations records such as copies of checks and account information be kept on file for seven years.)

The fiscal agent with whom you choose to partner should be reputable, fiscally sound and receive annual financial audits.

Your fiscal agent should have systems in place to receive, record and distribute the monies—from letter-opening machines to the staff needed to post and deposit funds. This is especially important since many of the contributions you receive by mail will be cash. Your state’s Department of Revenue can fulfill this role.

At the local level, use an equivalent agency.

Most importantly, the fiscal agent must commit to assuming this role at no charge to the relief fund. Donors do not want their contributions used for administrative and overhead expenses.

### COORDINATING WITH OTHER RELIEF EFFORTS

Existing volunteer organizations such as the Red Cross or the Salvation Army play an important role in any major disaster. But most either may or must take a portion of the funds contributed for administration.

If you follow the advice of this guide, your effort will be implemented with virtually no overhead.

### Responsibilities of the Funds’ Fiscal Agent

- Receive funds
- Ensure appropriate systems are in place to receive, record, deposit and dispense the funds
- Distribute monies in accordance with pre-established policies and/or restrictions
- Acknowledge contributions (through receipt)
- Be publicly accountable and independently audited
- Hold donation records for seven years
- Provide all administrative services at no cost

### Plan Ahead (Example)

In North Carolina, every county must establish an Emergency Management Plan. Counties can use this opportunity to establish the infrastructure for a relief fund in advance of an actual disaster.

Every penny you raise will assist those who may have no other immediate access to assistance. You may receive contributions that amount to thousands, if not millions of dollars.

**Extensive staff support may not be necessary for small-scale relief funds, which can be effective with just a few committed people.**

Some potential contributors may not be able to give to your relief fund effort because it falls outside their grant making guidelines. However, these potential contributors are still critical to the relief process when they give to other relief organizations. Support whatever giving decision donors make. You should view all sincere relief efforts as part of the solution rather than a problem or competition.

#### **COMMUNICATION IS KEY**

The Relief Funds' Communication Team is central to the effort's success. The Communications Team should quickly make the broadcast and print media their top ally in disseminating information and making the relief fund known and visible. Existing, positive relationships with the media are essential.

The media can be your best resource as long as the relief fund is seen as a source of credible, useful information. Identify an effective speaker such as your Fundraising Chair, and arm him or her with key messages or talking points. The extensive media coverage that often follows disasters can help you quickly inform the public of your relief efforts.

Your key messages should be:

- Positive
- Simple
- Brief
- Action-oriented ("Give to our fund")
- Include a human interest angle or appeal

*See Appendix B(1) for Sample Press Release Templates (English and Spanish).*

Coordination between your communication and fundraising teams is important to ensure key messages are consistently and effectively reflecting community needs. Reevaluate your messages often to ensure they remain relevant and useful.

A Web site can be a wonderful communication tool for your fund. Web sites can be established quickly; accessed by an endless number of people; updated as soon as information changes; and equipped with a secure form to accept credit card contributions.

#### **Inside Game: Internal Communication**

- Clearly define roles and responsibilities for everyone working on the fund.
- Create a relief fund implementation plan with specific stages, tasks and timelines.
- Hold regular team meetings to ensure everyone is 'on the same page.'
- Include key stakeholders and local leaders on regularly scheduled conference calls to address problems, discuss strategies and build support.
- Create a one-page informational handout that describes the purpose of the fund and how it will be operated. Everyone associated with your fund should use this fact sheet.

*See Appendix B(2) for Sample Flyer Announcing Relief Fund (English and Spanish)*



## CHAPTER THREE

### Fundraising

---

**To policymakers:** This chapter provides advice that will lead you to the appropriate structures, procedures and staffing of the relief fund. This is not intended to be a complete “How to Fundraise” manual.

**To fundraisers:** Disaster relief fundraising is different than any fundraising you may have done in the past. Best practices in the context of a disaster are not the same as for a standard fundraising effort. For example, in a standard fundraising effort you would counsel a more comprehensive evaluation process rather than the abbreviated one recommended here.

Time is of the essence! Time—or the lack thereof—is both your greatest enemy and kindest friend. This chapter is designed to help you use time wisely and effectively to meet your goals of helping disaster victims quickly, effectively and fairly.

Because needs stemming from the disaster will likely be self-evident, much of the fundraising will seemingly take care of itself, right? Well, yes and no.

In approaching the fundraising aspect of disaster relief, the two biggest challenges will be:

1. Managing the overall fundraising effort; and
2. Enhancing the fundraising so the maximum monies are raised and equitably distributed.

A considerable portion of your relief fund’s work will be devoted to the management of the fundraising effort.

Disasters tend to happen quickly and with overwhelming force. The same holds true for fundraising in the aftermath of a disaster. The more planning you do in advance of the disaster, the better equipped you will be to handle the outpouring of support that immediately follows such devastation.

In 1999, the N.C. Hurricane Floyd Relief Fund generated more than 20,000 financial contributions within a few days of then Governor Hunt’s national appeal. Within a few weeks of the storm, 67,000 donations had arrived. Without good planning and systems, this volume could quickly overwhelm a fundraising operation.

Your fundraising effort will go smoothly if you establish and follow a well-developed strategy, which follows an established fundraising theory. The biggest, most frequent mistake—especially if you are interested in influencing the number and size of gifts—is to simply ‘make the asks’ and hope for the best. You can do better.

#### THE FIVE I'S OF FUNDRAISING:

- **Identify**—your target contributors
- **Interest**—them in the disaster
- **Inform**—them about the fund
- **Involve**—them in the cause
- **Invest**—they write the check

**Identify:** Before beginning your efforts, identify your target audience—those whom you are trying to motivate to give. These range from the civic leaders in the affected and surrounding communities to large corporate leaders.

Remember not only to reach out to the donors who are physically close to the disaster, but also those far away who have local interests, such as families and district offices or branches of business in the impacted communities.

By law, any gifts of \$250 or more must be acknowledged in writing and the receipt must state, “No goods or services were received in return for the contribution.” The best practice, however, is to acknowledge all gifts in writing.

With a disaster that is local, regional or statewide in scope, your primary audience will be within the state itself. However, don't ignore possible opportunities through the national media or other vehicles to request assistance from other areas. The N.C. Hurricane Floyd Relief Fund received many national and some international donations.

**Interest:** Unlike most fundraising efforts, interest is among the least of the fund's challenges. Thanks to the media, virtually everyone will know about and have interest in a disaster. It is critical that the leaders, whether the mayor, the governor, or other civic leader, play an active, ongoing role in maintaining the public's interest in the fund and effectively explaining how individuals can help. (See “Communication is Key” section of Chapter Two)

**Inform:** Articulating the scope of the disaster in a consistent and compelling manner will be chiefly the responsibility of others, including the state and/or local Emergency Management and the Governor's Communications and Press offices. On the local level, consider working with the mayor, city staff and county manager or the lead municipal agency on communications efforts. Stay aware of what all organizations are saying to the public and have one communication strategy. If you begin providing inconsistent, contradictory information, your audience

(i.e., potential donors) will be confused and less likely to give.

**Involve:** In most fundraising efforts, involving your audience in your cause is vital to getting their support. Human-interest stories reported by the media as well as personal experiences and relationships with victims will help generate interest. Use the media as a vehicle for your messages. Don't hesitate to involve your audience—past and potential donors—in other aspects of the fundraising if they express a desire to do so. Encourage them to become involved in the many hands-on relief organizations that are involved. Encourage community leaders and contributors to reach out to their friends and peers for additional financial support.

**Invest:** When people are informed and involved, they contribute. Clarity is the most important challenge here. Donors need to know how they can give and be clear on how their contribution will be used.

#### METHODS OF GIVING

Most contributions will arrive by regular mail, although many will come through the Internet, which has emerged as a secure fundraising tool. You will miss a critical resource if you opt not to use the Internet to raise and receive funds. Ideally, you will set up the process for doing this in advance of a disaster.

Include specific, easy-to-remember information on all materials informing donors how to give. Provide a variety of ways people can give—cash, check, or credit card via mail, fax or online. In the case of Hurricane Floyd, the Governor's Office established a toll-free number for donations, which was an effective and efficient way to encourage contributions to the fund.

#### UNDERSTANDING YOUR DONORS

**Individuals:** In a crisis, individuals not directly affected by the disaster will want to help. Some individuals will be compelled to make a financial contribution. While individuals will not likely be the source of the largest gifts, their contributions will add up quickly. Ordinary citizens will represent the largest part of your donor pool, both in numbers and total dollars raised.

**Business and Corporations:** Large corporations should and will respond generously with financial assistance to a disaster, with the total gifts sometimes exceeding \$1 million. For a disaster of regional or statewide impact, consider actively targeting the top 100 companies for a contribution, with a special emphasis on companies in communities physically surrounding or otherwise tied to the impacted area. Also, target companies that may have a presence or interest in the state but may be physically located elsewhere. Your Department of Commerce or local chamber of commerce can help identify those businesses and corporations including their contact information.

**Foundations:** Foundation sources can and will respond to a disaster, including:

- Private foundations
- Community foundations
- Corporate foundations

**Private foundations** may be among your best and biggest prospects. Large private foundations, such as the Z. Smith Reynolds Foundation in North Carolina, are capable of making significant gifts to a relief fund. They will also be among your most sophisticated and will understandably demand strict accountability. It is best to approach large foundations with a clearly defined and written plan for distributing the funds.

Be prepared to receive foundation gifts in a highly restricted manner that may require contributions be used for only one aspect of the disaster. If you agree to receive these monies in a restricted manner, you are legally bound to spend and account for the funds consistent with the restriction.

In general, most large foundations will only entertain grant requests two, three or four times a year; however, they may waive this policy in the case of a disaster or crisis.

Community foundations are another important source of funding. While you can make a request directly to the foundation, you will likely get more support by partnering with them to make a joint appeal to their major donors. Most community foundations have donor-advised funds, which are ongoing funds that function like a foundation within a foundation.

## EXAMPLE

During Hurricane Floyd, the local community in N.C. was successful in appealing to the directors of community foundations and asking them to canvass people who controlled their donor-advised funds, netting millions. Here's how they did it:

1. Send a letter requesting assistance to their contributors, including those who control "donor-advised" funds."
2. Contribute any monies their foundation had available for the effort.

Most states also have numerous **corporate foundations**. Many can give four- and five-figure gifts with ease. A few corporate foundations in the state have given millions to important and compelling causes.

There are also hundreds of **family-controlled foundations**. These are more difficult to target than other foundation sources because there are so many, and they tend to have neither the resources nor the administrative structures of larger foundations. However, family foundations can make significant contributions and should not be ignored.

## EVALUATING YOUR PROSPECTS

Do not call foundations or the top 100 businesses without pre-evaluating your prospects and identifying reasonable amounts to request. There is a range of resources available to assist you.

Assemble a committee of knowledgeable capital campaign veterans to assist in the process. This group should include chairs of nonprofit capital campaigners and local campaign development officers. You may also wish to use political fundraising veterans who have the experience in this particular area.

Convene your core committee for a one to two-hour session to rate each prospect based on anticipated interest or capacity to give. Use this to prioritize your request for assistance.

When you are ready to make the contacts, assign someone with direct access to the decision-makers to do so.

*See Appendix B(3) Sample Fundraising Letter.*

## Working with Restricted Funds or Other Types of Gifts

### EXAMPLE

During the N.C. Hurricane Floyd Relief campaign, Barnes and Noble bookstores made a substantial contribution with the request that it be earmarked for educational needs. A member of the Relief Fund team consulted with leaders in the affected counties for recommendations of possible recipient organizations, such as schools and libraries, and invited each to apply by telling about their needs and the costs of addressing them. Decisions were made quickly about whom to fund and at what level. *The result: needed educational supplies reached affected areas and a large donor, Barnes and Noble Bookstores, was pleased by the quick response making it more likely that the company will give when asked again.*

## Flexibility and Creativity Are Key

### EXAMPLE

In North Carolina during Hurricane Floyd, a major foundation was among the most generous contributor to the Relief Fund. Under the foundation's guidelines, contributing directly to the fund was a legal impossibility. *The solution: the Foundation donated millions of dollars to the fund through the Methodist Church. The Relief Fund team was grateful to facilitate the distribution, which went a long way to meet the needs of citizens in crisis.*

**Accepting Restricted Funds:** In the aftermath of a hurricane or event, several companies may offer very specific help, including using the Relief Fund as a conduit for contributing funds to their own employees who might be victims. If you receive such offers, before accepting them, advise the companies to confirm the legality of the contribution with their tax attorneys and accountants. The IRS could view this as a way for the company to use a charitable contribution to directly compensate its employees tax-free while also claiming a tax deduction—a potential violation of tax laws.

### OTHER FUNDRAISING STRATEGIES

**Telethons and Special Events:** With extensive support and planning, a relief fund can raise millions from a telethon.

**Note:** A telethon is a complex undertaking. Do not consider organizing a telethon without using important resources like your Association of Broadcasters and experienced organizations such as public television stations. Rather than managing this effort on your own, empower your local media outlets or public television station(s) to assume a leadership role. Provide your support and guidance to ensure its success.

## IN-KIND AND NON-CASH DONATIONS

You will need to decide whether your relief fund will accept in-kind donations. Potential contributors will offer an array of items that could benefit disaster victims. While some items might be useful, others will not. The more precisely you define and implement a policy on the items you will and will not accept, the more successful your fund will be. You may be eager to accept donations of water, food, clothing and cleaning supplies, all of which can be extremely helpful to the overall recovery effort. However, we recommend not doing so unless these and other in-kind donations are managed, received and distributed separately from the fundraising component. This is important due to the additional logistical arrangements in-kind contributions can require and the need to guard against taking time and effort away from managing financial contributions.

Individuals and organizations offering services with good or self-serving intentions might approach you; others may have suggestions not in line with your fund's mission. Be prepared to make difficult decisions, such as saying no to a donor or referring them to another relief agency or nonprofit organization such as your Emergency Management, the American Red Cross or the Salvation Army to handle their donation.

### LESSONS LEARNED

Below are examples of lessons learned by the state of North Carolina during Hurricane Floyd:

- During the Hurricane Floyd relief effort, fundraising offers from a baton-twirling fundraiser to a benefit rock concert. Most offers were politely declined as they did not serve the fund's mission or were too difficult to manage. Some appeared to be blatant attempts to capitalize on the distress of others.
- You might want to consider recruiting your state Department of Revenue if your state has one. This might be the state agency most experienced in receiving and processing funds. They have both the ability to process the tens of thousands of checks and cash received, and can do so in a secure manner. The mail was brought to the Department, the envelopes were opened and checks recorded into a database by Department volunteers and United Way personnel and deposits were made daily into the special, restricted account established by the United Way.



## CHAPTER FOUR

### Distributing the Funds

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Distributing the funds you raised will be as challenging as raising them, but the reward will be immense. Among considerations are:

- Who gets the funds?
- How much?
- Why?
- For what purposes will the funds be used?
- Must funds be spent within a certain period of time?
- Will distribution and spending be tracked?

This section addresses these and other questions about how to distribute funds quickly, fairly and efficiently.

*See Appendix B(4) N.C. Hurricane Floyd Relief County Guidance for detailed instructions shared with county fund administrators during Floyd's aftermath.*

#### COMPONENTS OF THE DISTRIBUTION PROCESS

1. Establish local Unmet Needs Committee(s).
2. Determine the formula and timeline for allocation of funds to entities responsible for distributing assistance to recipients.
3. Decide who is eligible to receive the funds.
4. Determine allowable uses of the funds.
5. Establish timeline for distribution of funds to individual recipients and/or businesses.
6. Consistently communicate the distribution process and its parameters and limitations to those administering the fund and the general public.
7. Establish a process to resolve special cases.
8. Develop and adhere to reporting requirements about how funds are distributed and spent.
9. Track donations, including those of donors who make restricted donations.

#### DETAILS OF THE DISTRIBUTION PROCESS

Establish criteria for distributing funds to individual recipients.

**Note:** As with much of this guide, the following describes a fund established at the state level. A fund established at the local level would include the same components with modifications to the leadership and operations that drive the process.

Fund managers must decide the appropriate level of control to maintain over whom receives funds at the individual level and the use of the funds by these recipients.

While one option is to leave this decision to recipient entities, such as counties or local nonprofits, a more effective approach is to establish consistent criteria that all entities receiving funds must follow.

When establishing the criteria required of potential recipients, consider the following:

- The purpose of the fund
- Eligibility of an individual or household
- Whether there is a maximum amount that individuals or households may receive
- Whether businesses are eligible, and if so, if and how the criteria would change for businesses

Allowable uses of funds might include:

- Food/food supplies
- Prescriptions/medical supplies not covered by insurance
- Rental assistance/mortgage payments for home or business
- Utility payments
- Cash assistance

*See Appendix b(4) N.C. Hurricane Floyd Relief Fund County Guidance for a list of relief fund criteria.*

#### **Establishing Local Unmet Needs Committee**

Each locality or entity that receives funds from the relief fund should establish its own Unmet Needs Committee. The Unmet Needs Committee is most critical during the process leading up to the distribution of funds. It can play a key role in ensuring adequate outreach to populations at risk of being underserved by the fund either due to lack of access to information, language barriers or other reasons.

Membership of the Unmet Needs Committee should reflect the diversity of the community and should include representatives of some or all of the following, depending on the nature of the disaster and the impacted community:

- Local government, including appropriate emergency responders
- Nonprofit sector
- Faith community
- Business

The local Unmet Needs Committee should:

- Have knowledge of the community
- Serve as an advisory committee for the distribution of funds
- Determine the process for distributing funds

- Ensure a range of stakeholders are involved in the process
- Be available to handle special cases
- Solicit input from local stakeholders who will distribute funds to the individuals in need
- Ensure attention to all victims

*See Appendix B(4) N.C. Hurricane Floyd Relief Fund County Guidance for specific recommendations regarding Unmet Needs Committee membership.*

*See Appendix B(5) Minority Outreach for sample outreach guidance.*

#### **DETERMINE HOW FUNDS WILL BE ALLOCATED**

The allocation process must be:

- Fair
- Fast
- Efficient
- Clearly explained
- Inclusive of an appropriate measure of damage

Fund recipients, the media and donors will be more interested in how the relief funds are allocated than any other aspect of the effort. The funds may be raised at the state level and distributed to localities or other entities.

Alternatively, funds may be raised at the local level and distributed either locally or to broader areas in need. In either case, a clear method must be determined and applied to ensure fair distribution.

- In the first phase, establish an allocation formula for distribution.
- Clearly communicate the process for distribution. Hold a joint conference call with local leaders (such as county managers, social services directors and others) of every county or entity that will receive and distribute funds.
- During the call, review the process and parameters for the distribution of funds and provide an opportunity for questions that will allow the different stakeholders to learn from each other. Address the following during the conference call and in any accompanying written communications:

- Allocation formula for distribution of funds to counties and resulting amounts per county
- Criteria for receipt of funds by individuals and businesses
- Deadline for distribution of funds by counties
- Deadline, if any, for expenditure of funds by individual recipients
- Whom to contact for “special cases”
- Reporting requirements and related deadlines
- Available resources and communications tools, such as a press release template in English and Spanish (*see Appendix B1*)
- Commitment at all levels that no portion of the contributions to the relief funds will be used for administration
- Plan for delivery of checks (*see “Local Administration of the Fund” later in this chapter*)

In the case of a hurricane and other natural disasters, damage is assessed based on structural damage to homes and businesses and the number of households submitting FEMA registrations. It is difficult to conduct accurate damage comparisons among localities. For this reason, it is critical to use data such as housing damage assessments and FEMA registrations to assist in the allocation process.

In the case of an economic disaster or one where FEMA registrations are not part of the equation, your fund can consider using the number of layoffs or casualties to arrive at a basis for comparing damage among jurisdictions. If only one jurisdiction is impacted, it is possible that no such assessment is needed.

Funds may be distributed in phases, depending on the amount of funds raised and the ability with which immediate needs can be assessed. A phased distribution strategy can allow for a portion of funds to be distributed immediately, while building in the possibility that new information and circumstances may warrant different funding priorities. This new information can be built into later phases of funding.

The following method is recommended for determining allocation of funds:

#### **Base allocation**

Each receiving locality or entity receives a minimum base allocation to ensure funds are sufficient to have meaningful impact on those in need and are worth the effort local leaders will expend to administer them. The base allocations may be equal in amount or may fall within a determined dollar range. Different base allocations may be desirable when the extent of damage varies widely from jurisdiction to jurisdiction. In certain instances, a base allocation may not be necessary because of the small scale of the relief effort.

#### **Additional allocation**

Each receiving locality or entity is given an additional allocation that reflects its specific circumstances, such as damage suffered and identified needs. The additional allocations help to address the range of damage specific to localities and victims.

#### **EXAMPLE OF AN ALLOCATION METHOD USED DURING HURRICANE FLOYD:**

- FEMA classified counties as having suffered severe, moderate or minor damage.
- Each of these counties received a base allocation of \$50,000 during Phase One.
- This base was supplemented by additional funds determined by the number of FEMA registrations in each county.
- In Phase Two, counties were again given base allocations. In this phase, however, the base amount (\$25,000, \$50,000 or \$100,000) depended on the percentage of households damaged in each county according to FEMA’s damage assessments.
- Phase Two allocations were then supplemented by amounts determined by the number of each county’s FEMA registrations.

**Example one:** Just three weeks after Hurricane Floyd’s arrival, Phase One of the N.C. Hurricane Floyd Relief Fund distributed \$6 million.

- Fund amount: \$16 million raised; \$6 million distributed in Phase One
- Receiving entities: 30 N.C. counties
- Range of damage: wide range among receiving entities’ jurisdictions—minor,

moderate and severe as classified by FEMA according to pre-determined guidelines.

- Base allocation: \$50,000 to each of the 30 counties.
- Additional allocation: ranged from \$17,000 to \$678,000 distributed to the 30 counties based on \$86.08 per FEMA registration. (After the base allocation, the remaining funds were divided by the number of FEMA registrations, resulting in \$86.08 per registration.)

**Example two:** Phase Three of the N.C. Hurricane Floyd Relief Fund occurred approximately three months after the hurricane. By this time, some counties had indicated that they no longer wished to receive assistance from the fund because they believed their residents' immediate needs had been met.

- Fund amount: over \$20 million had been raised and \$16.5 million distributed. The remaining \$3.5 million was distributed in Phase Three.
- Receiving entities: counties that requested additional funds.
- Range of damage: wide range among receiving entities' jurisdictions—minimal, moderate and severe as classified by FEMA according to pre-determined guidelines.
- Base allocation: \$20,000 to each of requesting entities. Those that requested less than \$20,000 received the amount requested.

- Additional allocation: up to \$539,000 based on \$53.47 per FEMA registration. (After base allocation, the remaining funds were divided by the number of FEMA registrations, resulting in \$53.47 per registration.)

*See Appendix B(6) N.C. Hurricane Floyd Relief Fund Phase One and Phase Three Funding Allocations for sample formula allocations charts. (Note: Phase Two is not addressed here as it followed the same allocation model as Phase One.)*

#### **PURPOSES AND TIMEFRAME FOR SPENDING THE FUNDS**

Refer to your relief fund mission statement for determining how and when funds should be spent. The relief fund should consider:

- Immediate needs
- Needs unmet by other sources of assistance
- Phases of distribution, if appropriate
- Communications items

The key purpose of establishing a disaster relief fund is to meet needs that government funding is unable to address. Therefore, it is critical to distribute the contributions as quickly as possible. There are at least two reasons to consider distributing the funds in more than one phase if the fund is large enough to make this feasible.

- If your fund will be accepting donations for several months, it is likely that you are responding to an ongoing crisis that

#### **Recommended timeframe for establishment of fund and distribution to recipients:**

1. Establish fund: day of or day after disaster hits
2. Begin accepting donations: day of disaster
3. Establish Unmet Needs Committee(s): within one week of disaster
4. Establish eligible recipients of funds: within 10 days of disaster
5. Establish allowable uses of funds: within 10 days of disaster
6. Initial (or final if only one) allocation of funds to local distributors: within three weeks of disaster
7. Subsequent allocations as appropriate and determined by "immediate" needs and availability of funds: not to exceed three months of disaster
8. Report by local distributors on use of funds: within two weeks of expending funds
9. Acknowledge fund contributions: within two weeks of receipt
10. Complete all spending: within six months of disaster
11. Report by state/lead agency on overall use of funds: within one month of final expenditure by locals

demands immediate distribution of some of the funds during the active fundraising process.

- You may learn important lessons from the first distribution that can be applied to subsequent distributions to make the process better and have a more significant impact.

With the need for both speed and flexibility in mind, a process should be put in place to allow the first allocation to occur within a maximum of four weeks of the disaster and creation of the relief fund. The steps involved in making this initial distribution range from determining who will actually receive the check at the local level to determining into what account it will be deposited.

### LOCAL ADMINISTRATION OF THE FUND

A wide range of local leaders and agencies will be responsible for disaster relief. At the outset, it might not be clear which of these should have primary responsibility for managing the distribution of funds.

For a number of reasons, you should seriously consider giving this role to the local Department of Social Services or a comparable agency. To respond quickly and appropriately, fund administrators must immediately identify an existing system with the capacity to verify eligibility criteria, write checks, document spending and carry out essential administrative tasks. While Departments of Social Services will have such capabilities, there may be other local options depending on the nature and magnitude of the disaster. At the same time, it is important for local leaders to support and be part of the fund allocation process and be fully informed and involved in the local distribution process.

The selected entity must appreciate the fact that disasters do not discriminate. Victims often include families, individuals and businesses that are insured, underinsured and uninsured. The victims may be young, old, wealthy, poor, well-connected or isolated. Regardless of their personal circumstances, those who seek financial and other assistance from local government are likely to be in serious, immediate need.

*See “Determine How Funds Will Be Allocated” earlier in this chapter for steps to increase the likelihood of fair and timely distribution of funds.*

### What to do when communities do not ask for more funds:

While it is a logical assumption that any offer of funds will be accepted, it is possible that a county will indicate that it does not want additional allocations from the relief fund because of a belief that its residents’ needs have been met. Phased allocations allow the fund to adapt to such a situation. At the appropriate stage, counties can be asked to request allocations in lieu of receiving them, regardless of stated need.

*See Appendix B(7) N.C. Hurricane Floyd Relief Fund Phase Three Allocation Request Form for sample funding request form.*

### HANDLING SPECIAL CASES AND TROUBLESHOOTING

There will inevitably be victims who make compelling cases for more than the maximum amount allowed by the fund. It is not feasible to identify all the possible “special cases” that will emerge during a crisis. It is possible, however, to work with local administrators to check these cases against the overall principles of the fund and to consider the precedent each case would set if funded. It is also possible to include a clause in the eligibility criteria that recommends guidelines but allows local leaders to make alternate arrangements if necessary.

### Four critical points should be considered:

1. Ensure there is a knowledgeable, accessible state-level person available for local administrators to contact for guidance concerning the wide range of decisions that will emerge during the fund distribution process.
2. To the extent possible, find a balance between establishing criteria at the state level and recognizing the need of local administrators to maintain flexibility to address local circumstances.
3. Obtain information from the state and/or local department of revenue about whether assistance received from the relief fund is taxable.

In the case of the Hurricane Floyd Relief Fund, an arrangement was made with United Parcel Service to deliver the relief fund checks to county managers’ offices at no charge. This was a positive aspect of the process not only because of the speed at which the checks were delivered but also because of the additional expression of good will it demonstrated to emergency responders and disaster victims.

4. It will be crucial to obtain a determination from FEMA regarding whether receipt of funds from the relief fund will decrease or count “against” other possible assistance for which victims have applied or already received. Clearly the desired response is that relief funds raised and distributed would not jeopardize an individual’s or family’s eligibility to receive funds from other sources.

*See Appendix B(8) N.C. Hurricane Floyd Relief Fund Income Tax Information regarding taxation of relief fund assistance.*

#### **REPORTING AND ACCOUNTABILITY**

While the majority of fund donors will make little effort to learn how their contribution is used, it is important to keep accurate accounting of who receives the funds and the purposes for which they are used. It is recommended that counties be required to report on the distribution of funds by type of recipient and proposed use of funds. This format serves numerous purposes, including:

- Making it possible to report to donors on the use of funds;
- Providing information about the use of funds helps pinpoint victim needs and may lead to modifications in subsequent phases of fund distribution; and,
- Opportunities to provide information about the use of funds at the local level can make the situation more meaningful to those addressing it from a distance (i.e., legislators, state leaders, donors).

*See Appendix b(9) N.C. Hurricane Floyd Relief Fund Reporting Guidelines for a sample reporting form.*

#### **LESSONS FROM FLOYD**

- During Phase One of fund dissemination, two counties used distribution methods that were prohibited in subsequent phases. One was to distribute funds on a first-come, first-served basis. The other was to distribute the same amount of funds to all applicants regardless of need. Based on experience, we strongly recommend that local administrators not be allowed to distribute funds to families and individuals on either a first-come, first-served basis or an equal allocation to all applicants. While these methods made for an easier process, they also meant that many victims in great need either did not receive any funding or received funding that did not match their needs. For this reason, such methods were prohibited in later phases of distribution.
- During Floyd, questions arose regarding eligibility for funds based on a family’s economic or immigrant status. A clear decision was made that relief funds were intended to help anyone in immediate need who was unable to meet their needs with assistance from other sources.
- Many steps must be carried out simultaneously. For example, the establishment of the local distribution committee should be under way while decisions are being made about the specific allocation formulas for the relief fund.
- Preserve “local control” to the extent possible. Consistent standards and processes should be applied to the overall distribution process; however, different jurisdictions will have different needs and each may require time to meet those distinct needs.

#### **Key Reminders**

- Disseminate all written communication via fax or email
- Translate all flyers, news releases and outreach documents into Spanish or any other languages commonly spoken among a community’s residents
- Expect requests for troubleshooting
- Document, document, document
- Communicate, communicate, communicate



## CHAPTER FIVE

### Evaluating Your Success

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At some point before the end of your relief fund experience, take time to hold a debriefing session to reflect on your successes, challenges and strategies for improving the next relief fund. To do so, consider the following questions:

#### DEBRIEFING QUESTIONS

1. Did you select the right relief fund chair?
2. How would you change the composition of your relief fund teams? Should others be included or excluded?
3. Did you select the right fiscal agent? What made the partnership successful? How could it be improved?
4. In what areas were state and federal assistance most lacking?
5. Were your fundraising efforts successful? Based on this experience, are there other businesses or organizations you should contact in the future?
6. Were restricted funds a problem for the fund? How did you overcome challenges?
7. How could your communication efforts be improved? Did you build partnerships with local media and have consistent messages at all levels of the fund?
8. How would you change the distribution plan and process?
9. How can you improve coordination between your fund and others?
10. What were the biggest challenges? How can they be overcome next time?
11. Were adequate accountability measures in place to ensure appropriate distribution and use of contributions?
12. How can you be better prepared when the next disaster strikes—what systems or processes should be in place?



## APPENDICES

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Portions of the information provided in Appendix A were drawn from the FEMA Federal Disaster Aid Guidelines and the N.C. Department of Health and Human Services and Department of Commerce. Web sites of individual federal and state agencies can be found on pages oo-oo of this guide.

## APPENDIX A

### Types of Federal Disaster Aid

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Once a county or locale is declared a Major Disaster in the Presidential Major Disaster Declaration, individuals, families and businesses may be eligible for federal assistance. To be eligible, victims must live, own a business or work within the declared county and, depending on the type of assistance, be without insurance or financial resources to meet their needs.

Individuals and business owners affected by the disaster are urged to call the Federal Emergency Management Agency's (FEMA) toll-free teleregistration phone numbers, **1-800-621-FEMA (3362)** and **TTY 1-800-462-7585**, to begin the process of determining assistance eligibility. A disaster victim must register with FEMA to be eligible for assistance and to establish their level of eligibility. For further information about the FEMA disaster recovery programs, visit the FEMA Web site at [www.fema.gov](http://www.fema.gov).

Disaster Recovery Centers open quickly in declared areas and are staffed with FEMA and state emergency management representatives. Disaster victims can visit these centers to obtain information about the various disaster aid programs available and learn about the recovery process. The deadline for most of the individual assistance programs is sixty (60) days following a major disaster declaration unless an extension is requested by the state and is granted. It is important to note that most programs provide loans not grants.

Needs are addressed by FEMA through three major disaster aid programs:

- Public Assistance
- Hazard Mitigation Grant Program
- Individuals and Households Program

The Governor or the Governor's Authorized Representative (GAR) typically makes requests for assistance from these programs.

**Public Assistance (PA)** helps communities repair damages to public facilities and/or infrastructure. Projects eligible for this assistance program may include:

- Debris removal
- Emergency protective measures
- Road system and bridge repair
- Water and waste water treatment facilities
- Public buildings and their contents
- Public utilities
- Parks and recreational facilities

**The Hazard Mitigation Grant Program (HMGP)** funds local governments as well as state agencies, nonprofits and universities to help "mitigate" or reduce the likelihood of future risks to life and property. Through the implementation of mitigation measures, this program intends to reduce or eliminate long-term hazard risks by reducing personal property loss, saving lives and reducing the costs incurred by the state and nation to respond to and recover from disasters.

This voluntary program can grant funding to purchase, relocate or elevate an individual's damaged home and relocate or retrofit eligible buildings to be less vulnerable to future flooding, wind or earthquake damage.

**The Individuals and Households Program (IHP)** provides up to \$26,200 in financial assistance to an individual or household for any single emergency or major disaster declared after October 1, 2004. (Federal Register/Vol. 69, No. 201). The maximum amount of "Repair Assistance" is \$5,200 and the maximum amount of "Replacement Assistance" is \$10,500. Funding assistance under this program includes "Housing Needs" grants for repairs to damaged homes and "Other than Housing Needs" for personal property loss not covered by insurance. A disaster victim must apply for a SBA loan (see next page) and be denied in order to qualify for assistance under IHP.

**Housing Needs Assistance** is available to victims displaced because their residence was destroyed or heavily damaged. This aid covers the cost of temporary lodging and for limited housing repairs to make the home safe and sanitary.

Assistance may include:

- Lodging assistance
- Rental assistance
- Home repair cash grant
- Home replacement cash grant
- Limited permanent housing construction

**Other than Housing Needs Assistance** helps victims meet other necessary needs not covered by insurance or other aid programs. It helps cover the cost of damages to personal property or to pay for eligible disaster-related necessities. The assistance process includes an inspection of the damaged property to verify the loss. Once eligibility is verified, the victim receives the aid in the form of a check, grant or loan.

Assistance may include:

- Medical, dental and funeral costs
- Transportation costs
- Other disaster related needs such as replacement of personal property
- Clothing and household items
- Cleaning items (wet/dry vacuum, dehumidifier)
- Replacement of disaster damaged vehicle
- Moving and storage expenses
- Heating fuels (gas, oil, firewood)

A number of other federal agencies administer additional disaster assistance programs:

**Small Business Administration (SBA)** Disaster Loans are available to homeowners, renters, and business owners to cover uninsured property losses. These low interest loans are available to qualified victims for repair or replacement of homes, automobiles, clothing or other damaged personal property and to business owners for property loss and economic injury not covered by insurance. **A disaster victim must apply for a SBA loan and be denied in order to qualify for assistance under IHP.**

SBA can provide three types of disaster loans:

- **Home Disaster Loans** are available to qualified homeowners and renters to repair or replace disaster-related damages to the property, including inventory and supplies.
- **Business Physical Disaster** Loans are available to business owners to repair or replace disaster-related damages to the property, including inventory and supplies.

- **Economic Injury Disaster Loans** are available to small businesses and agricultural cooperatives to provide capital to assist them through the recovery period.

**Food Stamp Program** is a federal food assistance program available to low-income families. This program entitles eligible individuals and families to receive financial assistance to purchase most food items at participating stores. Tobacco products, alcoholic beverages, pet food, paper and soap products may not be purchased using federal food stamp assistance. During major disaster events, emergency food assistance may be available to provide relief to eligible disaster victims.

**Crisis Intervention Program** is federally funded assistance to low-income households for heating and cooling emergencies. Following a major disaster, low-income victims may be eligible. An eligible household may receive assistance more than one time during a fiscal year.

**Low Income Energy Assistance Program (LIEAP)** is a federally funded program providing one-time cash payments to eligible families to help pay heating bills. Households may be eligible for one-time assistance under LIEAP.

**Farm Service Agency (FSA)** Loans are available to farmers and businesses impacted by the disaster to repair or replace damaged property and personal belongings not covered by insurance.

**Veterans Benefits Assistance** from the U.S. Department of Veterans Affairs provides pension settlements, death benefits and adjustments to home mortgages.

**Tax Refunds** from the Internal Revenue Service (IRS) allow certain casualty losses to be deducted on federal income tax returns for the year the loss occurred or through an amendment to the previous year's return.

**Unemployment Benefits** may be available through the state unemployment office and supported by the U. S. Department of Labor for disaster unemployment assistance and unemployment insurance.

**Crisis Counseling** is available to disaster victims from stress, grief or mental health problems

caused or aggravated by the disaster event. Crisis counselors and related services are available to individuals who have registered with FEMA. There are two separate federally-funded crisis counseling services programs, the Immediate Services program and the Regular Services program, both of which must be requested by the state.

- **Immediate Services Program** provides the ability to respond to immediate mental health needs, public information and community networking outreach services.
- **Regular Services Program** provides for longer-term needs (e.g., up to nine months of crisis counseling). Community outreach and educational services may also be provided to eligible disaster victims.

**Free Legal Counseling** is available to low-income individuals through the Young Lawyers Division of the American Bar Association under an agreement with FEMA. Cases that may produce a legal fee are turned over to a local lawyer referral service.

#### **Important Things To Know About Federal Assistance**

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- Federal audits are conducted to ensure that the aid is properly administered and used only for the intended purposes.
- Duplication of benefits, such as insurance or aid provided by other sources, is not allowed.

## APPENDIX B

### Ready Forms —N.C. Hurricane Floyd Relief Fund Forms and Guidelines

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Ready forms like those included in this appendix will likely be needed in future relief fund efforts. They are included with the explicit intention that they be modified and used again to prevent the need to recreate such forms.

This appendix contains the following:

1. Sample Press Release Templates (English and Spanish)
2. Sample Flyer Announcing Relief Fund (English and Spanish)
3. Sample Fundraising Letter
4. N.C. Hurricane Floyd Relief Fund County Guidance
5. Minority Outreach
6. N.C. Hurricane Floyd Relief Fund Phase One and Phase Three Funding Allocations
7. N.C. Hurricane Floyd Relief Fund Phase Three Allocation Request Form
8. N.C. Hurricane Floyd Relief Fund Income Tax Form
9. N.C. Hurricane Floyd Relief Fund Reporting Guidelines

## APPENDIX B(1)

### Sample Press Release Template (English version)

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FOR IMMEDIATE RELEASE

Contact: \_\_\_\_\_ ( NAME) \_\_\_\_\_

Date: \_\_\_\_\_ Phone: \_\_\_\_\_

#### (COUNTY NAME) COUNTY SET TO BEGIN HELPING VICTIMS THROUGH HURRICANE RELIEF FUND

DATELINE—(COUNTY NAME) COUNTY will help hurricane victims through the (DISASTER) Relief Fund. LOCAL DETAILS HERE—WHERE PEOPLE NEED TO GO TO SIGN UP. INCLUDE TIME, LOCATION, STREET ADDRESS, WEB SITE ADDRESS.

The (DISASTER) Relief Fund is designed to provide emergency help to people in (YOUR STATE) hardest hit counties who are unable to get immediate help from existing assistance programs.

“QUOTE from COUNTY MANAGER/DSS DIRECTOR—about the commitment to help victims, and the process to provide assistance to them as soon as possible,” said (NAME/TITLE).

The first allocation of funds will be used to help families pay for medical supplies, utilities, mortgage or rent, food and other critical household needs still unmet by public and private resources. Additional allotments will be made in the coming weeks.

Assistance will be based on the number of Federal Emergency Management Agency (FEMA) disaster assistant registrations in (COUNTY NAME) county as of (DATE) and initial damage assessments.

A local unmet needs committee headed by (RELIEF FUND CHAIR) will oversee the funds and their distribution. The committee will determine the specific requirements and the process for providing payments from the fund. The committee will be convened by the (COUNTY NAME) Department of Social Services and will include local emergency management officials and a representative of the American Red Cross, the Salvation Army, the faith community, the United Way, the cooperative extension service, the chamber of commerce and others.

As of (DATE), the (DISASTER) Relief Fund collected about (DOLLAR AMOUNT) from individuals and corporations across (STATE) [and the nation]. The fund is continuing to accept donations. Donors may send checks to (CONTACT INFORMATION: include mailing address and Web site address, if applicable).

## APPENDIX B(1)

### Sample Press Release Template (Spanish version)

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PARA DIFFUSION IMEDIATA

Persona a contactar: \_\_\_\_\_ (NOMBRE)

Fecha: (MES/DIA/ANO) \_\_\_\_\_ Telefono: \_\_\_\_\_

#### **EL CONDADO DE (NOMBRE DEL CONDADO) YA ESTA LISTO PARA INICIAR CON LA AYUDA A LOS DAMNIFICADOS POR MEDIO DEL FONDO DE ASISTENCIA POR EL HURACAN**

FECHA DE PUBLICACION—EL CONDADO (NOMBRE DEL CONDADO) esta listo para empezar a ayudar a los damnificados por medio del Fondo de asistencia por el huracan Floyd en Carolina del Norte (N.C. Hurricane Floyd Disaster Relief Fund).

AGREGAR DETALLES DE LA JUNTA LOCAL AQUI,—A DONDE DEBEN IR LAS PERSONAS PARA REGISTRARSE, DEBE INCLUIR LA HORA, LUGAR DIRECCION FISICA Y DIRECCION DE LA PAGINA ELECTRONICA.

El fondo de asistencia en emergencias como el huracan Floyd esta disenado para proporcionar ayuda de emergencia a las personas que estan en los condados que fueron mas danados y quienes no pueden recibir ayuda immediate de los programas de asistencia existents.

“CITA DEL ADMINISTRATOD DEL CONDADO Y DIRECTOR DEL DEPARTAMENTO DE SERVICIOS SOCIALES—sobre el compromise de ayudar a los damnificados y el proceso de ayudarlos lo mas pronto posible...” dijo (NOMBRE/POSICION).

La primera asignacion de fondos sera utilizada para ayudar a las familias con alimentos, medicinas, pago de servicios publicos, hipoteca o renta y otras necesidades domesticas criticas que no se han satisfecho por otros recursos privados y publicos. En las semanas a venire se otogaran asignaciones adicionales.

La asitencia otorgada se basara en el numero de personas que se registraron para recibir ayuda de la Agencia de Administracion de Emergencias Federales (en inglés, Federal Emergency Management Agency—FEMA) dentro de cada condado y la evaluacion inicial de los danos.

Los comites de necesidades que aun no se han satisfecho en cada condado vigilaran los fonds y su distribucion. El comite tambien determina los requisitos especificos para los condados y el proceso para hacer los pagos. El comite sera integrado por el Departamento de Servicios Sociales de (NOMBRE DEL CONDADO) e incluire a los oficiales de administracion de emergencias locales, y a un representante de la Cruz Roja Americana, la Armada de Salvacion (Salvation Army), la comunidad religiosa, la agencia United Way, el servicio e extension de cooperacion (Cooperative Extension Service), la Camara de Comerico y otras agencias.

Hasta el (FECHA), el fondo de asistencia (DE DESASTRE) recabo cerca de (CANTIDAD EN DOLARES) que provienen de individuos y corporaciones en todo Carolina del Norte y el resto de la nacion.

El fondo continua aceptando donaciones. Los donardores pueden enviar un cheque a: (INFORMACION DE CONTACTO; incluya la direccion postal y direccion de la pagina electronica, si existe).

## **HURRICANE FLOYD ASSISTANCE**

If you need assistance as a result of Hurricane Floyd you may qualify for help from the (DISASTER NAME) Relief Fund which is for people unable to get help from other assistance programs.

Beginning on [DATE], [COUNTY NAME] county will distribute funds to people who need:

- Medicine or Medical Services
- Cleaning Supplies
- Hygiene Products
- Rental or Mortgage Assistance
- Utility Payments
- Food
- Clothing
- Car Repair
- Other Emergency Needs

To apply for assistance or for more information, contact:

Name

Address

Phone number

Fax number

## **AYUDA PARA DAMNIFICADOS DEL HURACAN FLOYD**

### **SI NECESITA AYUDA A CONSECUENCIA DEL HURACAN FLOYD**

Es posible que usted califique para obtener ayuda del fondo de asistencia por el huracan Floyd en Carolina del Norte (N.C. Hurricane Floyd Relief Fund). Este fondo se ha establecido para ayudar a las personas que tienen necesidades inmediatas y que no pueden obtener ayuda de otros programas de asistencia.

A partir de (FECHA), El condado de (NOMBRE DEL CONDADO) distribuirá los fondos a las personas que necesitan:

- Servicios Medicos Y Medicamentos
- Productos De Limpieza
- Productos Para La Higiene Personal
- Ayuda Con La Renta O Hipoteca
- Pagos De Servicios Publicos (Gas, Electricidad)
- Comida
- Ropa
- Reparaciones De Automoviles
- Otras Necesidades De Emergencia

Para Mayores Informes O Para Recibir Asistencia,  
Por Favor Comuniquese Con:

Nombre  
Direccion  
Numero telefonico  
Numero de Fax

## APPENDIX B(3)

### Sample Fundraising Letter

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DATE

NAME, TITLE

FOUNDATION/CORPORATION

ADDRESS

CITY, STATE ZIP

Dear \_\_\_\_\_:

With this letter, The XYZ Disaster Relief Fund is seeking \$XX,XXX in immediate support from the ABC Foundation/Corporation.

As you are no doubt aware, we have suffered a disaster of almost unprecedented proportions. Local, state and federal governments as well as the Red Cross, Salvation Army and church groups are doing and will continue to do all they can to alleviate the misery this disaster has caused. If you have given or plan to give support to one of the groups who are supporting the relief efforts, we thank you.

Our fundraising effort is different from most others. First and foremost, every dollar you contribute will go toward the relief effort—not one dollar will go for fundraising or administrative costs. Second, we have the systems in place to get the funds to the most affected people as quickly as possible, with a minimum of red tape. We should add that we are taking every measure possible to ensure that the funds you contribute will not be used in the place of any existing government relief effort.

The needs are enormous. With more than XXX,XXX homes destroyed or severely damaged, many of your fellow citizens have only what they were able to salvage. In many cases, they have nothing. Your contribution will go toward providing the most basic and immediate needs.

The nature of this emergency is such that we are asking all the major corporations and foundations with interest in our state to respond immediately.

In order to ensure full accountability and maximum tax deductibility, we have partnered with the XXXX fund of (STATE NAME), a 501c(3) agency. They too have agreed to waive all administrative costs.

I have taken the liberty to enclose additional information about our fund, including proof of the XXXX Funds' tax exempt status. If you have any additional questions, I hope you will not hesitate to contact me directly at (PHONE NUMBER).

Sincerely,

RELIEF FUND CHAIR

Attachments

## APPENDIX B(4)

### N.C. Hurricane Floyd Relief Fund County Guidance

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INSERT YOUR STATE SEAL HERE

One-third of North Carolina is suffering from a natural disaster unlike anything ever seen in the state. The record-high floodwaters of Hurricane Floyd—affecting 19,000 square miles of the state, a greater land area than Maryland - forced tens of thousands of people from their homes. Many people lost everything: their homes, their farms, their businesses and their loved ones.

Federal disaster recovery funds, state and local resources and private insurance will help communities begin to rebuild. Even so, North Carolina faces a massive shortfall. Based on conservative estimates from both state and federal agencies, North Carolina will have a \$4.3 billion in total unmet needs.

*To provide additional assistance to victims of the hurricane, Gov. Jim Hunt established the N.C. Hurricane Floyd Relief Fund. Administered by the United Way of North Carolina, tax-deductible contributions can be made to the fund and will be paid directly to victims of the storm by a local committee led by county managers and the directors of local departments of social services.*

#### General Information

The N.C. Hurricane Floyd Relief Fund is intended for victims who, regardless of income:

- Have immediate needs but cannot get assistance from other sources, including government programs
- Cannot wait until they receive other assistance
- Have losses that are not covered by insurance

The distribution of proceeds from the fund to county government is intended to give local communities a high degree of flexibility in determining need and criteria for distribution. These decisions will be made by local Unmet Needs Committees.

**Please convene your local committee (see below), make county specific decisions relative to the program design and criteria included in this guidance, and distribute funds, based upon those criteria, within two weeks of receipt of your funding.**

**Counties are responsible for tracking how all funds are used and for keeping records of all recipients. Counties are also responsible for reporting to the United Way a breakdown of how funds are used, including:**

- Categories of unmet need listed in the criteria,
- Number of households that received assistance, and
- Specific amount of the benefit per household.

**Counties are responsible for ensuring that 100 percent of funds goes toward unmet needs. The fund does not provide any administrative overhead assisting with distribution of relief funds.**

## Distribution of the Funds

Using the guidelines provided, each county must determine the appropriate method to distribute its allocation of the N.C. Hurricane Floyd Relief Fund.

- The United Way of North Carolina is sending your county allocation to the county manager to be deposited into the county department of social services special assistance fund as the local Hurricane Floyd Relief Fund account.
- In each county, the point of contact for the fund is the county manager.
- Each county, through the leadership of the local Department of Social Services (DSS) Director, shall convene a local Unmet Needs Committee. The committee must include the following representatives, and your county may choose to include other appropriate representatives:
  - DSS Director
  - County emergency management representative
  - Two representatives from the faith community (including one minority representative)
  - Cooperative Extension representative
  - United Way representative
  - Salvation Army representative
  - Red Cross representative
  - Chamber of Commerce representative
  - Each county's Unmet Needs Committee shall include at least two minority representatives decided upon by the group. This requirement may be met through the list of members above, or by including other representatives from organizations such as those listed below:
    - Local community development corporation
    - NAACP
    - Civic League
    - Local Hispanic/Latino organization
    - Leadership Black Caucus

If your county already has a committee or group in place that consists of most or all of the representatives listed above, there is no need to initiate an entirely new committee. You may adjust that group as needed to form your Unmet Needs Committee.

- Counties must ensure that applicants who do not speak English are served in the same manner as other applicants.
- Each county's local Unmet Needs Committee must determine the following:
  - Where and for how long applications will be taken. Application sites must include the county DSS, and if applicable, the Federal Emergency Management Agency (FEMA) registrations site(s).
  - Specific county rules for the program using criteria established by the state (see below).
  - The requirements to verify need and the schedule of benefits for the needs presented.
- A maximum distribution of benefit per household. This could be for all needs combined, or it could be broken out by specific needs (See criteria below)
  - The specific process for distribution of funds. For example, this could be done by accepting applications for a certain period and prioritizing all requests based on need.
  - The process you choose must be applied consistently within the county.
- Applicants will be asked if they have received other assistance, and if so, from what sources. If any applicants have not registered with FEMA, they will be encouraged, but not required, to do.
- A Social Security number is not required to receive assistance from the fund. Counties using social security numbers for recording fund distributions must determine an alternate recording method for applicants/recipients without social security numbers.

- Counties are responsible for tracking how all funds are used and for keeping records of all recipients. Counties are also responsible for reporting to the United Way a breakdown of how funds are used, including:
  - categories of unmet needs listed in the criteria;
  - number of households that received assistance; and,
  - specific amount of the benefit per household.
- Each county’s fund will be called the (COUNTY NAME) County Hurricane (HURRICANE NAME) Relief Fund.

**Eligibility Criteria**

The primary criteria for assistance are need and a lack of adequate resources. Intended recipients are victims who have immediate needs as a result of Hurricane Floyd; who cannot get assistance from other sources; who will have to wait until they receive other assistance; and, whose losses are not covered by insurance. Specific recommended criteria are listed below and are not in order of priority.

**Note: Counties must determine at what level to cap the amount distributed to each household, provided the cap allows for expenditures in the categories below. Counties may also choose to cap amounts distributed to a household for specific need(s) (i.e., no more than \$X for food). This decision must be applied equitably to all applicants.**

1. **Food/food supplies:** Amount of payment will be based on assessment of family’s need, based on family size.
2. **Prescriptions/medical supplies not covered by insurance:** Available for prescription medications and/or medically required supplies or low-cost equipment such as wheel chairs.
3. **Rental assistance/mortgage payment for home or business:** Available for one time only. Payment will be for actual amount of one month’s rent/mortgage.
4. **Utility payments:** Available to assist individuals who have outstanding utility bills due, or who are initiating new service. Payment will be for the actual amount of the bill.
5. **Cash Assistance:** Assistance is available for households who have critical unmet needs not covered under items listed above, as determined by the county Unmet Needs Committee. This might include, but not be limited to, low-cost farming items related to farm operation; low-cost items related to business operation; and, items related to individual’s safety, health and welfare.

**For further information about the fund and the process for distributing your county’s allocation, please call statewide contacts Jim Morrison at the United Way of North Carolina at 919.834.5200 or the Governor’s Office at 919.715.3886.**

The N.C. Association of County Commissioners and the League of Municipalities are operating a joint county resources matching service to assist damaged counties with Floyd recovery. If your county needs assistance with staffing for the relief fund, please call the Association at 919-715-2893, or explain your needs via the Association Web site at [www.ncacc.org](http://www.ncacc.org).

## **APPENDIX B(5)**

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### **Minority Outreach**

#### **Guidance for Unmet Needs Committees:**

1. Contact minority members of your county commission, city council and major boards/councils for your county informing them of the relief fund. Solicit their help to get the information out to the community.
2. Develop public service announcements on the radio stations (or any other medium) in the minority communities.
3. Contact all non-profit organizations that provide assistance to people and ask them to help spread the information about your relief fund.
4. Contact all ministers in your county and ask them to announce the relief fund in their churches.
5. Contact civic organizations.
6. Send announcements/flyers to all minority-owned businesses.

## APPENDIX B(6)

### Example: N.C. Hurricane Floyd Relief Fund Phase One Funding Allocations

County	FEMA Registrations	Allocations based on registrations	\$50,000 base per county	Total
	Cumulative Registrations (as of 10/5)			
Beaufort	1,862	\$160,281	\$50,000	\$210,281
Bertie	701	\$60,342	\$50,000	\$110,342
Bladen	1,715	\$147,627	\$50,000	\$197,627
Brunswick	2,081	\$179,132	\$50,000	\$229,132
Carteret	514	\$44,245	\$50,000	\$94,245
Columbus	2,756	\$237,236	\$50,000	\$287,236
Craven	1,241	\$106,825	\$50,000	\$156,825
Cumberland	321	\$27,632	\$50,000	\$77,632
Dare	199	\$17,130	\$50,000	\$67,130
Duplin	2,012	\$173,193	\$50,000	\$223,193
Edgecombe	6,019	\$518,115	\$50,000	\$568,115
Green	625	\$53,800	\$50,000	\$103,800
Halifax	771	\$66,368	\$50,000	\$116,368
Hertford	469	\$40,371	\$50,000	\$90,371
Hyde	504	\$43,384	\$50,000	\$93,384
Johnston	604	\$51,992	\$50,000	\$101,992
Jones	611	\$52,595	\$50,000	\$102,595
Lenoir	3,405	\$293,102	\$50,000	\$343,102
Martin <sup>3</sup>	37	\$29,009	\$50,000	\$79,009
Nash	2,859	\$246,102	\$50,000	\$296,102
New Hanover	3,808	\$327,792	\$50,000	\$377,792
Northampton	261	\$22,467	\$50,000	\$72,467
Onslow	1,037	\$89,265	\$50,000	\$139,265
Pamlico	312	\$26,857	\$50,000	\$76,857
Pender	2,643	\$227,509	\$50,000	\$277,509
Pitt	7,876	\$677,965	\$50,000	\$727,965
Robeson	1,091	\$93,913	\$50,000	\$143,913
Sampson	716	\$61,633	\$50,000	\$111,633
Wayne	3,301	\$284,150	\$50,000	\$334,150
Wilson	1,626	\$139,966	\$50,000	\$189,966
<b>TOTAL</b>	<b>52,277</b>	<b>\$4,500,000</b>	<b>\$1,500,000</b>	<b>\$6,000,000</b>

## APPENDIX B(6B)

### Example: N.C. Hurricane Floyd Relief Fund Phase Three Funding Allocations

County	Allocation
Beaufort	\$166,785
Bertie	\$80,104
Bladen	\$181,223
Brunswick	\$18,000
Craven	\$102,883
Duplin	\$164,539
Edgecombe	\$458,055
Greene	\$69,356
Halifax	\$87,750
Hertford	\$53,046
Hyde	\$77,752
Johnston	\$30,000
Jones	\$82,886
Lenoir	\$259,615
Martin	\$8,010
Nash	\$224,536
Northampton	\$43,207
Onslow	\$91,119
Pamlico	\$32,000
Pender	\$224,697
Pitt	\$578,905
Sampson	\$83,312
Wayne	\$270,844
Wilson	\$82,500

## APPENDIX B(7)

### Example: N.C. Hurricane Floyd Relief Fund Phase Three Allocation Request Form

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To best address the needs of those affected by Hurricane Floyd, Phase Three allocations from the N.C. Hurricane Floyd Relief Fund will only be distributed to counties that request them. To ensure the most appropriate distribution of funds, please respond to the following questions. Please also attach a brief letter, signed by the County Manager and County Department of Social Services (DSS) Director, confirming that your county's Unmet Needs Committee made these decisions. We expect to allocate approximately \$3.5 million.

1. Does your county request additional funds from the relief fund?

\_\_\_\_\_ Yes (if yes, please see #2 below.)

\_\_\_\_\_ No (If no, return this form and your brief letter to the Governor's Office, details below.)

2. Briefly describe the outstanding unmet needs within your county.

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3. Please indicate how much additional assistance you believe your county needs.

\$ \_\_\_\_\_

4. Whom should we contact if we have questions regarding your county's request?

\_\_\_\_\_  
NAME AND TITLE

\_\_\_\_\_  
TELEPHONE, FAX AND EMAIL ADDRESS

Please return this form and your brief letter to (FUND INFORMATION HERE)

**Thank you for your ongoing commitment to the recovery process!**

## **APPENDIX B(8)**

### **Hurricane Fund Income Tax Information**

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Assistance received from the Hurricane Fund used to pay for food, food supplies, prescriptions, medical supplies, rent, mortgages, utilities or other immediate subsistence needs are not taxable income and do not reduce the amount of any deductible casualty loss. Any amounts received to restore or replace other property lost or damaged in the disaster reduces the amount of any casualty loss and if such amounts received exceed the basis in the property prior to the disaster, the excess may be a reportable gain.

For further information, please call your local Department of Revenue offices.

## APPENDIX B(9)

### Hurricane Fund Reporting Guidelines

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Please use this form to provide information about how your county used its Phase One funding from the Hurricane Relief Fund (period covering approximately dates specified).

County name \_\_\_\_\_

Hurricane Fund Allocation      \$ \_\_\_\_\_ RECEIVED      \$ \_\_\_\_\_ SPENT

#### Number Served

Number of households served \_\_\_\_\_

Number of individuals served (if known) \_\_\_\_\_

Number of businesses served \_\_\_\_\_

Number of others served, if any (may include farmers' needs, etc.) \_\_\_\_\_

#### Use of Funds

Food/food supplies \_\_\_\_\_

Prescriptions/Medical supplies not covered by insurance \_\_\_\_\_

Rental assistance/mortgage payment for home or business \_\_\_\_\_

Utility Payments \_\_\_\_\_

Other \_\_\_\_\_

**What cap did your county place on funds per household?** \_\_\_\_\_

**Specific distributions by household:** The county guidance states that counties are responsible for reporting the specific amount of benefit distributed per household. As part of this report, you are not required to list individual distributions to each recipient; however, we recommend you to have that information available for audit purposes.

**Additional information:** Please attach a list of your county's Unmet Needs Committee members including name, address and affiliation.

Please include any other relevant information or information and materials you used during this process that may be helpful to share with other counties.

**Please return this information by (GIVE A DEADLINE)**

Please send all information to (WHOMEVER IS COLLECTING THE INFORMATION).

## APPENDIX C

### Resources on the Internet

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The sites below are resources for disaster relief and other information related to this guide.

<b>Organization</b>	<b>Web site</b>
American Bar Association	<a href="http://www.abanet.org/home.cfm">www.abanet.org/home.cfm</a>
American Red Cross	<a href="http://www.redcross.org">www.redcross.org</a>
Baptist Men’s Disaster Relief Organization	<a href="http://www.ncmissions.org">www.ncmissions.org</a>
Council on Foundations: <i>Disaster Grantmaking—A Practical Guide for Foundations and Corporations</i>	<a href="http://www.cof.org/files/Documents/International%20Programs/disasterguide.pdf">www.cof.org/files/Documents/International Programs/disasterguide.pdf</a>
Service Agency, U.S. Dept. of Agriculture	<a href="http://www.fsa.usda.gov/pas/">www.fsa.usda.gov/pas/</a>
Federal Emergency Management Agency	<a href="http://www.fema.gov">www.fema.gov</a>
Methodist Disaster Relief Organization	<a href="http://www.merciumc.org">www.merciumc.org</a>
U.S. Department of Labor	<a href="http://www.dol.gov/">www.dol.gov/</a>
U.S. Department of State	<a href="http://www.state.gov/secretary/">www.state.gov/secretary/</a>
U.S. Small Business Administration	<a href="http://www.sba.gov">www.sba.gov</a>





**United Way  
of America**

701 North Fairfax Street  
Alexandria, Virginia 22314-2045  
[www.unitedway.org](http://www.unitedway.org)

