

*the* **BARTER**  
*Network*

**BUILDING COMMUNITY  
THROUGH ORGANIZED  
TRADE**

**Handbook**

**DAVID TOBIN  
HENRY WARE**

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TER & COLLABORATION

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*GLAD TO SEE THAT  
YOU APPRECIATE THOSE  
VALUES THAT ARE TIMELESS!*  
*David M.*

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## About VOLUNTEER

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VOLUNTEER: The National Center for Citizen Involvement is the only national voluntary organization created solely to stimulate and strengthen citizen volunteer involvement. It offers an opportunity for local involvement in charting national policy directions, provides a home base for individuals and organizations wishing to launch new program initiatives or refine existing efforts, and serves the volunteer community with a wide range of expertise in volunteer management and citizen involvement. VOLUNTEER's services and functions include: VOLUNTEER READERSHIP — a book distribution service offering over 60 books, manuals, and handbooks on a wide variety of topics designed for volunteer administrators and citizen activists; THE NATIONAL CONFERENCE ON CITIZEN INVOLVEMENT — an annual event offering speakers and trainers dealing with citizen involvement; PUBLICATIONS — **Voluntary Action Leadership, Volunteering, and Exchange Networks** — each published four times a year, as well as special reports and manuals on various citizen-involving strategies; INFORMATION, CONSULTING, AND TRAINING SERVICES, SPECIAL PROJECTS, and NATIONAL ADVOCACY AND PUBLIC AWARENESS activities. For additional information on VOLUNTEER, write:

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*Barter will not replace a cash income, but can liberally supplement it, improve your relations with your neighbors, conserve energy, recycle goods, and physically restore many parts of the community without using money.*

**Annie Proulx  
Back to Barter**

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# Introduction

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On the West Side of Grand Rapids, Michigan, middle-income, blue-collar, and low-income residents weatherize one another's homes through SWAP (Service With Action Participation), a multi-service exchange program. In Milwaukee, senior citizens swap services among themselves and with nearby youth, exchanging transportation and grocery shopping help for baked goods and advice. In Grants Pass, Oregon, the Jo-Co Skills Exchange sponsors tutoring and apprenticeship arrangements between retired elderly, unemployed adults and youth. The Volunteer Exchange Cooperative in Oakland, California brings the disabled together with other residents for mutually satisfying service exchange. In Reston, Virginia, and Eugene, Oregon, residents learn of services to be bartered through the Useful Services Exchange and Community Energy Bank skills directories. These are only a few of the growing number of skills and service exchange/barter networks cropping up in communities across the U.S. Some, like the Useful Services Exchange, with its relatively well-to-do members, concentrate on providing neighbors with an increased opportunity to get to know one another and increase their "spirit of community," than on helping members save money and make ends meet. Other networks, in cities like Los Angeles, Chicago, Boston, and Seattle, provide low-income and unemployed people with a means of temporary survival, or entrée into the job market. Neighborhood barter networks are one of the newest and most innovative of the hundreds of self-help programs which got their start during the so-called "complacent" and "narcissistic" '70s.

Nations and multinational corporations have been bartering for years, finding it more expedient and profitable than dealing in currencies which can change in value overnight. Over 50,000 small businesses and individual professionals, swapping through over 300 barter "brokerage" firms, have found that barter can yield expanded markets, increased profits, and a way both to conserve cash and avoid high interest rates. For thousands of individuals participating in neighborhood skills and resource exchange/barter networks, who have been sharing and

swapping services as a means of social and economic survival, barter can mean an increase in cash flow, a greater sense of community, and a way to conserve otherwise wasted or unused resources of the individual and the community.

In depressed communities today, in both the U.S. and abroad, and for a brief period in the 1930s, barter is seen as a way to complement and sometimes even to replace currency as a stable means of exchange. In almost every instance where people have come to rely upon barter, faced with a shortage of funds, this type of non-monetary exchange has taken two forms. The first is where individuals barter directly with one another in simple trading. For instance, "I'll give you ten bales of hay in exchange for the temporary use of your horse," or, "I'll repair your jeep in exchange for some transportation." The other form of barter is indirect exchange, where the trading takes place through a pool or clearinghouse of three or more individuals. Such trading is facilitated either with the use of chits, coupons and tokens, or with some central recordkeeping system of credits being earned and spent.

Unlike the kinds of organized bartering practiced in the '30s, contemporary bartering is demonstrating its importance to many people who are largely unaffected by the ebbs and flows of the larger economy. For those people often referred to as the "permanent underclass" — the hard core unemployed, the unskilled, and others thought to be permanently trapped in a state of poverty — "depression" is a permanent state of affairs, regardless of the inflation rate or national employment statistics. For these people, informal bartering is an essential part of day-to-day survival, and organized bartering increases their ability to conserve cash, develop job skills, or in other ways helps them to solve their economic and financial problems. For those who are experiencing the often devastating effects of inflation and recession for the first time, barter is both a means of temporary survival and a permanent means for making use of wasted talents and other resources.

Just as food and housing cooperatives began as a largely middle class or rural phenomenon, and are fast becoming a way of life for all sorts

of people, bartering “co-ops” are an appropriate self-help strategy for the inner city.

According to the **Barter Research Project**, a six-month study conducted by the University of Wisconsin Extension in 1978, neighborhood barter systems address . . . “a continuing economic crisis marked by high rates of un- and under-employment, a societal failure to utilize the work capacities of large numbers of people . . . the inability of private enterprise to generate jobs in either the quantity or quality to satisfy the needs of those seeking work; and the need to explore other alternatives as a means to people’s self support. . . .”

The grassroots activity which began before this study was commissioned and flourished soon after its release, provides evidence of neighborhood barter systems as innovative, practical, and viable mechanisms for identifying and utilizing the often wasted talents of individual citizens, especially older adults and youth, and serve such neighborhood institutions as churches, co-ops, and public and private social service agencies.

In March of 1979, the University of Wisconsin sponsored the First National Barter Conference in Madison. Barter program coordinators and enthusiasts from across the country came to share their experiences, ideas, problems, successes, and hopes for the future of neighborhood bartering. Many of those present — who shared an appreciation of bartering as a form of neighborhood revitalization, neighborly sharing, and a means of addressing the problems of poverty and inflation — expressed an interest in the creation of a national clearinghouse to support grassroots barter organizing through technical assistance, communications, research, and training. Representatives of successful barter organizations and others who identified with the neighborhood movement were asked and agreed to serve on an organizing committee of a national support project for neighborhood bartering, subsequently named **The Barter Project**.

No two barter networks are exactly alike. They reflect the different ambitions and capabilities of their organizers, the different needs and inherent resources of different communities, and different philosophies of community improvement, empowerment, or social change. Yet every barter network has some similarities — the core, or essential needs of any organized barter effort, as well as the variations and com-

plementary activities which improve upon the primary networking activities of the network.

Most of the strategies described herein have been tried, tested, and proven successful — some have worked in individual communities but failed in others. A few are still being experimented with. It is up to the reader to determine which ideas, strategies, and suggestions presented in this manual are most appropriate to your bartering “game plan” and will best meet the needs of your community.

**Chapter 1, What Is a Barter Network**, describes in basic detail the workings of several existing barter networks, and draws some conclusions about what barter networks do and how and why they do it. **Chapter 2, Organizing Your Barter Network**, is the “heart” of the manual, suggesting ways to find the help and resources needed to start a barter network, how a network can be structured, publicized, and administered. **Chapter 3, Supporting Your Barter Network**, describes some innovative ways to raise the money and in-kind support needed to operate any neighborhood program, and a few fundraising ideas unique to barter networks. **Chapter 4, Evaluating and Monitoring the Network**, suggests ways to regularly and periodically evaluate the successes or shortcomings of a barter network. **Chapter 5, Barter and the IRS**, dispells some of the myths about the concerns which the IRS has over barter. It presents, as clearly as possible, the individual’s obligation to the government. **Chapter 6, Barter Networks and Computers**, is an introduction to the role computers can play in managing the data accumulated by a barter network. And last but not least, **Chapter 7, Where to Go for More Help**, lists numerous books, newsletters, information packets, and organizations worth consulting for more information on community organizing, fundraising, and barter/self-help development.

Though **the Barter Network Handbook** is the most comprehensive and up-to-date how-to publication on neighborhood barter networks, it alone cannot guarantee the success of your effort. That will depend on your work, creativity, attentiveness to individual and community needs, and a little luck. So, good luck and happy bartering!

## *CHAPTER 1.*

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# *WHAT IS A BARTER NETWORK?*

Typically, nonprofit barter networks are neighborhood-bound; that is, they focus on a specific, manageable target area that is defined by geographic or other boundaries. Ordinarily, they include a diverse constituency representing a variety of age, ethnic, and income groups representing a variety of needs and skills. They may include organizations as well as individuals. Members may include social service agencies, community organizations, churches, co-ops, and small businesses.

Membership usually is open to anyone in the community. There may be membership dues, which often are solicited as "donations." Such dues ordinarily are nominal and rarely restrictive. A sliding scale for membership dues may be used, with volunteer labor accepted in lieu of payment. Barter networks may be incorporated as nonprofit corporations, either sponsored by larger incorporated tax-exempt entities, or they may be operated informally.

Participants list the services they offer, and this information is maintained in a central location, on anything from a 3" x 5" file card to a microcomputer. Individuals with a particular need are referred to others offering the service. A match is made, and the two participants either arrange to exchange services directly, or agree upon a credit value which is received by the provider of the service. These credits, in turn, entitle the holder to receive services from others. For example, member "A" and member "B" agree that a service given to "B" is worth four credits (with one credit loosely equated in value to one hour of work). Upon completion of the work, "A" receives four credits deposited in an individual account, while "B's" account is debited by the same amount. "A" later uses these credits to obtain a return service from a member "C" or "D" — and so it goes.

Services most commonly exchanged include transportation; home maintenance and repair, such as painting, roofing, minor electrical and plumbing services which are either unavailable or unaffordable to the consumer; personal services such as haircuts, home visits, and clothing repair; child care (babysitting); small appliance and auto repair, such as fixing a loose wire or performing a minor tune-up; tutoring in a wide variety of subjects, which may include resume-writing, job-seeking, writing and verbal skills, or specific job training; administrative services, such as typing, graphic design, composition,

printing, editing, loaning of hand tools, meeting space, office equipment, or management assistance; and various other services.

One population group which has shown a strong interest in bartering is the elderly. More than a few barter networks have grown out of, or have been developed by, organizations working with or for seniors. There are a number of obvious reasons for this: 1) The elderly are an all-too-often neglected, but growing segment of our society — an invaluable resource we cannot afford to neglect; 2) Seniors possess years of experience in a wide variety of skills and subjects, making them a potential resource in these times of seemingly diminishing resources and increasing social needs; 3) They have a variety of specific needs which are rarely met by existing social service programs or commercial enterprises; and 4) There is an unsurprising desire, on the part of many seniors, to seek out alternatives to institutionalization and remain independent and in their own homes. Barter networks have demonstrated a capacity to contribute greatly to tapping this resource and meeting the special needs of many older Americans.

The following prototype, the **Community Barter Bank**, is a composite of the successful approaches used by a number of barter networks operating in different areas — specifically, the Community Skills Exchange in Olympia, Washington; Skillsbank in Ashland, Oregon; Give & Take Barter Center in Burlington, Vermont; and the Work Exchange in Milwaukee, Wisconsin.

The Community Barter Bank is located in a fictitious urban neighborhood of 10,000 low-income and middle-income residents. The network developed in response to many residents' complaints that the professionals who traditionally provide such services as plumbing, auto repair, sewing, and carpentry no longer find it cost effective to handle minor repairs or small jobs. Other residents simply cannot afford to purchase many services and either are unable or unwilling to turn to social service agencies for assistance.

The Community Barter Bank is now six months old and has more than 500 members on file, listing their offers of skills and resources. In addition, a health clinic, an advocacy group, a cultural center, a legal aid service, and a Meals-on-Wheels program participate in

the network, along with a print shop, food cooperative, volunteer clearinghouse, and the nearby community college.

The Barter Bank operates on a system of service "credits," and for each individual swap it generates, it receives a percentage of the credits exchanged. Individuals and organizations, upon establishing a file of their skills and resources to share, simultaneously establish a credit file. Credit value is determined by the amount of time needed to provide a particular service, and this becomes the medium for indirect exchange.

"Mary Jones" is an elderly resident living alone in a sturdy but decaying old house. Her front steps were in need of repair, but she was afraid the cost of repairing them would be out of reach. Though physically handicapped, she is an excellent seamstress and has that service to offer through the Barter Bank.

"Larry Whyte," a student at the nearby community college, has limited carpentry skills. His student budget makes the purchase of new clothes difficult. Recently, Larry joined the local food cooperative and was given the opportunity of working in the co-op a few hours per month or else he could have his Barter Bank account debited by three credits. This alternative was possible because the co-op uses member credits to barter for the printing services it needs. Larry chose the latter option.

The Community Barter Bank referred Mary Jones to Larry Whyte to repair her porch. Using Mary's late husband's carpentry tools, Larry fixed her steps for ten credits. She, however, was charged 11 credits: ten to Larry, plus an additional one which was credited to the Community Barter Bank as a surcharge fee. Later in the year, Larry will seek out Mary for clothing repair, which will deplete his surplus and cancel out the deficit which Mary owes.

This even exchange between Larry and Mary could have taken place as simple barter in a direct exchange. The credit system, however, made it possible for them to exchange some of the ten credits at one time and some later, possibly in combination with other services provided by other members.

Staffed by a full-time coordinator and volunteers working for service credits, this barter network keeps track of swaps it facilitates through the credit accounting system. A large portion of the membership, however, arrange their own direct exchanges outside the organization.

The **Work Exchange** in Milwaukee, Wisconsin, is a successful barter network with emphasis on the involvement of seniors. Their motto, "Everyone has a talent someone else needs," is more than a slogan; it means that over 1000 people in Milwaukee County benefit from each others' skills.

Work Exchange, Inc. (WE), began in February, 1975, as a pilot program (The Elder Care Work Exchange) of Elder Line, Inc., an organization providing transportation to seniors. The pilot program was the result of Elder staff and community discussion initiated by a United Way report which mentioned an older adult barter program in San Diego, California. (As part of their Elderly Division, the City of San Diego sponsored the project.)

To promote the barter concept, in March, 1976, WE obtained tax-exempt nonprofit corporation status to serve as an independent organization focusing on barter for seniors.

The Work Exchange states its purpose as follows:

- To improve the quality of life for non-institutionalized Milwaukee older adults.
- To promote and support the independence of older adults.
- To provide safe, reliable minor home and personal maintenance assistance for older adults.
- To provide for useful, needed activity for older adults.

The Work Exchange accomplishes this and more. Their services include home care, social activities, minor home maintenance, personal

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*The trend towards bartering represents a positive shift in social service programming, to where people's needs are really served . . . offering bartered services puts the sponsoring organization in touch with what the needs are, and enables it to respond with local resources.*

**Marian Wasierski, former director  
Work Exchange, Inc.**

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services, transportation, and a bimonthly newsletter, "Swap Talk." WE's Youth Program emphasizes intergenerational contact by bringing Milwaukee youth together with senior members

of WE. Youths run errands, do yard work, prepare meals, and do laundry and housecleaning. Seniors respond by cooking, mending, babysitting, and teaching a wide range of skills.

Today, though more than half of WE's 1000+ members are over 60, over 400 of them are between the ages of 18 and 59. WE members exchange services with the help of a salaried organization staff. The value given to exchange transactions is based on hours of service provided. WE also sponsors a United Way-funded Support Group program, a Telephone Reassurance program funded by the Office on Aging. It is staffed by four full-time persons supported by city Community Development funds, one full-time VISTA volunteer, four part-time senior aides supported by Part IV of the Older Americans Act, and one part-time staffer for the Telephone Reassurance Program.

The Work Exchange screens all new members through interviews, where the interviewer obtains a description of each member's needs and the services each member can provide. Telephone calls establish the contact between the WE office and members, and calls are made to "matchmake" workers and jobs. When members discover whom to call, they communicate directly with the member whose service they need. After completion of the job, the worker calls the WE office and a staffer records the hours worked for credit. Members are free to exchange services directly, if they prefer.

There are many variations and spin-off activities related to neighborhood barter systems. A growing number of barter networks utilize skills directories, which provide neighborhood residents with a listing of their neighbors' skills, services, and materials, such as tools and building materials, to share. More convenient than a phone-in swap service, skills directories can provide residents with a convenient alternative to the Yellow Pages. In many areas, skills directories are gaining in popularity, and they have done a lot to help people trade their goods and services.

The 1980-81 Skills Directory of the **Community Energy Bank (CEB)**, a neighborhood barter network in Eugene, Oregon (founded in 1977), is an easy-to-use illustrated listing of over 300 services, including members' names, phone numbers, qualifications, a brief biographical sketch of each member, and an exten-

sive tools listing. The directory was produced almost completely by bartered services, and responds to the imaginations of people, in respect to those needs which can be met through barter and those services that can be provided.

The directory includes 22 major service headings, such as Business/Finance/Law, Children/Teens, Clothing, Construction/Home Repair, Counseling, Food, Health, Labor/Odd Jobs, Repair and Servicing, and Transportation. The individuals listed offer such services as animal sitting, legal services, pottery, accounting, child care, carpentry, cooking and baking, preventative health care, hauling/moving, music lessons, appliance and shoe repair, and food preservation. Under each subheading appear the names and phone numbers of members offering the service, along with detailed information specific to each member, such as qualifications, involvement preferences (i.e., weekdays only or evenings only), and background. In a section titled, "Tools, Resources, and Materials," appears a list of approximately 150 items such as "Truck (pickup, 3/4 ton)," "garden space," "microcomputer," "carpentry tools," "sewing machine," "camping gear," "loom," and "electrical tools."

Institutionalized, well-staffed organizations like the Community Barter Bank, and the simpler, less-structured projects like the Community Energy Bank directory, represent two of the most popular types of neighbor-to-neighbor service exchanges. Some organizations combine the two approaches, providing their members with an opportunity to exchange services among themselves directly (using their directory), or indirectly through the pool of services and the credit system. Pot lucks, barter fairs, learning workshops, and other spin-off activities enhance the work of many barter networks, along with barter-based neighborhood improvement campaigns and apprenticeship and tutoring programs.

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*Barter has its primary value in poor neighborhoods as a substitute way to generate capital. It's an initial means to getting people to work together.*

**Karl Hess**

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## *CHAPTER 2.*

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# *ORGANIZING YOUR BARTER NETWORK*

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## part one

# Laying the Groundwork

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The amount of preparation required to establish a barter network will depend, for the most part, on how ambitious you are, and on the amount of human, material, and other tangible resources you have available at the outset. However, whether you are an interested individual with no organizing experience, a seasoned community activist, or a representative of an established community organization with staff, leadership, and financial resources, you will want to begin by taking an inventory of your resources at-hand — not unlike the process you will use later in recording the services and other resources of each network member.

List the services or supplies available to you, such as office space, telephone, access to copying or printing equipment, use of a typewriter and/or word processor, and so on. Also ask yourself, “How much time do I have to invest?” “Do I want this to be an independent undertaking, or do I want to involve other people?” “Whom do I know that may be willing to help?”

Generally, the best barter organizers are people who care about people, who have a strong sense of people’s potential to solve their own problems, and who are able to think creatively when it comes to ways people might help one another. It also helps if you are concerned about the amount of wasted talent, time, and energy that exists all around us. Perhaps the greatest joy of barter organizing is knowing that you are contributing to the use of individuals’ skills and talents that would otherwise be wasted. Good barter organizers are people who enjoy cooperation and the fruits of collective endeavor. People involved in organizing food and other cooperatives are generally good barter organizers, because they recognize that people, by pooling their resources, are able to improve the quality of their lives. In short, **good barter organizers are good networkers**. It is their job to put people, and sometimes organizations, together for mutual benefit.

## Clarifying the Purpose of the Network

The first step in organizing a barter network is developing a clear sense of purpose. In most cases, your first question will not be, “Is there a need for a barter network in my community?” but rather, “What type of barter network would be most appropriate?” While it’s possible that some type of barter network may exist in your city, state, or region, it is more likely that one does not exist in your particular community or neighborhood. Nonetheless, you will want to look very closely, as some barter networks are very small, informal, and hard to detect at first glance.

Speak with your neighbors, friends, co-workers, and social service providers to see what kinds of spontaneous or organized bartering may be going on already. It’s just as important to get a feel for how much **informal** bartering goes on in your community. Do neighbors seem to know and help one another? Is it common for neighbors to share tools, equipment, or expertise? If so, how would **organized** bartering benefit the community?

In general, consider the composition of the area you hope to reach out to. Are there many extended families in your community, or is it composed mostly of isolated households? Is it composed of isolated ethnic groups? Is there hostility between young and old residents? In short, does there exist a “spirit of community” or is it a climate of distrust, fear, and isolation?

The reasons for considering these questions will become clearer as you read this manual and discuss the barter network idea with others. It is important to begin thinking of your community as an entity, a resource, a source of individual talents, needs, and resources that you hope to channel into a “pool” of accessible services for exchange among network members.

These are some additional questions you will want to answer early on in your consideration of a barter network: Are there formal or informal systems of mutual support (“self-help”) networks already in place in the community? What are they? What needs do they address?



What kinds of people participate in them? Who lives in the community? Is it a transient community? Is it economically stable or experiencing rapid growth (or decline)? What are the primary needs in the community? Housing? Employment? Health or child care? What “gaps” could a barter network fill?

#### *FORMING AN ORGANIZING COMMITTEE.*

Once you have done this initial thinking, and have some sense of what your barter network may do and for whom, you are prepared to recruit help for the planning process. Your next step will be to form an organizing committee composed of yourself and a small number of people. Try to select people who are like-minded, whom you think you can work with easily, and who may possess valuable skills you are lacking.

Bring the group together and ask yourselves: “Why do we want to establish a barter network?” “What do we hope to accomplish?” “Why?” Don’t go into too much detail (this comes later), but allow everyone to get their “two cents” in. The result of this first meeting should be a clear statement of purpose, but one that leaves room for change and growth of the network.

#### *GROUP PLANNING AND GOAL-GETTING.*

Once you have reached a consensus on your overall purpose, translate it into short-range specific activities and goals. Setting specific goals, and identifying tasks related to those goals can be difficult and time consuming. Yet it doesn’t need to be that way. Sharing hopes for the future of the network can be stimulating and exciting, and can serve to build enthusiasm and morale among the organizing committee. More directly, detailed and realistic planning can help assure that your network “stays on track” when it comes to fulfilling your hopes and expectations — and that you will be less vulnerable to being diverted from doing what you’ve set out to do. Once you’ve mapped out what you hope to accomplish, sticking to your goals can enhance the identity of your network in the community, as members and residents will see that it has a clear sense of direction and purpose.

Evaluation is an essential part of planning, and conversely, establishing goals makes realistic evaluation possible. Planning will provide you with a clear sense of mission; evaluation

will enable you to monitor your success at working towards accomplishing that mission. This is discussed in Chapter 4.

A variety of general and not-so-general questions should be answered by the organizing committee. Some of these are:

- What do you want the network to be? An exchange service only, or a multi-faceted program providing residents with referral to other self-help and social service networks as well? Where do you want the emphasis to be placed, on service exchange, neighborliness, economic revitalization, housing improvement, child care, home weatherization, job training, helping people save money while being useful to others? All of these?
- How large an area do you eventually want to serve? A block, a neighborhood, a whole town, city, or region? Do you want to focus on (but not be limited to) a specific group of people, such as the elderly, low-income residents, youth, the unemployed? Why?

### **SCOPE**

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Exchange of goods  
Exchange of goods and services  
Tools and other equipment  
Garden space or food  
Vehicles  
Other material resources  
For individuals  
Seniors  
Handicapped  
Low-income  
Unemployed  
Everyone  
For organizations  
Nonprofit organizations  
Food or housing cooperatives  
Small businesses  
Any interested organizations, business, or institution  
Advocate of self-help  
Referral

## EMPHASIS

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Increased sense of community  
Empowerment through increased self-worth and independence  
Peer recognition of skills and talents  
Economic revitalization  
Housing rehabilitation  
Job training  
Helping people save money  
Intergenerational or inter-ethnic contact

## AREA TO BE SERVED

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Block  
City  
Region

## SUPPORT

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Completely self-sufficient  
Mostly self-sufficient  
Membership dues  
Grants  
Local fundraising

## SERVICES

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Transportation  
Home maintenance  
Health services  
Legal services  
Auto repair  
Home weatherization  
Tutoring  
Other

---

- Do you want to be totally self-sufficient, or seek out outside sources of support? What will it take to accomplish these aims (see Chapter 3)?
- In addition to facilitating service exchange, do you want to encourage the swapping of material goods as well?
- Do you want to involve other nonprofit organizations, civic groups, or small businesses in the network?

Asking yourself these kinds of questions, and coming up with answers which outline specific tasks with definite goals in mind — all this will increase your chances of success. Moreover, it will provide a real sense of satisfaction to those individuals who have contributed their time and energy to the organization. Goal-setting will provide you with a greater sense of direction and clarity of purpose, and enable you to honestly evaluate the results of your efforts.

If you have decided that your primary purpose is to “facilitate the exchange of services among residents,” you may establish a short-term goal of recruiting “x” number of members in the first six months of operation (for example, 5% of the area population). If this is your approach, ask yourself why you have selected this specific number. You might want to be more specific, and break down this figure into categories of members, such as “x” number of elderly, “x” number of unemployed or low-income individuals, and “x” number of minorities. Or, potential membership may include a certain number of people skilled in home maintenance and repair, a certain number skilled in auto mechanics, another category able to provide transportation or companionship services to the elderly.

In any case, bear in mind that the number of members, no matter what they are willing to provide, is secondary to what they actually do provide. A total of 500 or 1000 members constitutes success only if a significant number actually use the network on some regular or substantial basis. Obviously, “significant,” “regular,” and “substantial” are relative terms. Is your objective that every member use the network once a month, once every two months, or once a year? Only you can determine what constitutes success, though the guidelines in Chapter 4 can shed some light on this.

Your initial goals may include “bring elderly and youth together,” “bring neighbors together

for mutual exchange,” or “tap wasted community resources.” Tasks may include: “Recruit 50 elderly and an equal number of teenage members, and match them with one another for service exchange.” “Sponsor a barter fair where community residents can meet one another and identify needs and services they might offer one another.” “Identify individuals in the community with talents they are not using, and develop strategies to make use of them.” “Approach the local priest and president of the nearby tenants’ association and discuss ways to recruit their parishioners and members.” “Sponsor a local workshop on how residents can barter with one another.”

## GOAL

---

Increase bartering among individuals

## OBJECTIVE

---

Months 1-6 Recruit 200 members

Months 6-12 At least one exchange per member per month

## TASKS

---

Develop promotional flyer

Identify free publicity available through local media

Sponsor barter fair

Make presentations before membership organizations

Housing co-op

Seniors organization

Youth group

Churches

Schools

Develop statement of purpose

Find a sponsoring organization

Incorporate

Obtain tax-exempt status

---

Once you have decided what you want to do, why you want to do it, and how you want to go about accomplishing your goals, you need to determine what resources, both material and non-material, you’re going to need.

Examine your goal(s) and its (their) related tasks and develop a “wish list” of resources you’re going to need. At this stage, the list need not include dollar figures for each need (developing a detailed budget is covered in Chapter 3), but simply include such items as a place from which to work, a telephone, typewriter, or perhaps an answering machine to record requests for services when the office is closed. It might include a full-time coordinator (or equivalent) and “intangibles,” such as “better contacts in the community,” “someone experienced in community organizing,” or “contacts with the media.” Take into account your needs for printing brochures, flyers, or other materials. Like any good networker, you want to have a clear idea of what you need before you go looking for it. At the same time, you want to have a clear idea of what material and non-material resources the organizing committee has available. Combine your personal inventory of needed resources with those of the organizing committee members, including their available time and expertise in certain areas. Another list should be made of all material resources currently at hand and ready to be used.

If you are planning to sponsor a barter network as part of your present involvement with a community organization, you still want to have a clear idea of what it’s going to take, and what resources you have available to devote to it.

At this stage of planning your barter network, you are ready to get a bit more formal, and prepared to explore different ways of structuring the barter network. You have asked yourself and others questions about what the network should be and how it should function. You’ve developed a statement of purpose and identified some short-term goals and tasks to perform. You have a fair idea of the resources available to you and a “wish list” of the things you need.

The next section of this chapter discusses in general a few ways of structuring the network, including incorporation (and obtaining tax-exempt status) and finding a sponsoring organization to help you get started, or to continue its support. Other approaches also will be considered. For detailed information on incorpora-

tion, tax-exemption, and other basic organizing material, you will want to refer to the resource listings in Chapter 7.

**SELECTING A STRUCTURE.** Up to this point, the network organizing committee has worked in a relatively informal way. If you have decided that you want to form a well-organized barter network, you'll need a more formal operating structure — one that will provide consistent leadership and technical expertise for the project, as well as assume legal responsibility for the network. You will want to elect a board of directors, determine how often they should meet, and how they should divide the work.

There are many different approaches to bartering, both with respect to operating the network (recruiting members, designing an exchange system, etc.) and structuring it. If your goal is to serve a single block, or a pool of 50 or fewer people, the organizing committee may be sufficient as a decision-making and staffing unit. Very small barter networks often function with the help of only a handful of neighbors doing most of the organizing and staffing work themselves (recruiting members, matching them for services to be exchanged, etc.). In such cases, a formal structure may be unnecessary.

A separate formal entity also may be unnecessary, if you're already associated with an organization. In any case, you should ask yourself such questions as: "How can I best present the idea to my board of directors?" "Should the network simply be an additional project, or a semi-autonomous program?" "Do I plan to 'spin-off' the network once it gets underway, or keep it within my organization?"

If your goal is to develop a multi-faceted, permanent network, and if you and your organizing committee are working independently, you'll want to be better organized.

#### **FINDING A SPONSORING ORGANIZATION.**

You may want to relieve yourself of the tasks associated with developing a formal structure at the beginning, by finding an existing organization to sponsor your efforts. A sponsoring organization may include a church, civic group, branch of local government, or community organization. You can provide them with ideas, your volunteer time (at least at first), and a worthwhile project with which they can be associated — all in exchange for use of office space,

Do yourself and somebody else a favor...

**Join SWAP!**

for more info call or stop by  
**JBPCA**  
451-8068 or  
451-3121  
145 garfield, s.w.

**John Ball Park Community Association**

PRESENTS

**S W A P**  
SERVICE WITH ACTIVE PARTICIPATION

A NEIGHBORHOOD SERVICE

- Trade what you know -  
- for what you need -

telephone, supplies, and other materials. You may have access to their communications network, and benefit from their visibility and credibility as an established organization. The potential material benefits of having a sponsor should be considered together with the non-material benefits of visibility, credibility, and other intangibles which could be derived from being associated with this sponsor. Depending upon the kind of sponsoring organization, it may be able to provide you with a ready-made board of directors, tax-exempt status (discussed later in this chapter), and other benefits. The value of an organizational sponsor will also depend on your needs and the resources at-hand.

You may be a member of a potential sponsoring organization, or know someone who works with one. Approach the organization (or the person you know) and propose a sponsorship arrangement. You might consider asking a representative of the organization to join your organizing committee. Remember that the more planning you have conducted, the greater your ability to express your purpose and goals to potential sponsors. You will want to impress them with the amount of thought you have given to the whole idea and your level of commitment to making it a successful community project.

There are a few things you should consider before approaching potential sponsors. Are

their policies and their overall goals compatible with your own? Does a barter network seem like a project compatible with their present activities or concerns? Before deciding to approach a potential sponsor, discuss the potential benefits and drawbacks of sponsorship with your organizing committee. Organizational sponsors can be a great asset, but they also can be a liability. Don't rush into a collaborative relationship until it's been well thought out.

**INCORPORATION AND TAX-EXEMPTION.** Even a barter network needs some money to operate, and the receipt and spending of money brings legal liability and responsibility into the picture. By incorporating, your barter network becomes a legal entity responsible for the business you conduct. Incorporation has an added benefit — by making the network an entity with a life of its own, organizing committee members and future leaders are forced to think of the network to which they are accountable and the collective efforts for which they are responsible.

There are various ways to incorporate — as a nonprofit, for-profit, or cooperative corporation.

Nonprofit corporations are able to apply to the IRS for tax-exempt status, which can, depending on the type of exemption applied for and received, make it possible for individuals, foundations, and others to deduct donations to the network on their tax returns. (More information on tax-exempt status is covered later in this section.) Incorporating as a nonprofit (also called "not-for-profit") does not mean that you can't make money. It simply means that earnings must go to running the corporation, not to the individuals who started it. Nonprofit corporations are eligible for free television (commercial, public, and cable) and radio public service air time.

For-profit corporations are required to pay corporate income taxes and donors cannot deduct their contributions on their tax returns.

Every state has different laws regarding cooperative corporations, but generally, a co-op structure requires open membership, membership control (one member, one vote), and any profits have to be distributed to members.

Organized barter networks in which the organizers aim to improve the quality of community life, and hope to involve and benefit low-income or unemployed individuals, usually

(Sample of completed form)  
**Application for Recognition of Exemption**  
 Under Section 501(c)(3) of the Internal Revenue Code  
 For Paperwork Reduction Act Notice, see page 1 of the instructions.

Form 1023 (Rev. July 1981)  
 Department of the Treasury  
 Internal Revenue Service

OMB No. 1545-0046  
 Expires May 31, 1986  
 To be filed in the city district for the area in which the organization has its principal office or place of business.

Page 2  
 Page 3  
 Page 4

This application, when properly completed, constitutes the notice required under section 508(a) of the Internal Revenue Code so that an applicant may be treated as described in section 501(c)(3) of the Code, and the notice required under section 508(b) for an organization claiming not to be a private foundation within the meaning of section 509(b). (Read the instructions for each part carefully before making any entries.) The organization must have an organizing instrument (see Part II) before this application may be filed.

**Part I—Identification**

1 Full name of organization  
 Jo-Co Skills Exchange

2 Employer identification number (If none, attach Form SS-4)  
 93-0720343

3(a) Address (number and street)  
 124 S.W. H Street

3(b) City or town, State, and ZIP code  
 Grants Pass, OR 97526

4 Name and phone number of person to be contacted  
 Steve Van Hook (503) 479-0375

5 Month the annual accounting period ends  
 August

6 Date incorporated or formed  
 August 31, 1978

7 Activity codes  
 300 408 123

8(a) Has the organization filed Federal income tax returns?  Yes  No  
 If "Yes," state the form number(s), year(s) filed, and Internal Revenue office where filed

8(b) Has the organization filed exempt organization information returns?  Yes  No  
 If "Yes," state the form number(s), year(s) filed, and Internal Revenue office where filed

**Part II—Type of Entity and Organizational Documents (see instructions)**

Check the applicable entity box below and attach a conformed copy of the organization's organizing and operational documents as indicated for each entity.  
 Corporation—Articles of Incorporation, bylaws,  Trust—Trust indentures,  Other—Constitution or articles, bylaws.

**Part III—Activities and Operational Information**

1 What are or will be the organization's sources of financial support? List in order of magnitude, if a part of the receipts is or will be derived from the earnings of patents, copyrights, or other assets (excluding stock, bonds, etc.), identify the item as a separate source of receipts. Attach representative copies of solicitations for financial support.

Donations, fundraising events, grants.

2 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. (Include details of fund-raising activities such as selective mailings, formation of fund-raising committees, use of professional fund raisers, etc.)

Actual fundraising has included solicitation of donations (see enclosed flier), a rummage sale, a dog wash, etc.  
 Planned is a support committee that will organize future fundraising events.

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and I have examined this application, including the accompanying statements, and to the best of my knowledge it is true, correct, and complete.

Executive Director 8/15/82  
 (Title or authority of signer) (Date)

(b) Specialized knowledge, training, expertise, or particular qualifications

1. Business Woman  
 2. Lawyer  
 3. Vista  
 4. Printer  
 5. Dentist  
 6. Clothing Designer

by the organization, and those that will be carried on, if reemployment its activities have reached, what further steps re- organization. (Do not state the purposes of the organization non to clearly show that the organization meets the def- for Part VII-A.

mobilizing resources typically participants. Our services include: ling a living situation with those nursing skills, childcare, farm work,

we encourage carpool formation, & long-distance rides. of a gardner space with those who wish it.

interested in learning a trade with instruction with those qualified to n senior citizen participation.

ap their particular offers in a t their particular needs.

ce, our over-all purpose is to ng any possible combination of

g body by reason of being public officials selection or appointment.  Yes  No

ified persons" with respect to the organi- ing body) or do any of the members have reasons?" (See specific instruction 4(d)).  Yes  No

igned income or assets to the organization?  Yes  No assigned.

ve organization's governing body will assign  Yes  No

organization?  Yes  No does it have a special relationship to another factors?  Yes  No

anization?  Yes  No clude details concerning accountability or attach

ad in the performance of its exempt function? (Do not include prop- not fully operational, explain their status, what additional steps re ll be taken.

e contributions as an endowment fund, i.e., hold contributions to prop- erties?

lation provide that are related to its exempt function?

nderprivileged; lessening the burdens of ic of the arts; advancement of education.

organization's benefits,  Yes  No

s of individuals?  Yes  No

f membership fees and

ty of any descriptive  Yes  No

erve in any way in  Yes  No lection by an Eligible Section 501(c)  Yes  No

you were created or instructions.  Yes  No requirements under

ible for relief under (2). Do you wish to  Yes  No ments of Rev. Proc.

your exemption can actor, therefore, do from the date the  Yes  No

foundation, check  Yes  No

the organization's fil, instructions. —see instructions, both 3(b) and 3(c).

are organized as nonprofit corporations. Barter "clubs," which involve primarily middle- or high-income individuals or businesses, usually are for-profit corporations. Incorporating as a cooperative is a viable option for nonprofit groups, but charitable contributions to most cooperatives are not tax deductible.

Incorporating as a tax-exempt nonprofit corporation takes time (up to seven months) and money (up to \$100, usually no more). It is not a difficult process, but it involves paperwork (writing the required Articles of Incorporation, applying for tax-exemption, etc.), expertise, and organization. An excellent resource book on incorporation is **The Successful Volunteer Organization**, listed in Chapter 7, along with other helpful publications providing detailed information on incorporating, applying for tax-exemption, and so on.

One important benefit of receiving 501(c)3, tax-exempt status, is that charitable contributions to the network are tax-deductible. This is an added incentive to individuals and a prerequisite for receiving funds from most foundations, community trusts, and other organized givers. Another common type of tax exemption, 501(c)4, is of value only to those nonprofits who devote more than 20% of their budgets to lobbying for legislation. It can provide for lower mail rates, but does not allow for tax deductible contributions.

There are certain rules barter networks should follow which do not appear (or are not adequately emphasized) in popular books on community organization. If network users are required to pay a fee (in dollars or labor), some community residents are excluded from benefiting from the program if they are unable to pay. If network users are referred to as "members" in the program's application for 501(c)3 status, or if the terms "membership" and (in some cases) "barter" appear in related documents such as articles of incorporation or by-laws, the implication exists that the program does not benefit the entire community. If these or other policies of the program suggest that it is anything but "charitable" and "of benefit to the entire community," or operating for the "common good" or "general welfare" of the community, an application for tax-exemption under section 501(c)3 will be denied.

Submit in Duplicate  
Filing Fee \$10.00

NF 1  
877

One or more natural persons of the age of 18 years or more may incorporate a nonprofit corporation by signing and delivering Articles of Incorporation in duplicate to the Corporation Commissioner. The procedure for the formation of nonprofit corporations is set forth in ORS 61.305 through 61.315. See ORS 61.311 for the content of Articles of Incorporation.

Nonprofit  
**Articles of Incorporation**  
OR  
JC-CO Skills Exchange

The undersigned natural person(s) of the age of eighteen years or more, acting as incorporators under the Oregon Nonprofit Corporation Law, adopt the following Articles of Incorporation

ARTICLE I The name of this corporation is JC-CO Skills Exchange

(The corporate name cannot contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in its articles of incorporation, and cannot contain the word "cooperative." See ORS 61.011.)

and its duration shall be perpetual

ARTICLE II The purpose or purposes for which the corporation is organized are:  
This corporation is organized exclusively for charitable and educational purposes, including and not limited to the operation of a program which will allow people in the community to exchange their services, skills, knowledge and materials. That the corporation may engage in any lawful activity, none of which is for profit for which corporations may be organized under ORS Chapter 61.

(It is not necessary to set forth in the articles any of the corporate powers enumerated in ORS 61.001. It is sufficient to state, either alone or with other purposes, "That the corporation may engage in any lawful activity, none of which is for profit, for which corporations may be organized under ORS Chapter 61," however, it is desirable to state the primary purpose of the corporation in conjunction with such statement.)

ARTICLE III The address of the initial registered office of the corporation is  
215 S.E. 6th St. Rm. 402 Grants Pass, OR 97526

and the name of its initial registered agent at such address is Steve Van Hook

ARTICLE IV The number of directors constituting the initial board of directors of the corporation is four, and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and shall qualify are

Name	(Street and Number)	Address (City and State)	Zip
Thomas W. Swint	207 S.W. G	Grants Pass, OR	97526
Joan Wood	762 N.W. 6th	Grants Pass, OR	97526
	468 Huesey Lane	Grants Pass, OR	97526

ARTICLE V The name and address of each incorporator is:

Name	(Street and Number)	Address (City and State)	Zip
Joan Wood	762 N.W. 6th	Grants Pass, OR	97526
Thomas W. Swint	207 S.W. G	Grants Pass, OR	97526
Kerry Seidenbaum	348 Huesey Lane	Grants Pass, OR	97526
Steve Van Hook	4235 Highland Ave.	Grants Pass, OR	97526

ARTICLE VI The provisions for the distribution of assets on dissolution or final liquidation are: Upon dissolution of the corporation the Board of Directors shall, after paying or making provision for the payment of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine which are organized and operated exclusively for such purposes.

ARTICLE VII (Optional provisions for the regulation of the internal affairs of the corporation as may be appropriate if none leave blank) No part of the net earnings of the corporation shall inure to the benefit of, or be distributable, to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section 170 (c) (2) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Code.)

We, the undersigned incorporators, declare under penalties of perjury that we have examined the foregoing and to the best of our knowledge and belief, it is true, correct and complete

Joan Wood Steve Van Hook  
Thomas W. Swint  
Kerry Seidenbaum

Dated August 18 1975

File with Corporation Commissioner, Commerce Bldg., 158 12th St., N.E., Salem, Oregon 97310

In August of 1978, the Jo-Co Skills Exchange was incorporated as a nonprofit organization in the State of Oregon with the purpose of "supplying a means for the exchange of goods, skills, apprentice training, learning, personal library resources, tools, garden produce, information, and referral." In April of 1979, the Exchange was denied 501(c)3 tax-exempt status on the grounds that it served a "private rather than public interest," and did not demonstrate, via its application for tax-exemption, that it was "organized and operated exclusively for religious, charitable, scientific, or educational purposes."

In its denial of tax-exemption to the Exchange, the IRS also cited their Revenue Ruling 78-132, 1978-1 C B, 157, which holds that a "community cooperative organization formed to facilitate the exchange of personal services among members is operating primarily for the private benefit of its members and is not exempt from taxation as a social welfare organization . . . the organization (is) a private cooperative enterprise for the economic benefit of the members." While the IRS confirmed that the Exchange "confers upon its participants a valuable economic benefit," it nonetheless denied tax-exempt status on the grounds that

## Skills Exchange Ruled Tax Exempt 8/27/79

By MARGARET BRADFORD  
Of the Courier Staff

The Josephine County Skills Exchange is a charitable organization and will receive tax exemption status, an Internal Revenue Service appeals officer determined Wednesday in Medford.

In a precedent-setting case, Jo-Co Skills Exchange director Steve Van Hook, launched and won an appeal against an IRS ruling which denied the non-profit barter referral service a tax exemption status.

The exemption status allows the skills exchange to apply for government grants receive contributions which are tax deductible and be eligible for Comprehensive Employment and Training

Act employees.

The 20-year-old director filed for exemption status for the exchange last January and was turned down. Although three other barter groups in Oregon have exemption status, the IRS claimed the Jo-Co Skills Exchange was operating primarily for private benefits of its members instead of being a charitable organization.

Charitable, as defined by state law, means an organization must lessen the burdens of the poor, provide relief for the distressed and underprivileged, advance education or science, defend human and civil rights and eliminate prejudice and discrimination.

The barter referral service matches members of the community who have skills or services to offer in exchange. It is a non-funded organization that receives its funding from membership dues and fund-raising events. Van Hook, its only paid employee, is a member of Volunteers in Service to America (VISTA) and receives a living allowance of \$200 a month.

Van Hook won his case before IRS appeals officer Glenn Kirkbride, who said the barter group will be granted tax exemption status based on its qualifications as a charitable organization.

"What really clinched it for us," Van Hook said, were letters of support from several other established charitable organizations in Grants Pass. "I think it's a win for Josephine County because Josephine County supported us," he said.

"We've set a precedent."

"I think we overwhelmed him (Kirkbride), with our activities as far as working with the elderly and low-income people," Van Hook said. The exchange also meets the educational requirements, he said.

---vides an

AMENDED BY LAWS

JO-CO SKILLS EXCHANGE, INC.

### Article I Name

The name of this organization shall be the Jo-Co Skills Exchange.

### Article II Purpose

The Jo-Co Skills Exchange is a non-profit organization providing members of the community an opportunity to participate in a sharing network where all resources available to individuals can be utilized in a self-sufficient manner for the satisfaction of their needs.

### Article III Policy

The Jo-Co Skills Exchange shall maintain an open door policy to all people seeking assistance in utilizing their available resources to meet their immediate needs.

### Article IV Eligibility

#### Section I

Our service is available to all regardless of age, sex, education, race, religion, political views, or economic status; providing there is the willingness to cooperate within the rules and guidelines, and perform changes in a fair manner.

#### Section II

Right of participation in the organization may be discontinued by a majority of the Board of Directors on the grounds of performance detrimental to the success and reputation of the Skills Exchange, or for unfair dealings with other participants or staff.

#### Section III

The Board of Directors shall consist of six members plus one member of the public with voting powers.

Members shall be appointed for terms of 1, 2, and 3 years.

## Internal Revenue Service

Regional  
Commissioner

Western Region

## Department of the Treasury

Address any reply to Appellate Division  
915 Second Ave., Room 2790 MS 680  
Seattle, Washington 98174

Person to Contact:  
Glenn A. Kirkbride  
Telephone Number:  
(206) 442-1880  
Refer Reply to:  
Ap:SEA:GAK  
Date:  
August 22, 1979

Jo-Co Skills Exchange  
215 S.E. 6th Street, Room 402  
Grants Pass, OR 97562

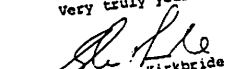
Attn: Mr. Steve Van Hook

Gentlemen:

I have considered the information presented in support of your application for exemption from Federal income tax as a charitable organization under Sec. 501(c)(3) of the Internal Revenue Code.

It is my decision Jo-Co Skills Exchange is exempt under Sec. 501(c)(3), Internal Revenue Code, and contributions to you are deductible in accordance with Sec. 170 of the Code. A formal notification of your exemption will be sent to you when your file is closed.

Very truly yours,

  
Glenn A. Kirkbride  
Appeals Officer

serving private interests, more than public need, was the primary focus of the organization.

Steve Van Hook, founder and director of the Exchange, filed a formal appeal, responding directly to the IRS opinion that the organization was not serving the public good. Van Hook pointed out that “. . . by providing a means for the unemployed, retired, limited income, or otherwise indigent persons to utilize individual talents and resources in exchange for needs in such areas as emergency care, education, food, home repairs, etc., we offer the opportunity to gain help without having to resort to tax-supported social service agencies. This not only lessens the burdens of government, but also serves the defense of human and civil rights by allowing a means to be self-sufficient and supporting; avoiding the humiliation of having no other recourse than public assistance, or crime.” In distinguishing his organization from for-profit “barter brokers,” Van Hook requested that “consideration must be given to agencies serving a majority of low-income participants . . .”

Four months after its initial application for tax exemption, the Jo-Co Skills Exchange was deemed eligible as a 501(c)3 tax-exempt organization.

If you want to receive 501(c)3 tax-exempt status, special care should be taken to stress the “charitable” nature of the barter network and its openness to the entire community.

Many nonprofit organizations use a membership structure as a way of raising money. However, these are organizations which can easily demonstrate that their activities benefit not just their members, but the larger community as well. If the primary function of the barter network is perceived as that of a “broker” for individual members to exchange services, then it will be considered (like a cooperative) to be operating for the benefit of a specific membership and thereby ineligible for tax-exempt status under section 501(c)3.

If you hope to acquire tax-exempt status for your barter network, either request membership donations on a regular basis in lieu of dues, require membership fees but on a sliding scale based on ability to pay (see Chapter 3), or be able to demonstrate specifically how your network is of obvious benefit to the community at large, not just your members.

Sponsorship of a barter network will not threaten the status of a 501(c)3 nonprofit organization. Tax-exempt status is only in jeopardy if the primary function of the organization is considered to be facilitating service exchanges for the mutual and exclusive benefit of a minority of community members.

## ***Staying Small and Informal***

While becoming a corporation doesn't mean that your network has to be large, it does formalize it. As mentioned earlier, a barter network involving only a small close-knit group of neighbors needn't incorporate. The legal protections and tax benefits provided by incorporating may not be seen by the group as worth the effort of incorporation. One alternative is to become an unincorporated association. This is a simple process, and guarantees that no one can do business using the name of your group. However, individual members then remain liable for the business of the network.

For many, incorporation or formal association simply won't provide any tangible benefits. For others, incorporation may be considered necessary for operating the network. Only you and the organizing committee can decide what kind of structure is most appropriate. The decision should be made only after receiving competent legal advice.

---

*Our reflections have led us to the conclusion that it will not be until people accept the fact of limited resources — not until they see that to achieve their goals requires them to exchange resources in barter style with others who have some of the resources they need — that they stand a chance of experiencing a more satisfying sense of community.*

**Seymour Sarason**

**Human Services and Resource Networks**

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## part two

# How Organized Barter Works

Every barter network uses its own methods of locating its participants, and cataloging all the various goods and services, both those offered and those needed. Methods differ, also, in how the wants and offers of the members are brought together to achieve satisfactory results.

Whether a network operates with a system of recording all the credits earned and spent, or whether it keeps no such records, but simply issues trading stamps, tokens, and chits, a value is given to the credit unit, and it is this, together with the pool of available services, that facilitates the multiple indirect exchanges characteristic of these barter networks. Some networks are highly structured, with all sorts of required procedures, while others simply put people together with the information they need and leave them to fend for themselves.

Some networks maintain a 24-hour telephone answering capability, while others distribute lists of available services together with the names and phone numbers of the people who are offering to perform these services. Some groups have been able to get along without an office. There are a myriad of variations in the way an office can be run, depending upon the goals of the organizer(s) and the needs of the community. This part of Chapter 2 describes some of these approaches, how they work, and what basic information is needed for any neighborhood barter network to function effectively.

**PROMOTION AND RECRUITMENT.** Promoting a barter network differs very little from promoting any community program, except that more than an organization is being promoted. An idea is being put forward which suggests an unfamiliar and different way of doing things. That is why the promotional activities of a barter network focus in two directions. On the one hand, you are promoting an organization which is needed to make available, in a particular manner, services of a certain value. At the same time, you have to promote and get neighbors to do things differently from what they are used to. The barter network offers an organized method for people to get some of the things

## YOU DON'T NEED MONEY!

People all over Greater Boston are discovering a new way to get what they need *without spending money*. Resumes typed, auto repair, musical instrument lessons, home space, audio equipment, wires and goods...

### COMMUNITY ENERGY BANK

454 WILLAMETTE • EUGENE • OREGON 97401 • (503) 485-8133

- a listing of resources & skills of community members in the Eugene-Springfield area
- a banking system based on credit hours as a unit of exchange
- an employment network

The COMMUNITY ENERGY BANK brings many benefits to its members, as well as to the community at large. The benefits are:

- Unemployed or underemployed people can increase employability and living standards.
- Spare time can be used enjoyably and effectively.
- Skills, interests and materials are made available to the community.
- Needs are met quickly and efficiently, expending the least amount of money.
- Members are paid for what they do.
- Members with similar interests can meet and share.

SPONSORED BY  
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## SWAP-A-SKILL

with a SENIOR

Open to residents  
ages 7 to 107!

WHAT IS IT ???  
People helping people by exchanging their talents, skills, and needs - free of charge - like the old-fashioned barter system.

**CURRENT NEEDS**

Animal Sitters	Grandparents	Painters
Auto Repairs	Handymen	Refrigerators
Companions/Escorts	Writers	Tennis Players
Domino Players	Hobbyists	Backgammon Players
Eaters	House Cleaners	Tutors
Fishers	Knitters/Sewers	Upholsterers
Gardeners	Musicians/Artists	Yard workers

YOU!!!!!!

Monday through Thursday, 9-2  
CALL 277-4101

they need by sharing and providing their services to others. You are appealing to a variety of people of differing values and different motivations. While saving money certainly is one benefit of barter appreciated by all people, a stronger appeal for some will be the opportunity to bring out their unused talents and to help out in the community. Promotional activities should cater to these differences in people's attitudes and demonstrate to potential members that organized barter can be of real value to them. You should be able to show what your barter network can do for its participants and for the community.

**POSTERS, FLYERS, AND BROCHURES.** A relatively inexpensive way to promote your barter network is by distributing posters, flyers, and brochures. The flyers and posters should contain a condensation of the material used in a good brochure. This should include, but not be limited to, the following:

**Brief description of the network and how it works.** This description should be as brief and to-the-point as possible. It should respond to the following questions: "Is it a network of only individuals, or does it include organizations?" "Is it a community-wide program?" "Does the program offer goods as well as services?" "Who supports or sponsors the program: members, government, a community or civic organization?" "How long has the network been around?" "What is its primary purpose?"

**Examples of available services.** All promotional materials should provide either samples of services that can be bartered or a complete list of services being offered. Initial printings of these materials need not list services that are readily available through the network (a beginning network will have an insufficient membership to deliver a wide array of services), but can be the product of a brainstorming session of the network organizers. The skills listing or examples of available services found on promotional



materials are an invaluable educational tool. They respond to the question, "I don't have any skills that someone else would need; what could I offer?" A creative listing should show each individual that their needs can be met and that their services will be in demand. If a skills listing is used, it should consist of major categories ("Arts, Crafts, and Theater," "Business and Law," "Communications," "Education," "Construction and Home Repair," "Gardening and Forestry," "Health," "Odd Jobs," "Sports and Games," "Transportation," etc.) under which specific services are listed (see example). For each reading, the categories should be constructed so that no service appears in more than one category. A master skills list in the network office may include multiple listings (of the same services under different categories), be cross-referenced, and will represent those services currently available through the network (see "Getting the Information You Need").

#### Statement of how the network will benefit the

**reader.** A brief statement, which spells out the many benefits of the network, will complement the examples of services and skills listed. It may refer to the individual's need to save money, make new friends, gain valuable job experience, help people in need, be creative, and make use of spare time, etc.

Statement of any costs associated with participating in the network, such as membership fees, "handling charges," required donations of work, etc. (see Chapter 3).

**Graphic illustrations** which convey the barter message or a network logo (or both). Graphics should be used as much as possible — pleasing to the eye and often are more effective than written statements. As they say, "A picture is worth a thousand words."

**Contact information** tells prospective members how they can get additional information to join and participate in the network. The brochure itself may include an application form, or else it may have a space for applicants to write



### BARTER — AN OLD IDEA IMPROVED

Up to now, people have bartered directly with one another, exchanging clothing for food, yardwork for music lessons, repair-work for babysitting. . . . *The Barterbank, Inc.* goes beyond the "simple swap" by making possible *indirect* cashless trade, by using a credit system. For example, Wendy teaches French to Larry for which she receives credit. She can then use those credits to obtain a table from Helen. What makes *The Barterbank, Inc.* unique is that you do not need to trade with the same person to receive the goods and services that you want. This will enable you to readily tap into a tremendous network of people with all sorts of skills, goods and services.

#### WHY BARTER?

In these hard times, barter can help if you —

- are short on cash.
- are concerned about inflation.
- need private lessons but can't afford them.
- are putting off services that you need done.
- own something you no longer need that you would love to swap for something else.
- seek a more personal way of doing business.
- have skills or knowledge you could be using to increase your earning power.
- want to meet people through sharing.

### WHAT DO I HAVE TO OFFER?

You don't need to be a professional to be qualified to teach or offer a service. Whatever your level of expertise, this is an excellent opportunity to share and benefit from skills you might not otherwise use. If you feel stuck for ideas, see the back flap.

### HOW THE BARTER-BANK WORKS

You can teach flute, repair a car or bike, offer appliances or stereo equipment, etc. and *receive credit* which can be exchanged for any services or goods the bank has to offer. Prices charged are left up to you to bargain for and are expressed in credits for the doer and debits for the receiver.\* When a transaction is completed, doer and receiver inform *The Barterbank, Inc.* of the amount of their respective deposits and withdrawals.

### QUALITY OF OFFERINGS

As part of the application procedure each member is required to describe the background he or she has in a given skill or subject area. Unrestricted access to this information enables you to find the person with the level of expertise you need. In this way, *The Barterbank, Inc.* maintains quality in its offerings.

\*Each credit or debit unit is equal in value to one U.S. dollar.

### INTEREST LISTING

A small additional fee provides you with access to a related kind of network. Using the *Interest Listing*, you'll be able to find people who share your interests in tennis, sailing, literature — anything which is not to be bartered.

### WHAT DOES THE BARTER-BANK HAVE TO OFFER?

- **LOW COST**  
For \$15 per year, you have unlimited use of a network whose number and variety of offerings is as unlimited as members' interests and skills. *No extra charges.*
- **BI-MONTHLY NEWSLETTER**  
Every other month, *The Barterbank, Inc.* will publish a newsletter to inform members of the current availability of categories of goods and skills, plus unusual items.
- **CONVENIENCE**  
You'll be referred to people who live closest to you.
- **EFFICIENT COMPUTERIZED SERVICE** — Call us, say what you need, and you'll immediately receive the phone numbers of people who meet that need. Using a computer, information is kept up to date and dependable.

*The Barterbank, Inc.* is a member of the *Free University Network* and *The Barter Exchange of The National Center for Citizen Involvement.*

in their name and phone number. The applications can be followed up later by network staff.

Posters, flyers, and brochures can be placed or distributed in public facilities (such as public libraries and schools), posted on community bulletin boards, distributed at public gatherings (such as fairs, festivals, and flea markets), or the information may be inserted in the newsletters of local civic groups, churches, agencies, or other organizations. Any place where people congregate is ideal for distributing promotional materials, especially those places where people stand around waiting. This may include waiting areas in hospitals or car wash lines, unemployment offices, or food stamp or other public assistance agencies. No matter which facility you select, ask the manager or other person in authority for permission to distribute your materials.

**PUBLIC PRESENTATIONS.** Flyers and brochures can be distributed at times when talks and lectures are being given to civic groups and to other gatherings of prospective members. There, you can discuss your network and/or distribute your materials. In making any public presentation, however, keep in mind the need to show the tangible benefits of barter. This might include producing a slide show or videotape showing members bartering with one another.

Any publication or presentation on the barter network should be as anecdotal as possible. You want to convey the "personal side" of bartering and what it means to people. Discussing barter in the abstract will do little to promote people's enthusiasm for the network. If you are speaking before a group, ask members of the audience what their needs are, ask them what skills or services they have to offer, and demonstrate how organized barter can help them. You will want to anticipate such questions as: "I exchange services with friends all the time; how will this be different?" "I do such-and-such for a living, but don't have any skills worth bartering; what do I have to trade?" "What skills are available right now through the network?" "How many members do you have?" "Where do I have to live to be a member of the network?"

Barter fairs also demonstrate, in a very tangible way, what bartering is all about. They require only the use of a free location, such as an open field, parking lot, or baseball diamond; a

## Barter Fair Slated April 1

A spring Barter Fair, sponsored by the Josephine County Skills Exchange, is scheduled for Sunday, April 1, in the Grants Pass Boys Club.

Steve Van Hook, exchange director, said there is still plenty of space left to set up a booth for tradeables.

"If you haven't enough to warrant a table, bring what you have in a bag or box and mingle with the traders," he advised.

The spring fair will be modeled on the Christmas Barter Fair which saw everything from crafts to food and from household necessities to entertainment being exchanged.

Jo-Co Skills Exchange is a service based on the premise that everyone has something to offer that someone else needs. The emphasis is on fairness of exchange. Only when both parties to a trade are satisfied is the success of the service guaranteed.

Membership is not required to use the exchange. Services may be offered by calling the exchange office. The exchange does the rest.

"An example," said Van Hook, "is a woman who

wishes to trade a portable TV set for an electrician to rewire her pump house."

Members are entitled to increased service through having goods and services on file, access to advertising of trades, use of the credit system and the monthly newsletter.

Membership is obtained through a \$5 donation and \$2 per month dues which can be paid in cash, goods or time. Nobody is excluded because of lack of money, Van Hook says.

Details are available from Van Hook at his office, Room 402 of the Wing Building, 215 SE Sixth St., or by calling 479-0375.


way to promote the fair to potential attendees; and volunteers to put up signs, control the crowd, and coordinate the event. Fairs can take many forms, but basically provide people with an opportunity to bring their talents or goods to share, let people know what they have to trade and what they need in return, and arrange mutually beneficial swaps.

Barter auctions are often sponsored in coordination with barter fairs. Auctions provide individuals with an opportunity to present their skills, materials, and needs (on a stage or podium) for "auction" to people who can offer something in return.

Skits or plays which tell the "barter experience" are an enjoyable way for members to share their enthusiasm with others. They are an inexpensive and highly effective way to promote the network. Slide shows and videotape

**presentations** can be more costly, but they are well worth the effort, providing that the necessary equipment and technical expertise are available.



**LEARNING WORKSHOPS.** Network members not only perform services for one another, or trade material goods, but often learn from one another as well. One member may receive credits or a service in return for teaching a particular skill in lieu of doing for someone else. This notion can be expanded in the form of learning workshops, which bring a number of members together to learn a particular craft or acquire practical skills in plumbing, carpentry, creative writing, auto repair, weaving, resume writing and job hunting, to name only a few.



**SkillsBank**



COMMUNITY LEARNING SERIES

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THE COMMUNITY LEARNING SERIES is an educational experience available to members of the SkillsBank on a credit-hour exchange basis. All of the classes will be held on Saturdays. If you are not already a member of the Bank, now is a good time to join. Call 482-BANK in Ashland, or 773-3818 in Medford for information on joining. If you are already a member and would like to register for a class, please contact the Ashland office, as registration is being handled there. Thanks, and hope to see you one Saturday soon!

JANUARY 12	BASIC CAR TUNE-UP/Ron Niccum
JANUARY 19	MAKING TORU/Ken Friess
JANUARY 26	BAKING YEASTED BREAD/Elizabeth Bolster
FEBRUARY 2	WEAVING BASKETS/Kathleen Buchanan
FEBRUARY 9	FROM THE GROUND UP/creative movement with Mary Ward Smith
FEBRUARY 16	RELIEVING TENSION WITH JIN SHIN DO ACUPRESSURE/Joyce Ward
FEBRUARY 23	THE VITALITY OF SOLAR ENERGY/Lawrence Schechter
MARCH 1	THE ART OF SPINNING/Suzanne Rainbow
MARCH 8	STORYTELLING AND IMPROVISATIONAL THEATER/Carolyn Myers
MARCH 15	FUNDAMENTALS OF T'AI CHI CH'UAN/ Shandor Rainbow-Wind
MARCH 22	HEALING WITH SOUND/Gaea Laughlinbird
MARCH 29	USEFUL WILD PLANTS/Tom Ward

In some instances, network organizers will find that one service is in high demand but being offered by only a few members. This presents an opportunity to bring members needing the service together with one or more members providing it — for a “learning exchange.” Workshops may be limited to network members, but if they are open to the entire community, they are an excellent promotional tool.

The transfer of knowledge and experience may be more structured, in the form of an apprenticeship or tutoring program where one or several network members will be matched with network “mentors” who teach a particular craft over an extended period of time.

Whether learning exchange takes the form of “one shot” or serial workshops, or are more structured apprenticeship or tutoring arrangements, the exchange of knowledge from one person to several is an appropriate function of the barter network. Not only is such skills development of value to individuals, it is also a good way to promote the barter network.

**COOPERATIVE RECRUITMENT.** Nonprofit and civic groups utilize network members as consultants in fiscal or program management, volunteer recruitment and training, or as office workers. These organizations can also trade a variety of services among themselves as well: office space, equipment, written materials, or expertise (technical assistance) and training, or volunteers. In exchange, existing membership organizations can provide the barter network with a “ready-made” pool of members.

Small businesses, especially print shops, typesetting and graphic firms, restaurants, and other service industries can provide valuable services to the network itself (and to its members) in exchange for needed publicity. New small businesses often are especially eager for the kind of publicity which can be provided through network affiliation.

Community organizations, cooperatives, and small businesses require special attention beyond that given to individual members. Network staff need to assure institutional members that they will not be overburdened with requests (a special concern for profit-making members, who must limit their barter activity), and that network membership is beneficial in both the short and long run.

One individual should be responsible for all

institutional accounts to assure continuity, member confidence in the network, and maximum creativity. Distinctions may have to be made between the account of a particular institution and the individual accounts of its employees.

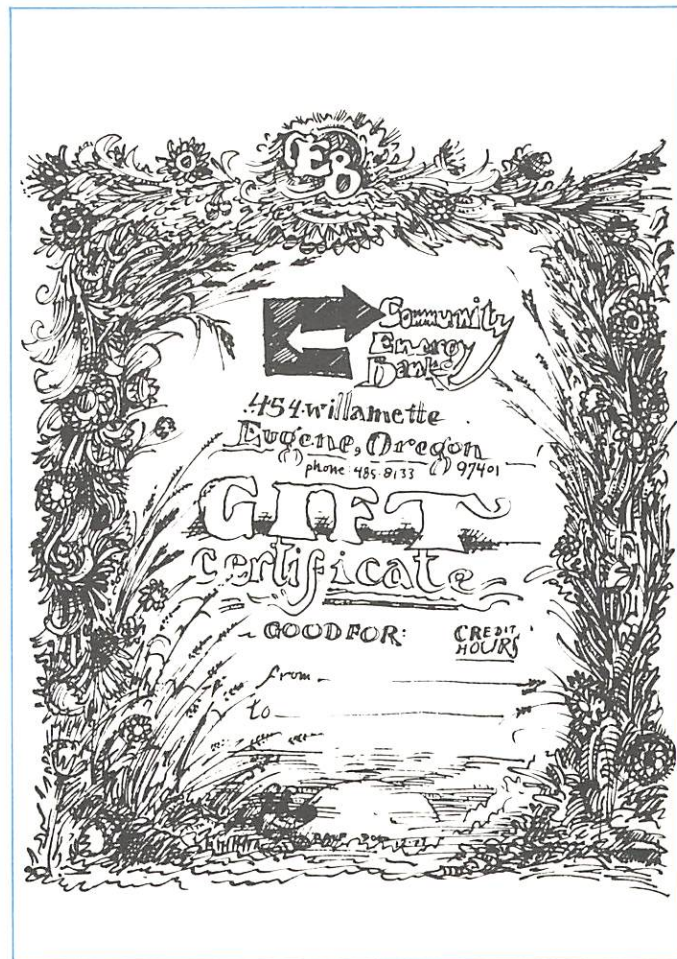
Different institutions may participate for different reasons. For example, a struggling small business may see barter as a way of reducing its overhead, and of increasing its visibility in the community. Another business may see network membership as merely part of its civic duty. A nonprofit organization may see the network as a way of trading services with other organizations, or as a way of increasing its own membership.

The two most successful forms of cooperative recruitment include: 1) liaison between network staff and institutional representatives, and 2) presentations made before the entire staff and/or membership of local institutions.

Cooperative recruitment should be conducted by those network staff (or members) who are familiar with the needs and operation of community organizations and small businesses and, preferably, who have some personal experience working with these institutions.

**WORD-OF-MOUTH.** Perhaps the most effective and least costly way to promote your network is by word-of-mouth. Satisfied network members, speaking to their friends, co-workers, or other associates, will be able to tell what being a member of the network means to them, and they will share their enthusiasm with others. Members may be offered special incentives to do recruiting, such as free membership, or waiver of membership dues for recruiting one or more new members. Additional benefits are described in Chapter 3.

**Barter gift certificates** are an innovative one-on-one way to introduce people to the barter network before they take out membership. Such certificates generally are used, however, only by those networks which operate with a credit system and a record of member accounts. Here's how gift certificates work: Member "A" "purchases" a gift certificate worth five credits, and his account is debited accordingly. The member then gives the certificate to a friend, who is able to use the certificate as a way to obtain a needed service. Such certificates, like those offered by many restaurants or retail



stores, specify only the value of the gift, not the nature of it. Someone who has this kind of a barter gift certificate may ask for any service available through the network, yet is not obligated to provide a service in return. When used in a limited way (such as a seasonal way to promote the network), gift certificates can be an excellent way to recruit new members and promote the network.

**MEDIA.** Television (commercial, public, and cable), radio, newspapers (regional, city, and local), and area newsletters all are good sources of free publicity for the network, available because you are a nonprofit organization. All of the media are required to help in promoting worthwhile community projects, and they should be eager to provide their professional help to get your message across.

The resources listed in Chapter 7 will show you how to identify and approach the media to promote your program. However, when using a broad-based medium of communication, bear in mind that it may reach people far beyond the area in which you are building your barter net-

## SECRETS OF SUCCESSFUL SWAPS

- Set up swaps so that you feel good about them — both about what you are offering and what you will receive.
- Be flexible when setting up a swap. The more skills or goods you have to offer, the more people your swap may attract with a wider range of skills and goods for you to choose from.
- Define your swap carefully (e.g., the front lawn, 14 × 20 feet, mowed and edged for a chicken dinner with apple pie).
- Equate your goods or services in hour, dollar, or product values as nearly as possible (e.g., a shampoo and set in exchange for a piano lesson).
- You will be expected to furnish any materials needed in your swap (i.e., the wood and brackets for shelves to be put up). The only exception to this would be if you specify otherwise in order to even out the swap should you find yourself offering much more service than your swapper would be.
- Be realistic about the value of your goods in terms of condition, amount of wear or life left in them, and whether it has been outdated by newer models, styles, or fads — or is in fact a priceless antique (in which case get a professional to price it!). Check actual market value or want ads for prices on similar articles. But first be sure you want to part with that article at all. Imagine how you will feel to see it going out the door with someone else.
- Offer only those services you really feel comfortable and competent giving now (e.g., the former baker who has developed an allergy to flour should not offer his baking skills!).
- Keep your expectations of your swapper reasonable (e.g., the swapper needing “a few alterations” handing over nine garments requiring extensive changes).
- Do be able to say “no” and set limits should you find yourself in a situation as above.
- Once you have defined your need and set up a swap, do not change what you expect your swapper to do (e.g., the man who arrives prepared to install locks on the windows should not be asked to rewire the lamp instead).
- Be sure that both you and your swapper know and understand the exact terms of the swap.
- Where there is any doubt, ask to see a sample of the work first so you can suggest any changes that might be necessary.
- Enjoy your swapper’s company. He is a volunteer there to help you. The happier you can make him, the more likely he is to do something for you another time — or for someone else.
- Do keep in touch with Swap-A-Skill at 277-4101 so that we know how your swap works out. That’s how we keep in touch with what you really need! Should we not hear from you within a month’s time, Bill Irwin will call you.

(Educational brochure provided to network users. Courtesy of Swap-A-Skill, San Jose, CA)

## Swap Talk

by Steve Van Hook

In this column for the next few issues we will be listing the goods and services that people have offered to trade on a barter basis. Providing you have (or do) something of worth to the person you want to deal with, you too can participate in this rewarding means of sharing.

New skills are constantly being added to our roster, so if a service you seek is not on the list, give us a try anyway. We'll give every effort to meet your needs.

For your future convenience, be sure to clip this and the following columns until the series is completed. Call the Skills Exchange at 479-0375 to join in with the fair and friendly people already a part of barter.

These are available: Accounting, acreage, advertising, air conditioner repair, airplane rides, anatomy tutors, alterations, answering service, upholstery, appliance repair, architecture, arts and crafts tutoring, art supplies, art work, astrology, auto body work, auto painting, auto repair, auto tune-up, baby sitting, back-hoeing, baking, band instrument repair, band saws, barbers, batiking, beauty operators, bees, bible study, bicycle work, bio-dynamic farming, birthing coaches, bleaches (hair), blue prints, boat trips, body brace maker, books, bookkeeping, brief hand, brass instrument instruction, butchering, cabinetry, cab-over campers, cake decorating, camera and projector repair, canning, cars-trucks-trailers, carpentry, caretaking, carpet, carpet cleaning, carpet sweeper, cartooning, carvers, cashiers, cat work, catering, c.b. repair, cement finishing, chainsaws, chainsaw work, child care, clarinet instruction, cleaners, clearing land, clerical skills, clock repair, clothing, clowning, communications, communication workshops, computer programming, concrete work, consultation services

(business and personal), cooking, crafts, crocheting, cross country skiing, dance classes, dance partners, death and dying counseling, decorative painting, deep freezers, dental hygiene tutoring, dentists, denturist training, dog exercise, dog grooming, dog obedience training, dog sitting, doll repair, domestic work, draftsmen, drama tutoring, drapes, drapery installation, dried food preserving, driving, driving instruction, drug workshops, drywall work and dump trucks, jobs with his four-wheel drive diesel tractor. Says Gray: "I gave him a couple of hours work, he gave me a truckload of wood. It worked out fine... a real good trade." If you, too, can use the services of Gray's tractor, he adds: "I can always use more wood."

**Much For Trade:** Hermann & Marianne Schroeder are from Germany, and can tutor German with the expertise of natives. They also offer for trade leather goods and repairs of all types, bookkeeping, tap dance and accordion lessons, two accordians, a shoemaker sanding machine, a solid iron press "clicker", a Sears electric dryer, a No. 700 "Fabric master", and a wood stove that takes 20 inch logs. They are especially looking for dental services, firewood, 2' x 6" redwood boards to build a patio, brown eggs, and any kind of nuts (save the human variety). They can be reached by calling the Skills Exchange at 479-0375.

**Good Cook:** Joan Edwards writes us and says she is a "good cook that will exchange my skills for someone who could make me some bird feeders and plant boxes. Bring your own recipe, or let me know what you want cooked." You can reach her at 476-9549, 479-5505, or through the Exchange.

**Washer Won't Work:** Rhonda Cowie needs her

washing machine fixed in exchange for reliable and capable babysitting services. Please call to help.

**Car Pal:** Doris Oltman would like to find someone willing to share rides with her husband in the interests of gas conservation. He works in Medford from 8 to 6 at KOBI, then returns to Grants Pass.

**Glass Wants Window:** The talented local artist, Roberta Glass, would like to find a business window she can do her pastel portraits of the public in. She offers in exchange publicity, bringing new people into your business, bookkeeping and typing, and adding a little color and life that is sure to attract customers from the street. Roberta will be teaching artistic skills at the Masterpiece Gallery on Fridays starting the 18th.

**Thank Heaven:** Jane Miller would like to trade some of her like-new little girls' dresses and clothes, size 2 and under for some little boys' clothes size 6 to 7.

**Hot Pop:** Peggy Taylor would like to trade miscellaneous talents and goodies for a hot-air popcorn popper. Call the Exchange to reach her.

**Paulson's Jam:** Al Paulson, a voracious consumer of peanut butter and jelly sandwiches had offered his handyman talents in exchange for homemade jams and jellies. Bertha Sigelkoff needed her rain gutters cleaned, and was unable to do it herself. She called and asked us if we could help her get the job done, noting she had some preserves to trade. Al rushed on over, and Bertha reports: "He is a very fine person... I really recommend him. I gave him more jam than he asked for, because he was worth more." She also applauded the Skills Exchange with "I appreciate all this free service. Thank you so much!"

work. Your promotional activities should not extend beyond your intended membership. Accordingly, some of the most suitable media for a small-scale or beginning barter network to use are the newsletters of the local civic and community groups and local cable TV.

A good newsletter can complement a network brochure as a promotional tool. In any case, it is an added benefit of membership. A network newsletter can provide members with an opportunity to "advertise" their services (if they haven't been called upon frequently), to hear the "personal side" of exchanges taking place through the network, to get a chance to participate in the leadership or administration of the network, hear about important "goings on" in the community, or generally be kept up-to-date on the activities of the network.

In addition, a number of major newspapers across the country feature swap columns where individuals can list things they need or services they are willing to trade. With barter networks providing the copy, most newspapers will sponsor a swap column at no charge.

**GETTING THE INFORMATION YOU NEED.** Collecting the necessary information on new members can be done in various ways: On-site — Member information can be obtained at the place of recruitment. Recruitment can be conducted immediately following a public presentation or through a booth at a public event. Mail-in applications — Interested individuals can be sent an application form to complete and mail back to the network. Walk-in — Interested individuals can come to the network office, obtain information on the network, and complete an application form with assistance from a network staffer. Phone-in — Prospective members can provide information over the phone, have a completed application mailed to them for their signature, and return it to the network by mail.

The information needed from network members includes:

- Name, address, day and evening phone numbers;
- Goods and services offered;
- Availability preferences (the time of day, week, or season of year the member is willing to provide the service).





# John Ball Park association inaugurates community service exchange program

by Paul Overeiner

In these days of double digit inflation, even the cost of fixing a leaky faucet can be prohibitive to some household budgets.

But a new program available through the John Ball Park Community Association (JBPCA) should provide some homeowners with an alternative to high repair bills.

The JBPCA SWAP program is based on the barter system of exchanging services. SWAP is an acronym for Service With Active Participation.

The program is based on the premise that "an hour's worth of work is worth an hour's worth of work," said SWAP coordinator Diane Simonson.

Residents who qualify for the program can exchange their abilities or skills for another residents time for needed repairs without any hard cash exchanging hands.

"This program is totally unique for Grand Rapids," said Simonson. "Any resident with anything tradeable can register."

Simonson said similar programs are being run in Ann

Arbor and Evanston, Ill.

The program is organized so that a person with a skill or ability can pledge his time, much like making a bank deposit. That person is then eligible to receive time from another person with a different set of skills.

And valuable skills are not limited to home repair techniques, either.

A person with the ability to teach someone how to play the

some of those specialized home repairs easier. If someone needs a basin wrench to do some plumbing repair, for example, the JBPCA might be able to supply it on loan.

According to Thomas Tobin, director of the JBPCA, funding for the program was received just over a month ago.

Tobin said the JBPCA has received \$30,000 in community development funds which will

It's based on the old fashioned barter system where neighbors take care of each other.

piano might be able to receive instruction in a foreign language from another resident as part of the exchange.

"We're pretty excited about it," said Simonson. "It's based on the old fashioned barter system where neighbors take care of each other."

As an added bonus, if a resident gets a registered neighbor to do the work, he is eligible for a credit worth of repair materials.

In addition, the JBPCA is acquiring a tool bank to

## Exchange program

(CONTINUED FROM PAGE 1)

a larger sense, it will help develop community resources."

Family income must fall within guidelines for residents to qualify for the program, said Simonson.

For a single person household, Simonson said, the maximum allowable income is \$9,700 a year. For a four person household, the maximum income allowed is \$13,850.

Persons qualifying for the program are asked to fill out a simple form and complete "learner cards" and teaching cards, which reflect their needs and abilities, respectively.

One of the exciting things for Simonson is helping people find hidden skills.

Many older women claim to have nothing to offer in the exchange, Simonson said, and she is delighted to tell them: "yes, there are things you can do."

Sometimes these abilities are as basic as watching someone's children or acting as a grandparent figure.

The biggest job in the program, now, is getting the word out, according to Simonson.

She said she worked so hard finding mechanics and teachers that the files were almost devoid of persons needing services.

"It's wonderful to encourage

self-reliance," said Simonson. "And it's a refreshing idea that gets people to know one another."

Among the barter networks which keep the exchange credit records of their members, some make use of the application form to show the running balance record which results when the credits are earned and spent. (See "Indirect Exchange.")

Once the necessary information is obtained, its use will depend upon how the network is structured. The information may simply be reprinted in directory form for distribution to network members only or to the public at large. The applicant's information may be stored in one of several other ways which help the network members get in touch with one another, without the need to keep complicated records.

The application forms, placed in a file drawer or folded and placed in a card file, may serve as a member file. If this approach is used, application forms usually are printed on heavy stock and folded in such a way that the member's name appears on the top.

Many networks assign a registration number to every new member. Then, instead of using names, only these numbers are used in the skills file, which is the detailed list of all the services offered. If, for instance, ten people offer to help with sewing, then, after the item "Sewing," the ten registration numbers will appear. It is evident that this use of numbers in the skills file saves space. Also, it saves time and helps to simplify the work of the office. Moreover, it protects the confidentiality of this file, because, without a special cross-index or listing of all members with their registration numbers, no one could know who was offering which services.

The last registration number of the last person to join the network can tell the office workers at a glance just how many people have joined the organization. After a member leaves town or drops out of the network, the registration number is reassigned.

## SKILL FILE CARD

\_\_\_\_\_ (Skill or Service)

MEMBER # (OR NAME)	PROFICIENCY CODES	COMMENTS
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____
_____	1-2-3-4-5 S OR TE A OC TO L	_____

### PROFICIENCY CODES EXPLAINED

Current skill level (low) 1-2-3-4-5 (high)

- |  |   |
|--|---|
| <p><b>S</b> Contact others with same interest</p> <p><b>OR</b> Will help organize as a group activity</p> <p><b>TE</b> Willing to teach</p> <p><b>A</b> Will give advice</p> | <p><b>OC</b> Do only occasionally</p> <p><b>TO</b> Will teach only</p> <p><b>L</b> Licensed or certified to provide service</p> |
|--|---|

Whether or not members are assigned registration numbers, every neighborhood barter network maintains some sort of skills file or inventory of all available services. Without this, it is impossible to do the essential work of information and referral. This file is a listing of all services available throughout the network. File cards (5" × 8") can be used, each one showing one service and the names (or registration numbers) of the members providing this particular service. Ordinarily the filing is done alphabetically, though it may be done under category headings within which only the detailed listings are alphabetical.

These files of available services also may include helpful information about the members who are offering their services. For example, proficiency codes (taken from the member's application form) will help the network staffer to choose and select either a skilled or an unskilled person to do the job being requested. Additional helpful comments can be written on the cards of this skills file.

Other information which some networks regularly include on all of their cards which list services is the zip code and those telephone

number prefixes which show the general area in which people live. If it is desirable to narrow down or pinpoint the location of the member's residence, this can be done with a map and special codes to show, for instance, city block areas and other boundaries.

A separate file of goods or materials offered by network members may also be maintained, listing materials alphabetically with reference to the members providing them (see example).

All requests for services, referrals of members, and reports of completed transactions are recorded on a network daily log. This log can indicate which network staffer is handling the request, serving as a reminder when a referral should be followed up. Once a request for a service has been made, and names and phone numbers of two or three members providing the service requested have been provided, the network staffer is responsible for: a) following up on the request to make sure that someone has been found who will provide the service, and b) following up again to make sure that the service has been completed. At this time, a special notation can show whether the work done was satisfactory or not. This information

## DAILY LOG

DATE	MEMBER MAKING REQUEST	SERVICE REQUESTED	MEMBERS REFERRED	DATE FOR FOLLOW-UP	TAKEN BY
1/25	Jim	Auto tune-up	Susan	1/29	Grace
1/26	Susan	House-sitting	Bob	1/30	Grace
1/26	Bob	Carpentry	Jim	1/30	Grace
1/27	David	Child care	Ruth	1/31	Mike
1/27	George	Haircut	Kathy	1/31	Mike
1/28	Henry	Clothing repair	Nan	2/1	Mike
1/29	Larry	Car repair	Susan	2/2	Karen
1/30	Ruth	Shoe repair	Henry	2/3	Karen

may be recorded in the member files or in some other convenient location. It will be helpful in making future referrals.

It is extremely important that new members receive quick referrals to service providers, that network staff are attentive to the new member, and that a successful, mutually satisfying exchange takes place. While this is an ongoing responsibility of network staff, it is particularly important in the early stages of network operations and when introducing new members to the network.

Whether the network staff is full-time or part-time, paid or volunteer, all these workers may have their own member "case load." This assures that the needed follow-up is done and that proper "one-on-one" attention is provided to network users. Network staff may also "matchmake" over the phone using the three-way calling option available from the phone company (not available in some areas). Two people with a need are brought together to discuss their potential for a transaction. The role of the network staffer, in this instance, is to introduce the members to one another, infuse as much creative thinking as possible, and make the two persons involved feel at ease.

**INDIRECT EXCHANGE.** The primary function of the barter network is to make the exchange of services occur more often and among people who ordinarily don't have an opportunity to interact. Without such a network, lists or directories of people and their available skills can facilitate this interaction, but only to the degree that two people can arrange a mutually beneficial exchange. Even though one person may provide a service in exchange for a reciprocated service at a later time, the swap is still limited to two individuals trading only things they consider to be of equal value.

A pool of services, however, can make a member's services available to all network members, and enables the user to give and receive services to/from different members at different times, trading in different parts or amounts of these services. A barter network pool facilitates "triangular" or indirect exchanges; that is, barter involving three or more people trading either simultaneously or over no predetermined time period. This service can be provided in one of three ways: 1) through a coupon system; 2) through a system of debits and credits where each network user maintains

a bank-like account of "assets" and "liabilities"; or 3) through a referral system which matches three or more people simultaneously without coupons or credits.

**THE COUPON SYSTEM.** Under this system credits are issued to and spent by members, but no central records are kept of these transactions. Members are issued a limited number of chits, stamps, or tokens, each being valued as being worth one credit or one hour. Individuals possessing this kind of currency trade among themselves until their coupons are used up. They can start earning them back by providing their skills to those other members who have not yet spent all of their coupons. This system is simple, and it leaves the office staff to spend most of their time with the basic function of information and referral. Like money, coupons, stamps, and tokens can be lost or stolen. The use of coupons in neighborhood barter networks is often found in England and in Canada, where they are called "link schemes" or "link exchanges."

**COMMUNITY ENERGY BANK**  
credit exchange

DESCRIPTION OF EXCHANGE (work done): \_\_\_\_\_

WORK DONE FOR: (member's name) \_\_\_\_\_ (member number) \_\_\_\_\_

WORK DONE BY: (member's name) \_\_\_\_\_ (member number) \_\_\_\_\_

NUMBER OF CREDIT HOURS EXCHANGED \_\_\_\_\_ SIGNED \_\_\_\_\_  
DATE BEGUN \_\_\_\_\_ DATE COMPLETED \_\_\_\_\_ SIGNED \_\_\_\_\_

This form is to be signed by both participating members and by the individual providing the service.

**SERVICE EXCHANGE - KORRIA SERVICE**  
CREDIT ACCOUNT & RATING CARD

TRANSACTION # \_\_\_\_\_

YOUR NAME \_\_\_\_\_ DATE \_\_\_\_\_

MEMBER # \_\_\_\_\_ PHONE NUMBER \_\_\_\_\_

SKILL YOU PROVIDED \_\_\_\_\_

NAME OF SKILL REQUESTER \_\_\_\_\_

MEMBER # \_\_\_\_\_ DATE SKILL GIVEN \_\_\_\_\_

EXCHANGE AGREED UPON \_\_\_\_\_

UNITS TO BE CREDITED TO IN ACCOUNT \_\_\_\_\_

PLEASE RATE THE SKILL (VERY GOOD=3, OK=2, POOR=1) \_\_\_\_\_

[SMILE]

**the barterbank, inc. transaction card**

**ATTN BUYER:** Call The Barterbank, Inc. (the BB) to request referral. When you are sure of which person you will be trading with, call the BB for a go-ahead. If the arrangement falls through, call the BB immediately. Your initial debit limit is 50 credits (50C). Each time you earn 50C, your debit limit increases by 25C, up to a maximum limit of 500C. If you exceed your debit limit, you risk a \$5 penalty. Call the BB immediately to make arrangements for earning credits by providing goods or services.

**ATTN SELLER:** It is the Seller's responsibility that transactions be valid. Check the Buyer's membership card for expiration date and signature, and ask for his or her credit limit and credit balance. Before being an experienced item (50 credits or more), call The Barterbank, Inc. Earnings for ongoing services or teaching arrangements should be reported regularly by sending a completed transaction card before more than 50 credits are accumulated. It is in your interest to be conscientious. Credit will not be granted for invalid transactions.

PLEASE PRINT

Description of goods or services rendered: \_\_\_\_\_

Price (number of credits involved - each credit/debit unit is equivalent in value to one U.S. dollar): \_\_\_\_\_

Seller's Name \_\_\_\_\_ Buyer's Name \_\_\_\_\_

Seller's Membership Card No. \_\_\_\_\_ Buyer's Membership Card No. \_\_\_\_\_

I have provided the services or goods described above to the person named as Buyer for the agreed upon price in credits shown. \_\_\_\_\_

I have received the services or goods described above from the person named as Seller for the agreed upon price in credits shown. \_\_\_\_\_

Seller's Signature \_\_\_\_\_ Buyer's Signature \_\_\_\_\_

### **THE CENTRAL ACCOUNTING RECORDS**

**SYSTEM.** Most neighborhood barter networks make use of this system, which keeps track of the credits earned and spent by their members. Each member has an account, not unlike those kept in banks, except that it is not money. Credits usually are counted as credit "hours," each credit being worth one hour of a member's time. Ordinarily, everyone's time is considered to be of equal value, regardless of experience, skill, or the nature of the service performed.

Few networks try to put a dollar value on the credit point or credit hour. Some of them, however, do come up with guidelines to differentiate between the value of skilled and unskilled labor time. Most networks avoid all the complications of trying to value one kind of work over another, and leave it all up to the members themselves when they are dealing with each other. After all, the member doing a job and the one for whom the work is being done must agree as to the number of credits or credit hours which are to be reported to the central office.

It may be unfair to lump together as equal value the work of the lawn boy and the plumber or the nurse, and it may be impractical to put a dollar value on any of the services done by the members of the network. The task of working out these differences is seen to be almost impossible when you consider that many of the services offered cannot be measured logically, even in terms of credit hours. How many hours do you charge, for instance, for borrowing freezer space for a week or for taking care of a neighbor's dog while that neighbor is on vacation? How much is it worth to borrow a ladder or a sewing machine? The only practical way is to let the members work it out for themselves.

In both of the systems or ways of handling the credits earned and spent by members, credits must be issued by the network. Under the coupon system, each new member is given, say, two hours or four hours of credit, each credit being worth one hour of work. This credit enables the member to receive a service prior to providing one. Under the other system, the one which keeps an accounting of all the members' credits, the network lets its members start trading and getting the services they need just as soon as they join. Of course, a close record is kept of the number of credit hours being spent, so as to not let the member get "overdrawn." Most networks may not let their members chalk up a deficit of more than ten

credits before requiring them to repay with some of their own services. Some of the smaller networks, however, and others which closely watch over their members' accounts, may not have to set debt limits, but they will examine each case of heavy indebtedness on its own merits.

Aside from the matter of dealing with and accounting for credits, there is the question of paying for the parts, supplies, and ingredients for which money has been spent when a service was provided. If I tune up your car in exchange for five credits, and get some other service in return, who pays for the \$30 worth of parts that I used? If I am providing child care for three local mothers, and pay for feeding these children, how do I get compensated for the cost of the food? In most cases, the answer is simple — the person receiving the service pays for the parts and supplies, the lumber, gasoline, or whatever other out-of-pocket expenses were needed in providing the service. Of course, a neighbor can say, "I enjoyed the ride, forget the cost of the gas," or "Your kids were no problem; they even helped to wash the dishes."

When a network operates with a centralized system for keeping credit records for the members, monitoring these activities can become a problem. Basically, there are three parts to an effective monitoring system: a) Member accounts. On each member's account, all the member's transactions are recorded, giving the hours of credit earned and spent since the member joined, and the current balance. It is useful to give the name of who did what for whom, with each entry. These member accounts may be kept on the bottom of the membership application, though it may be more convenient, as the network grows, to keep a separate card file. The examples on the next few pages show how this information can be maintained. b) A system of reporting when a service transaction has taken place. Once a service has been provided by one member for another, the date, the nature of the service, and its value in credit units or hours should be reported back to the network office, so that the credit records can be brought up to date. This will involve, let us say, taking two hours for a ride to the doctor from one card (as a debit), and adding these two hours onto another member's card or record (as a credit). This reporting usually is done by the member who provided the service and received the credits. This reporting can be by

phone or else with a mailed-in exchange slip or transaction card. No matter how this information is obtained, it should include: date of transaction, members involved, service provided, value of the service, and space for additional comments. c) Master ledger of exchange activity. The use of a credit ledger book (available in most office supply stores) allows the network to keep track of all exchanges. It records which members exchanged what service when

and for what amount, and shows the network's own balance of credits, providing that the network itself does receive a "handling fee" on each exchange (see Chapter 4). In the example below, Bob has worked in the network office and received six credits. Susan has performed a tune-up for Jim and has received ten credits, while Jim has been debited 11 credits (the eleventh credit going to the network for facilitating the exchange). The ledger book shows that two

## CREDIT LEDGER BOOK

Date	Members	Provided	Received	Credits	Debits	Member Balance	Network Balance
1/25	Bob	Staffing		6		+ 6	-6
1/26	Susan	Tune-up		10		+10	
1/26	Jim		Tune-up		11	- 5	-5
2/10	Bob	Hs. Sitting		2		+ 8	
2/10	Susan		Hs. Sitting		3	+ 7	-4
2/15	Jim	Carpentry		4		- 1	
2/15	Bob		Carpentry		5	+ 3	-3

### EXPLANATION

Bob has provided 6 credits worth of office work. His previous balance was zero so it is now +6. The network itself, which accumulates credits as "handling fees" on member exchanges, is debited 6 credits as a result of crediting Bob for his office work.

Susan has provided a tune-up to Jim worth 10 credits. Her previous balance was zero, so it is now +10.

Jim has received a tune-up from Susan, so his account is debited 11 credits (10 for Susan and one to the network as a "handling fee"). Jim's previous balance was +6. Since 11 credits are debited, his balance is now -5. Since the network has received one credit for brokering the exchange, it's balance of -6 is changed to -5 (to reflect the credit it has received).

Bob has provided housesitting to Susan, so his account is credited 2 credits. His previous balance was +6 so it is now +8.

Susan has received 2 credits worth of housesitting from Bob, so her account is debited 3 credits (one to the network) and her balance is changed from +10 to +7. The network balance is changed from -5 to -4.

Jim has provided 4 credits worth of carpentry services to Bob, so Jim's account is changed from -5 to -1.

Bob has received 4 hours of carpentry from Jim, so his account is debited 5 credits (one credit to the network) and his balance changes from +8 to +3, and the network balance changes from -4 to -3.

transactions have taken place: one between Bob and the network, and other between Susan and Jim. The book indicates when these exchanges took place, what services were provided and received and by whom. This ledger also shows the account balances of each member along with the balance of the network itself.

**THREE-WAY REFERRAL SYSTEM.** Let's assume that a network office maintains the type of member information described in the previous section of this chapter — name, address, phone number, and services available. A three-way swap may go something like this:

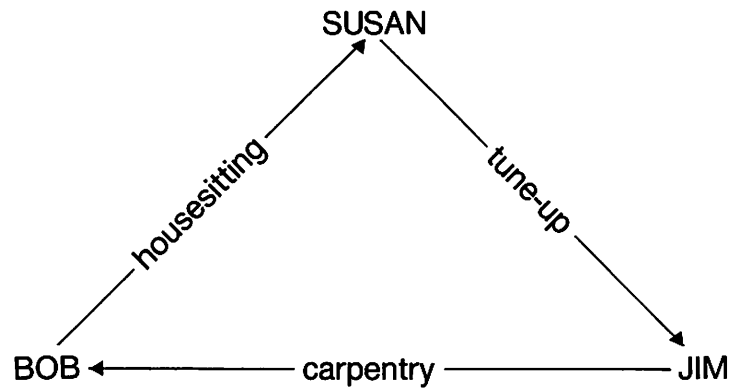
- Jim calls the network looking for someone to tune up his car.
- A network staffer searches the files and finds Susan, an auto mechanic.
- The staffer checks Jim's file and finds that he offers carpentry (among other services). Jim confirms his availability to do carpentry. The staffer informs Jim that he will be called back later.

The staffer contacts Susan, informing her of Jim's need for a mechanic, and asks if she has a need for some carpentry work. She doesn't. The staffer asks her what she does need, and she replies that she's planning to go out of town for a week and needs someone to take care of her plants and feed the cat. The staffer informs her that she will be called back.

The staffer searches the files and finds Bob, who is available for housesitting and plant care, and calls him to see if he has any carpentry needs. He does. The staffer asks if he is available to provide housesitting during the week of Susan's trip. He is. The staffer informs Bob that he will be called back.

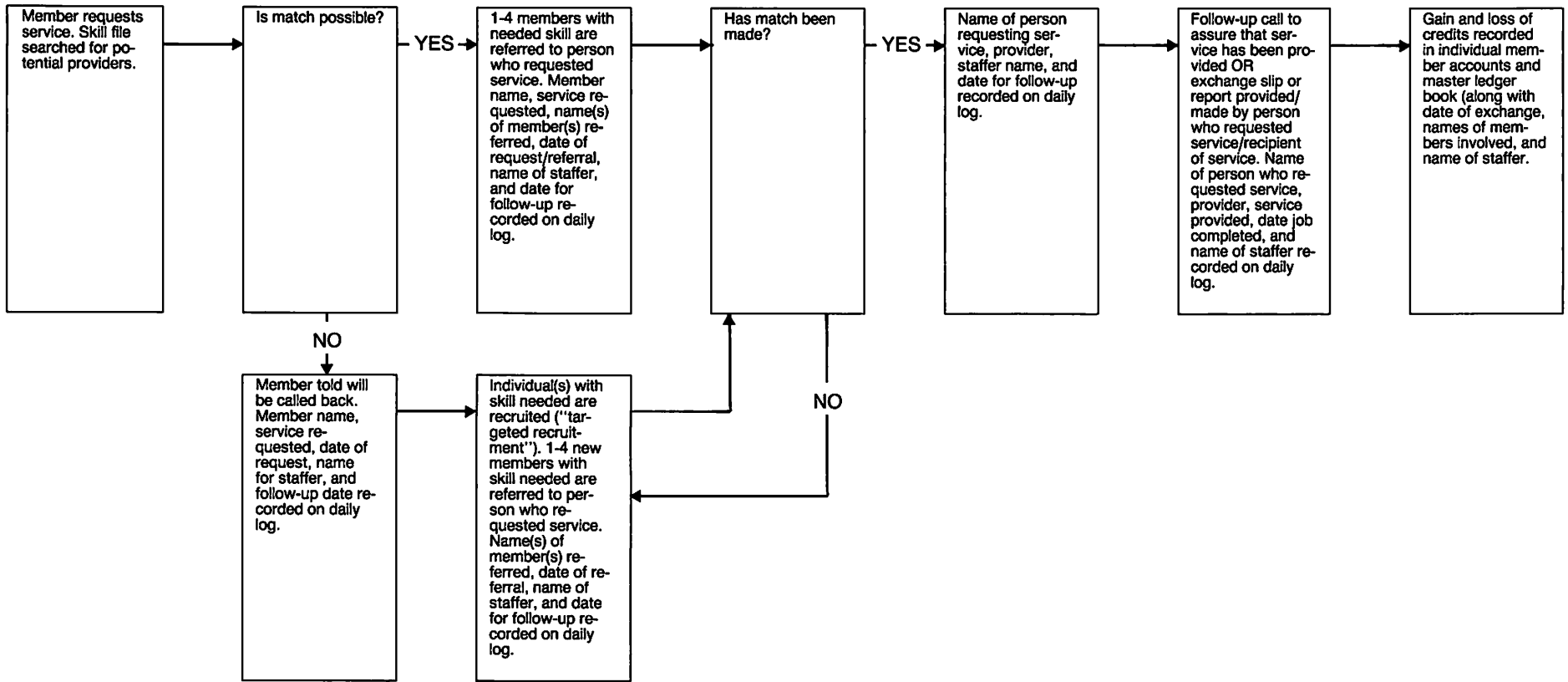
The staffer then brings all three together, by giving them each other's phone numbers, and follows up to make sure all arrangements have been made. A second follow-up is conducted two weeks later, to see if the exchange went smoothly.

Here's an illustration of this exchange:



The most effective design and production of network promotional materials, the best ways to promote the network, and the most efficient systems for intake, referral, and evaluating services, all becomes clear as networks develop over time. However, in almost all successful cases, barter networks begin with a relatively uncomplicated system, growing in complexity and sophistication only as these changes are needed, as shown by the organizers and membership. In every instance, the number of members and the amount of structure of the program is all secondary in importance to visibility, the degree of interaction among the membership, and the success of the network as a small-scale, people-oriented neighborhood self-help organization.





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## *part three*

# *Guidelines For Success*

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The following guidelines and strategies are based on the successes of a number of barter networks across the U.S. They are not all-encompassing, but should be considered during the early phases of barter network development.

**Provide sufficient time and resources to planning and design.** The evolution of local barter networks is typically dynamic in nature; that is, they tend to change their focus and approaches as they develop. This results partly from the fact that barter networks vary in the way they relate to community needs, and the initial program design may not be suitable to meet changing and newly recognized needs. This change is a positive process, but the degree and frequency of this modification can be reduced by responsible planning, as discussed earlier in this chapter.

**Draw heavily on the experience of comparable networks.** There presently exist sufficient numbers and concentrations of resource networks to look to for assistance. Similarly, the body of practical written materials is increasing. Chapter 7 lists many of these resources. They should be tapped and utilized, but with sensitivity to the fact that what works in one community may not work (as well or not at all) in another.

**Provide for consistent staffing.** Whether you use paid staff, volunteers, or both, make sure that people are readily available to answer questions, phone calls, and other inquiries, and that they get to know network members as well as possible. While much of the work of operating the network can be conducted by volunteers and/or network members (bartering their time), the first year will probably require one full-time paid or volunteer person who can play an ongoing leadership and coordinating role.

**Begin with a target “sub-group,” smaller than the eventual network “community,” as a pilot site.** Such a group may include a block club, church, civic group (with a close-knit membership structure), housing project or cooperative, a tenants association, or a combination of di-

verse groups, such as a senior center, youth group, school, and professional association. To insure later success and minimize the risk of damaging the network’s later credibility as a result of early mistakes, begin with a small, manageable group or combination of groups with which to work closely. It is preferable to select a group which represents more than one segment of the population, as, for instance, the elderly or a particular income level, because the more diverse the membership, the greater the number and variety of services to be traded. For example, it may take a young person to move heavy furniture or clean the leaves out of rain gutters for an elderly person. By working initially with a well-organized group, you will be able to iron out problems in your approach that could be damaging when attempting to reach out to the larger community. By beginning small, and growing in proportion to your ability to facilitate successful swaps, you will avoid reaching a point where providing the necessary attention to network members is unmanageable.

Once you have “tested the waters” with a pilot sub-group, you can proceed in one of two directions. You can either promote and expand your network into a large area (such as a whole town or city) and manage the network through “satellite” offices (such as one per neighborhood or four-square-block area); or, you target a single neighborhood, community, or small town. Once you are successful in that locale, you can spin off barter networks to outlying areas. Initially, each will be able to focus on the needs and resources available in its respective community, but eventually all the independent networks can interact (assuming their systems are compatible), forming a city-wide or regional network.

**Attempt to provide tangible evidence of what bartering can do.** Exchanging a service has very real value, involving more direct human contact, creativity, and “loving care” than commonly found in the marketplace. This can be fully appreciated, however, only by the individuals involved. It can be difficult to convince

people who have not tried barter, how it can be helpful to them. Part Two described several strategies for publicizing barter and the barter network, through sponsoring barter fairs, with “human interest” stories in a network newsletter, and with barter workshops. The advantages of barter should be demonstrated from the start. One approach is to barter for your operating needs. One barter network, the Skillsbank in Ashland, Oregon, bartered for its office space by acquiring a deteriorated building (about to be torn down) from the city, totally refurbishing it through bartered services. Now it shares this office space with other community organizations. Starting off a barter network with a highly visible, exciting, and worthwhile project is not only impressive to casual observers, but can build an enthusiasm and a momentum that can help to get the project underway operationally.

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*Barter is not a panacea for all social ills, but the use of direct, concrete exchange gives people a sense of control over their economic destiny. This is significant for those groups divested of that control — the unemployed, those on welfare, teenagers, and the elderly.*

Dyanne Asimow Simon  
The Barter Book

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## *CHAPTER 3.*

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# *SUPPORTING YOUR BARTER NETWORK*

**B**arter networks promote neighborhood improvement and people helping people. They are not “charities” in the popular sense, in that no one is receiving something for nothing. Members give their time, energy, and expertise in return for the satisfaction of a “job well done” and for return services received in exchange. Barter networks often implicitly promote both interdependence and self-reliance. They are capable of being largely self-sustaining and, to some degree, are obligated to be as self-sufficient as possible. As suggested in Part Three of the previous chapter, a barter network should provide tangible evidence to the community of what it can accomplish. By using the barter system as much as possible to pay for the expenses of the network, the organization can be viewed as practicing what is “preaches.”

By virtue of the fact that barter networks represent a pool of individual talents and energy, they are quite able to draw on their membership for financial, in-kind, and staffing support. Unlike many community organizations, which often require substantial amounts of financial support for their survival, many barter networks are capable of keeping their financial overhead very low. Use of an office, for example, can be bartered for or donated in-kind. Membership fees and credits can be used creatively to support the operation of the network. However, in-kind contributions of space, materials, or labor, and financial support from network members, may not be enough to support all the activities you choose to undertake. Therefore, the fundraising strategies used by other self-help and community projects may become an integral part of the ongoing efforts to support the network.

Successful strategies for local fundraising and grant writing are the topics of the books and manuals listed in Chapter 7. This chapter on supporting your barter network is devoted to those strategies that are more-or-less unique to barter networks, such as raising money and volunteer support from your members, and using the credit system to get the most out of traditional fundraising events. However, the section entitled, “Fundraising and Budget Planning” presents some basic principles for planning and finding help in supporting your network.

**MEMBERSHIP FEES AND DONATIONS.** Members can give financial support to the network through membership fees or dues, donations, or

else “handling charges” paid whenever an exchange takes place. Individuals may be asked to pay for the use of their network with money or by volunteering their time.

Just as many food co-ops require that shoppers donate an hour or so of their time per week in exchange for the lower costs of the co-op, network members may be asked to donate their time in exchange for the “matching” services of the organization. Members may be asked to volunteer a certain number of hours per month helping operate the network, or be asked to undertake special projects, such as preparing or distributing a brochure or flyer, or providing legal or other professional services to the organization.

If a system of credits and debits is used, members may contribute their time in credits. For example, individual member accounts may be debited at the rate of one every two months (or six per year) as membership “dues.” However, it is preferable that member accounts only be debited when they actually use the system. With an “automatic” dues debiting system, the network receives credit “income” whether or not people are making use of the network. For example, if a member does not use the system for six months, yet, through inaction, discovers that during that period this individual has run up a deficit of three credits, such dues may be an unfit penalty. As a more equitable alternative, a “handling charge” may be levied on each exchange. If one member receives ten credits for providing a service to another, the recipient of the service would be debited 11 credits, with the eleventh credit going to the network. This is not only more equitable for system users, it assures that the organization itself is “rewarded” only when people are using it.

The “income” of volunteer time or member credits can contribute greatly to the manpower of the network or its ability to raise funds from other sources (see next section).

Network members also can be an important source of financial support. Membership dues ranging from \$2 to \$25 (or more) per year can be required for participation in the network, or solicited as “donation” dues. It may be necessary to avoid charging fees, in order to assure that the network obtains tax-exempt status. If monetary dues are required, and the network is serving members only (as opposed to benefiting the larger community in a tangible way), the Internal Revenue Service is not likely to ap-

prove an application for 501(c)3 (tax-exempt/deductible contributions) status, as discussed in Chapter 2, Part One. Two alternatives are to request dues on a sliding scale based on ability to pay, or provide potential members with the option of paying in volunteer labor as mentioned earlier. It is best to administer sliding scale dues based on the "honor system"; that is, requesting the potential members pay what they can afford instead of asking for personal information regarding their income.


One option is to adopt a "multi-level" membership structure. Individuals, families, senior citizens, and organizations or businesses may pay different amounts. Or, members can pay different amounts depending on whether or not they choose to become "sponsoring" or "supporting" members or "patrons." Each category will pay a different rate, and receive different benefits in return. For example, basic membership in the network may cost nothing, requiring volunteer labor only. It may entitle the member to be listed in the network's files and to exchange services with other members. A "sponsor" may have the option of paying in labor or money, and also receiving a window decal or poster signifying affiliation with the network. A "supporter," in addition, might be given the network's newsletter or a list of all the members

in the network. A "patron" could receive all of these benefits as well as other "bonuses," such as a certain number of network gift certificates. A network directory may also be a benefit to certain members, or it could be sold to the community at large, for additional income.

If no fee is charged for membership or use of the network, donations from individual members can be solicited by phone or mail. While mass-mailing is generally not the most effective fundraising strategy, it can be effective if a solicitation letter is well written. A mass mailing may be worth considering, providing it costs little or nothing to produce. Whether a mailing does or does not result in financial contributions, it may help you to evaluate your network's popularity (or lack thereof).

No matter which type of neighborhood barter network you adopt, remember: It is not unreasonable for the members to "pay" for the services of the organization, either in volunteered time or in money. Monitor closely your membership requirements, and make necessary changes if these rules are seen to discourage membership or if they do not give sufficient support to the core activities of the network. Members will support the barter network if it is meeting their needs.


## WINDOW DECAL



**Volunteer Exchange Cooperative**

**This Coupon can be Exchanged for 1 Hour of Work**

Access California Room 614, City Hall  
1421 Washington St.  
Oakland, Ca. 94612  
(Voice and TTY)  
415-273-3723



midwest  
**barter & trade**  
service

p.o. box 307 phone  
north lake, wi 53064 (414)-367-5662

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**the barterbank, inc.**  
Box 154, Cambridge, MA 02140  
492-1530 or 492-1548  
Mon-Fri Noon-7 P.M.

EXPIRES: Lifetime

Dave Tobin  
Member of the Barterbank, Inc.

**REMINDEES**

When to call The Barterbank, Inc.:

1. To request materials.
2. When you are sure that you will be trading with someone you've been referred to.
3. If an arrangement falls through.
4. If you should lose this card.


By accepting this card or using The Barterbank, Inc. referral network, I agree to assume responsibility and to abide according to the terms and conditions of the rules and regulations of The Barterbank, Inc.

\_\_\_\_\_  
SIGNATURE

member of:

# COMMUNITY ENERGY BANK

454 WILLAMETTE • EUGENE • OREGON 97401 • (503) 485-8133



## **FUNDRAISING AND BUDGET PLANNING.**

Broad categories of potential funding sources include:

- Network members (as discussed) and other individuals who live in the community;
- Local institutions (hospitals, schools, churches, unions, social service agencies, etc.);
- Voluntary associations (block clubs, neighborhood groups, veterans' organizations, fraternal organizations, etc.);
- Businesses (small businesses such as the corner bar and grill, mom and pop grocery store, florist, tire dealer, auto repair shop; and large businesses, such as department stores, auto dealerships and rental companies, banks, insurance companies and individual agents, and savings and loan institutions);
- Local and state foundations (including community and family trusts);
- National corporations (with local outlets in your community, such as IBM, Xerox, Exxon, etc.);
- Government (local, state, and federal agencies);
- United Way (your local United Way affiliate);
- National foundations

Raising money or in-kind support from these sources requires the time and energy of a number of people — you, your volunteers, your leadership, and paid staff members, if you have them.

Responsibility for fundraising should not fall on the shoulders of only a few people. Fundraising should be viewed not only as a way of raising money and in-kind services, but a way to build your leadership and volunteer base as well. A variety of leadership sources exist in your own community. Many of these leaders are past, present, or potential board of organizing committee members — people who have a strong personal or professional interest in promoting your barter network. They can help identify potential contributors, play a leading role in soliciting contributions, and develop schedules and deadlines for fundraising activities.

Ideally, fundraising should be conducted by those individuals who have some direct personal knowledge of the prospective donor, either through past experience or present

personal contact. People to consider for this responsibility include:

- **Peers.**  
People often respond favorably to people who are in the same line of work. For example, clergy will respond to clergy, union official to union official, business leader to business leader. For this reason, it is wise to look for representatives of businesses, institutions, and local foundations.
- **Fellow members of an organization.**  
A potential donor may respond favorably to your request for an appointment, if both of you are members of the same civic or fraternal order. Why? Because presumably you both share common interests and concerns.
- **Constituents.**  
Potential donors are likely to react favorably to a request from someone served by their business or organization. For example, have a congregation member approach a clergyman, a union member approach a union official, or a good customer or supplier approach a merchant or industrialist.
- **Neighborhood residents.**  
A prominent leader or network member who resides in the neighborhood served by the prospective contributor might be of assistance in convincing the business person or institution director to meet with your representative.

A team and/or subcommittee can provide for ongoing involvement in the development and implementation of your fundraising strategy.

You might establish a Budget and Finance Committee to take the lead in fundraising. Committee members may work on all types of fundraising throughout the year, with specific subcommittees assigned to selected funding sources, or they may be broken down into temporary fundraising teams which are active only during certain times of the year.

Use a worksheet similar to the one on page 41 to list specific individuals and those specific skills, interests, and personal contacts which would make these people desirable members of a fundraising committee.

As part of your initial fundraising planning, you will want to determine the costs of these efforts. The budget analysis worksheet on page 42 is provided for you to list your needs (such as telephone, staff, office rent and overhead, printing, etc.) and the cost per year of each item. Costs can be estimated by examining your pre-

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# *Budget and Finance Committee Worksheet*

## *Name and Contact Information* (Indicate person's relationship to your effort)

Joe Smith, Board Chairperson  
210 9th Avenue  
332-7649

Ed Brown  
310 Main Street  
363-8250

## *Specific Skills and Interests* (Include professional affiliations and other information)

Pastor, 1st Presbyterian Church

President, 1st Federal Savings & Loan

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vious year's budget or by consulting another organization. List these specific line-items in column 1 and their costs in column 2 of the worksheet.

The total amounts of your core and supplemental budgets (columns 3 and 4) are your general fundraising goals. Make sure you include the monetary value of in-kind donations or volunteer staff time in your overall total.

Once you have determined your financial and in-kind needs and found individuals to help you meet them, you will be prepared to undertake the sponsorship of special events, grant writing, and other activities described in the publications listed in Chapter 7. However, whenever you consider sponsoring a special event or other activity that often requires an

“up-front” investment of time or money, keep in mind that you have considerable potential support in your membership and in the credit system.

If you have adopted a membership structure which provides the network itself with credit “income” generated by member dues or “handling charges,” these credits can be used to defray the monetary investment required of many fundraising events. The more that barter credits are used for planning, implementing, and in other ways supporting a fundraising effort, the more net income will be left for the network. For example, let's say you decide to sponsor a show in the local community theater, and charge your audience a certain fee to attend. Many community organizations would have to

## Budget Analysis Worksheet sample

Needs (by line-item)	Cost	Core Budget	Supplemental Budget
½ time Director salary (inc. fringe)	\$ 8,000		\$ 8,000
Secretarial help (full-time, inc. fringe)	9,000		9,000
Office rent	5,000		5,000
Telephone	250	\$ 250	
Printing of materials	2,500	2,500	
Supplies	2,000	2,000	
<b>TOTALS (FUNDRAISING GOALS)</b>	<b>\$26,750</b>	<b>\$ 4,750</b>	<b>\$22,000</b>

## your budget

Needs (by line-item)	Cost	Core Budget	Supplemental Budget
<b>TOTALS (FUNDRAISING GOALS)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

invest a portion of their budget for rental of the theater, advertising (printing and distribution of flyers), design and printing of programs, costume rental, and other necessary items and activities.

As another approach, you might list those items or activities that ordinarily require spending money, and attempt to find network members who would be willing to do the work for credits in lieu of cash. Organization members, as mentioned in Chapter 2, Part Two, can prove very valuable in fundraising. The community theater may be a member of the network, along with a local print shop, graphic designer, seamstress, or costume rental company. If these organizations, businesses, or individuals are not members of the network, consider asking their in-kind voluntary support (or recruit them as members). Remember, one of the best ways to raise money is not to spend it in the first place! The more that credits are used instead of cash to sponsor a money-raising event, the more worthwhile and the more economical it will be.

Too often, organizations neglect to differentiate between those needs which are essential to the organization's survival and those that could be called "supplemental." Making this distinction at the outset and developing a fundraising plan which reflects this distinction can determine at a later time whether your network survives or suffers, perhaps permanently, from the whims of a particular funding source. For example, an organization which becomes solely dependent on a federal grant for its bare essentials may find itself closing down at the time the grant is terminated. If essential costs are covered by reliable and permanent sources of funding (like your membership), and only supplemental costs are covered by less reliable sources, then your network will have a better chance to survive financially.

Once you have listed the line-item expenses and their related costs in columns 1 and 2 of the budget analysis worksheet, you will need to discern those items considered essential to your survival from those which could be considered supplemental. A look at a sample family budget can serve as a helpful analogy. Essential, or core needs of this family would include such necessities as a place to live, food, clothing, and transportation. Vacations, a second car, or frequent family outings would constitute less essential, supplemental items. Therefore, your

network's core needs may include such items as office space, telephone, full- or part-time staff (paid or volunteer), printing of brochures and membership forms, and necessary supplies. Your organization's desirable but supplemental needs may include such additional items as (additional) paid staff, funds for travel, expenses and tuition for workshops or conferences, secretarial help, or funds for consulting services. Indicate which of the line-item expenses you have listed in the core budget versus the supplemental budget, by transferring their value to the appropriate column(s).

After listing your network's needs by line-item, examine them again and consider those which might be made available through in-kind contributions. For example, if you have listed printing or mailing costs as two of your program needs, you may be able to find a local print shop, mailing house, business, or other organization that will provide you with these services at cost or free of charge. Similarly, you may be able to find a local church or community center to provide you with office and meeting space (often including use of a telephone). The possibilities are endless and the benefits can be great.

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*It's imperative that any community improvement program not contribute to the dependency which discourages individual initiative.*

**Steve Van Hook**  
**Jo-Co Skills Exchange**

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## *CHAPTER 4.*

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# *EVALUATING AND MONITORING THE NETWORK*

Evaluating the effectiveness of a barter network has some obvious benefits. A success story can provide a real sense of satisfaction to those who have contributed their efforts to the organization when they can demonstrate to doubters that success is possible. Improvements on the design and operation of the program may be facilitated. A favorable evaluation may help secure continued funding and commitment from sponsors. Moreover, new members may be attracted due to the demonstrated success of the network. All in all, evaluation of the program is one of the least expensive and most responsible ways to monitor and improve your barter network.

Bartering is a rather basic human activity and its effects are both immediate and long term. Bartering has a short term function of distributing skills and services, while in the long run it may help to form lasting friendships, based on mutual neighborly help. The broader implications of barter in the community are that it creates a sense of belonging and promotes interdependence among a neighborhood's residents, and thereby strengthens the local social fabric. This social aspect of bartering is every bit as exciting and significant as the economic and practical gains, yet it is much harder to document. It seems fair to assume, however, that if bartering is widespread in a neighborhood or community, the benefits will be felt by an improvement in the quality of life of that community.

The best way to evaluate the barter network in an ongoing, realistic way is to monitor your adherence to the goals and objectives you have established, as suggested in Chapter 2, Part One. Ask yourself periodically, perhaps every few months, "Have we accomplished our objectives in a manner and within a time frame consistent with our initial expectations?" If not, you will want to explore the reasons why not, and then either lower your expectations for the future or else identify the reasons for failure and remedy them.

The bulk of this chapter describes ways to collect and present information that may help you evaluate your efforts on an occasional or ongoing basis. It is often difficult to quantify the success of a barter network based on number of members and number of exchanges alone. A barter network with 500 members, in which only 25, or 5%, exchange services in a

six-month period, is undoubtedly doing something wrong. The same network, with an active membership rate of 60% (or 300 members exchanging services in a six-month period) should probably be considered successful. Bear in mind that the number of members is always secondary to the proportion of them actually participating in exchanges.

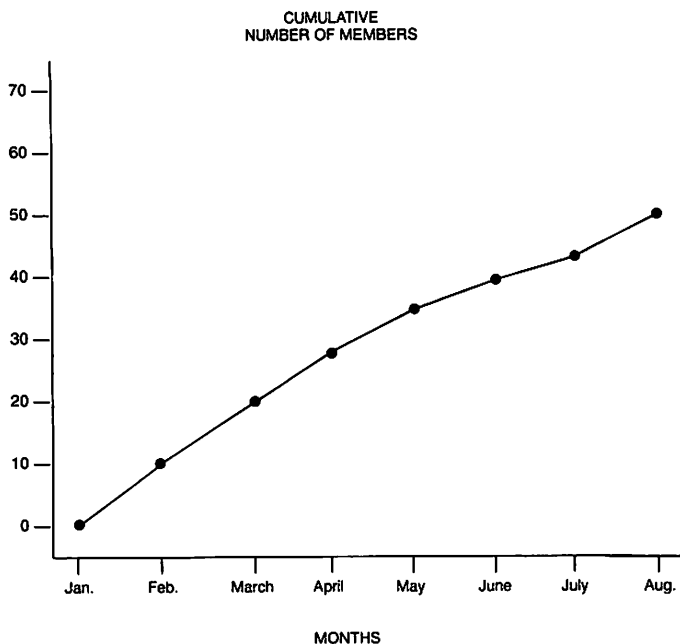
Membership size should not be used as a primary measurement of success. You may find that your membership will grow dramatically in even the first few months of operation, but that only a handful of participants will use the network often. Growth rate and number of exchanges per member will be able to tell you something about your operations, but such data are not necessarily reliable indicators in themselves. Take care not to be overly encouraged by a successful recruitment effort. It is not unusual that a large number of people will be attracted to the idea of bartering in order to save money, to make new friends, and for other reasons. Making it convenient for people to use your network is of the utmost importance.

Despite the limitations of an evaluation process which solely monitors membership size, growth, and exchange activity, this information can serve as a barometer of overall program success. At the same time, it can enable you to modify or at least pay special attention to certain components of your network operation. For example, a sudden drop in membership growth (or a sudden increase) and a comparable drop in increase in exchange activity, may be telling you something about your recruitment or educational efforts. It can be extremely useful to monitor not only the number of exchanges taking place (per member), but also the types of services most (or least) often exchanged. You may find that a particular service is most in demand during a certain time of year, so you will want to tailor your recruitment efforts to recruit people who offer the needed skill. What follows is one method of graphically monitoring and showing the growth rate and amount of exchange activity among your network users.

**NUMBER OF MEMBERS AND OVERALL EXCHANGE RATE.** The size and amount of activity of your program can be measured by using the data provided by the credit system and member records. The size of the organization's

membership can, of course, be determined by counting the number of persons who have filed applications (minus the number of members who have left the system). A simple graph might be prepared to indicate the growth of the organization over time (see below). Note that each month shows the number of new members for that month in addition to the previous total. This type of cumulative graph frequently is used to display growth patterns.

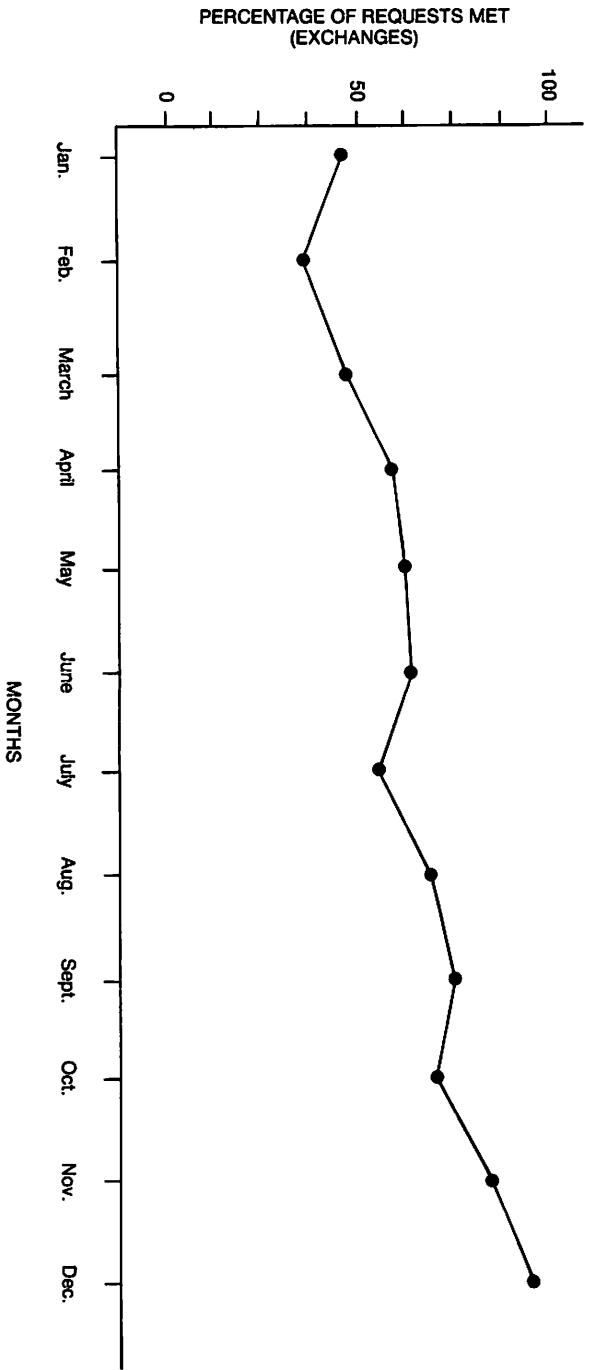
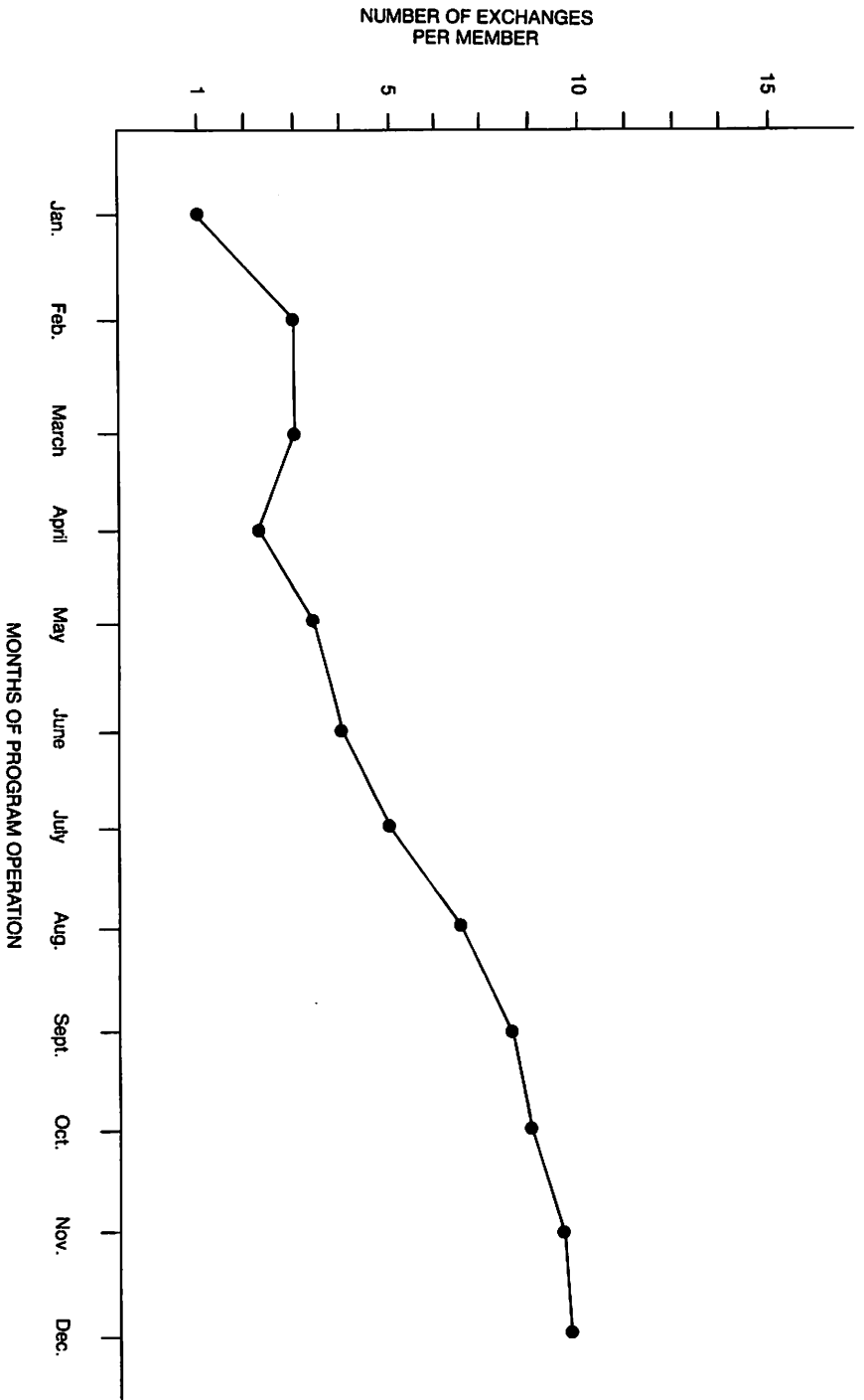
While it's important to know how many people belong to the barter network, the size of membership is only one yardstick for success. It's more important to know how much bartering the members do. The barter activity generated by the network can be expressed in the number of exchanges per member for a given time period, or else the number of credit hours traded. This measure will indicate how successful the barter network has been in facilitating actual exchanges among people. However, a barter network can only keep track of those transactions conducted through and reported to the system. In many instances, persons, having experienced bartering through the network, will go off on their own to barter directly with each other.



The level of membership activity can be presented in graphic form, where each data point on the graph represents the exchange-per-member on a monthly basis. This figure is determined by dividing the number of exchanges (from the credit ledger book or daily log) by the number of members for each month. The graph on the following page shows member exchange activity over a one-year period. It is apparent from the figures in this example that the network's members were relatively inactive during January (1 exchange per member) and April (1.5 exchanges per member). It is evident that they didn't exchange services at a very high rate. Remember, these figures are average; if every member participated in, say, two exchanges per month, this would not be considered an alarmingly low rate. It is more likely, however, that a relatively small number of very active members are responsible for the impressive averages computed, and that other members were not active at all (see next section). These figures are most important for monitoring changes in the program over time. The rate of exchange transactions by itself, assuming it is not alarmingly low, is of relatively little value. A sharp drop or sudden leap in the number of barter operations, however, indicates that you probably are doing something very wrong or very right. The most significant variable is: **as number of members increases, number of exchanges should increase proportionately**, except for those instances where an external condition beyond your control is the cause of changes in this rate. For example, a neighborhood crisis may divert attention to other local concerns, or a seasonal cycle can be expected to affect the frequency or rate that exchanges occur among the members.

Another measure useful for evaluation is the percentage of member requests that are met. Each request is recorded on the Daily Log. Dividing the number of requests by the number of exchanges will yield a percentage that can be graphed for easy inspection (see next page).

If there are a great many unmet requests, it is advisable to search for people who can fill those requests, particularly for those services that are consistently in demand. Requests should always be responded to as soon as possible, so that new members do not become discouraged with the program from the outset. Hard-to-fill requests can be publicized through a network newsletter, on a community bulletin board,



# Barter Program

## SERVICES EXCHANGED January 1 through June 30

Service Category	Number of Exchanges	Number of Credit Hours Exchanged
Auto mechanics	10	50
Bicycle repair	7	16
Haircut	2	3
House repair	5	25
Lawn care	3	10
Painting	1	23
Plumbing	2	4
Sewing	3	7
Sign painting	1	9
Typing	5	8
Upholstering	1	13
Yardwork	3	5
<b>TOTALS</b>	<b>43</b>	<b>173</b>

through the local newspaper, or similar channels (as discussed in Chapter 2, Part Two).

It may also be helpful to track the number of times certain services are traded through the barter network, and the number of credit hours these trades have generated (if a credit system is used). This information can be taken from the Credit Ledger Book and displayed in table form as shown above. This information can be helpful in showing patterns of service-giving within a barter network. It will give you an idea of which services are most in demand during certain times of the year, and it can help you determine where emphasis should be placed in order to bring about improvements.

These evaluation approaches are most easily implemented by those barter networks which use the credit recording system and have membership records. Formal evaluation is more difficult, though not impossible, in those networks where the credit recording system is not used. The daily log which records the number and type of requests, should be used with any barter network, no matter how informal. It can be used to keep track of the number of users, the

number of requests made, and the number of successful matches made (see page 28).

**MONITORING INDIVIDUAL MEMBER ACTIVITY.** While it is important to monitor the overall activity of the network (that is, the number of members, number of requests met, and general rate of exchange), it is equally important to tend to the needs of individual members who are either inactive or overburdened with requests for their services.

Your overall evaluation should indicate which members are most active, what services they are exchanging, as well as tell you which members are not using the network (or using it very little). Just as an overall evaluation might suggest changes in the operating procedures of the network, information on individual members' activity, obtained through the general evaluation and on a daily or regular basis, will allow you to improve the services of the network.

For example, if you have uncovered many unmet requests for the same service, you may target your recruitment efforts at people who

have the particular skill in demand. If you discover that one member is receiving an inordinate number of requests for a particular service, you might contact this person to be sure the member is not feeling overburdened. Perhaps an effort should be made to refer people requesting the same service to a variety of providers, instead of to just one. Another option is to sponsor a workshop where a skill in high demand can be taught to interested network members, as suggested in Chapter 2, Part Two.

“Neglected members,” those who are receiving few if any requests for their services, might be given an opportunity to work in the network office to earn needed credits. Additionally, their availability could be publicized in the network newsletter (as described in Chapter 2, Part Two).

Some network members may be inactive because they are hesitant to contact a stranger to request a service, or else they may be reluctant to provide services to people they don't know. This is where some of the promotional strategies described in Chapter 2 will be useful. Barter fairs, workshops, and other social gatherings can help network members feel more at ease with one another — a chance to connect a face to a name. It is important to pay regular attention to individual members so as to encourage their involvement in the network.

**ADDITIONAL EVALUATION METHODS.** In addition to keeping track of the number of members and their exchange activity, it is helpful periodically to evaluate the promotional methods used, in order to evaluate how members learned about the program and what they like, or don't like, about it, as well as how much service exchange is going on independent of, but resulting from, individual participation in the network. It should be assumed that network members, perhaps as a result of their introduction to bartering through the network, now are bartering directly with other members or non-members, independent of the network. The only way to find out how much of this independent activity is going on is to ask the members themselves. The questionnaire on page 51 includes questions on the overall success of the network in general and the activity of the members both “within” and also independent of the network. Two cautions to keep in mind when using questionnaires as an evaluation tool:

1) Questionnaires, no matter how well constructed and distributed, typically have a very low response rate. A low return of questionnaires should not be interpreted as a failure of the program (though it may be the case). 2) Those responding to the questionnaire are most likely to be overly positive. Do not be deceived by glowing praise; rather, pay attention to critical responses.

You might consider posing your questions to members by phone, using a telephone “tree” or “pyramid” run by volunteers (or members for credit). Otherwise, this could be done by door-to-door canvassing. The practicality of these various approaches will depend on the size of your membership, the geographic size of the area serviced, and the human and financial resources available to you.

The evaluation process, like the member recording and credit/debit system, can become quite elaborate. For example, the relationship between the dollar cost of the program and the rate at which exchanges among members take place can reveal quite a bit about the cost effectiveness of the program. Just as programs using volunteers may estimate the dollar value of volunteer services to demonstrate cost effectiveness, the barter network should be able to demonstrate its capability to meet human needs in a relatively inexpensive manner. This can be taken a step further by estimating the dollar value of the services provided, and comparing that figure to the cost of administering the program. Once again, it is important to keep in mind that only the tangible and immediate benefits of the program lend themselves readily to quantitative evaluations, yet they represent only one aspect of what a bartering system can provide to a neighborhood.

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*Judging from the experience of SWAP, we would highly recommend that organizations attempting to assist individuals across a wide socio-economic spectrum should develop a barter relationship with a neighborhood, religious, or community organization in their community.*

**Doug Bradley, founder of SWAP**

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# Barter System Member Questionnaire

1. How did you hear about the barter network?
 

<input type="checkbox"/> radio	<input type="checkbox"/> friend
<input type="checkbox"/> flyer	<input type="checkbox"/> newspaper article
<input type="checkbox"/> brochure	<input type="checkbox"/> newsletter
2. How often have you contacted the network for services?
 

<input type="checkbox"/> at least once a week
<input type="checkbox"/> at least once a month
<input type="checkbox"/> less than once a month
3. How often have you been successful in obtaining services through the barter network?
 

<input type="checkbox"/> almost always
<input type="checkbox"/> sometimes
<input type="checkbox"/> almost never
4. How often have you been asked to provide a service through the network?
 

<input type="checkbox"/> very often	<input type="checkbox"/> almost never
<input type="checkbox"/> not very often	<input type="checkbox"/> never
5. How convenient is it for you to use the barter network?
 

<input type="checkbox"/> very convenient	<input type="checkbox"/> inconvenient	Why? _____
<input type="checkbox"/> convenient	<input type="checkbox"/> very inconvenient	
<input type="checkbox"/> neither convenient nor inconvenient		
6. How satisfied are you with the services you've received through the barter network?
 

<input type="checkbox"/> very satisfied	<input type="checkbox"/> dissatisfied	Why? _____
<input type="checkbox"/> satisfied	<input type="checkbox"/> very dissatisfied	
<input type="checkbox"/> neither satisfied nor dissatisfied		
7. What feature(s) of the barter network do you like most? Please be specific.
 

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8. What feature(s) of the barter network do you like least? Please be specific.
 

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9. How can the barter network be improved?
 

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10. Have you bartered on your own as a result of your involvement in the network?
 

<input type="checkbox"/> Yes	<input type="checkbox"/> No
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 If "Yes," how often do you exchange service on your own?
 

<input type="checkbox"/> at least once a week
<input type="checkbox"/> at least once a month
<input type="checkbox"/> less often than once a month
11. How many new acquaintances have you made as a result of your participation in the program? \_\_\_\_\_
12. If you moved from this neighborhood, would you like there to be a barter network in your new community?  Yes  No
13. Do you feel more a part of the community as a result of your bartering activity?
 

<input type="checkbox"/> Yes	<input type="checkbox"/> No
------------------------------	-----------------------------
14. How long have you lived in this neighborhood?
 

<input type="checkbox"/> less than one year	<input type="checkbox"/> less than ten years
<input type="checkbox"/> less than five years	<input type="checkbox"/> more than ten years

## *CHAPTER 5.*

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# *BARTER AND THE IRS*

The story of the Internal Revenue Service's involvement in bartering is an interesting one. It tells us something about government regulations and their rationale on the one hand, and the limited power of government to interpret and enforce these regulations on the other. Government efforts to discourage the untaxed exchange of services demonstrates the limitations of even the largest of federal agencies to interfere with or otherwise monitor the activities of individual citizens. The IRS has always been a highly visible and often-feared arm of government, and the controversy over its involvement in bartering has been highly publicized. However, just as the power and resources of the IRS are often greatly exaggerated, its concern over bartering may have been given more attention than it deserves.

Under United States tax laws, gross income includes all income from whatever sources derived, including barter, which means that individuals are obligated to report the fair market value of goods and services received through barter as income on their tax returns. In Internal Revenue Service publication number 553, **Highlights of 1979 Tax Changes**, the agency states:

“. . . An exchange of property or services is called bartering. You must include in your income property or services you receive at fair market value on the date received. If you agree ahead of time to the value of services, that value will be accepted as fair market value unless shown otherwise.

Example 1. You perform legal services for a client, a small corporation. In payment for your services, you receive shares of stock in the corporation. You must include in income the fair market value of the shares in the year you receive them.

Example 2. Both you and a housepainter are members of a barter club, an organization that each year gives its members a directory of members and the services they perform. Members get in touch with other members directly and bargain for the value of the services. In return for your accounting services, the housepainter painted your home. Each of you must report in income the fair market value of the services you each received.

Example 3. You own an apartment building. You receive a work of art from an artist in return for the rent-free use of an apartment by the artist. The fair market value of the artwork is reported in your income, and the fair market value

of the apartment is reported in the artist's income. . . .”

Prior to the 1979 notice, IRS policies on what did or didn't constitute taxable income made no mention of barter, but stated clearly that “. . . if services are paid for other than in money, the fair market value of the property or services taken in payment must be included in income. . . .” (Internal Revenue Code of 1954, Income Tax Regulation 1.61-2d 1).

The tax laws state clearly that goods and services received through barter are taxable, yet the IRS recognizes that swaps between neighbors may not be subject to IRS scrutiny due partly to the practical limitations of applying fairly sweeping regulations to every individual citizen.

Tom Glynn, assistant to the commissioner of the IRS, has conceded that many of the informal barter arrangements that take place between friends and neighbors carry no tax liability, since they fall into the category of “favors.” The IRS can't be watching what you're going to be doing in return every time a neighbor brings your paper in out of the rain. “If you paint a house for a neighbor, and he tends your lawn in return, such favors among friends might not have to be reported. It's impractical for us to tax and expect people to report neighbors doing favors for each other.”

What the IRS is most concerned about is the growing number of unreported high-value swaps, which take place among professionals (“I'll do your books in exchange for you representing me in court”) and businesses (“You take my Windjammer Cruises and I'll take those Vegas hotel rooms off your hands”). In the past two years, the IRS has launched a concerted effort to clamp down on informal as well as organized bartering among professionals and for-profit corporations, but this activity has had little or no effect on nonprofit or neighborhood-oriented barter networks and their members.

Not only is it somewhat impractical for the IRS to monitor all bartering (in fact, any “thorough” job of this would require auditing virtually every citizen's tax return), but is also is often impractical for the members of a barter network to set a fair market value on services (not goods) received through an exchange. For example, if a barter network utilizes a credit system in which credits are not assigned any

consistent value in time or money, network members would be hard-pressed to declare the “fair market” value of their credit “income.” Once these credits are “spent” obtaining a service in exchange, the member may declare as income the fair market value of the service received.

The IRS has ruled that members of barter “clubs,” who receive credits valued at \$1 each for services they perform, must report them as income when they are received, even though they may not make use of them until a later time. Credits possessing no monetary or “time-spent” income, however, have not been covered by any IRS rulings to date. (Chapter 2, Part Two discusses these credit systems in detail). Many barter network users would have considerable difficulty assigning a fair market value to many bartered services — services which may not be available in the marketplace, or, like many services, may have a value which can’t be counted in monetary terms.

On the one hand, the IRS activity regarding barter is a logical extension of our national tax policies. On the other hand, it is generally accepted that modest (in regard to their monetary value) exchanges among individual citizens are not, for all practical purposes, taxable.

Network members living on low or modest fixed incomes, or subsisting with federal assistance (such as Aid to Families with Dependent Children), or who, for some other reason, are not in taxable income brackets, are exempt from paying taxes on barter “income” **unless** the fair market value of services they receive is so high that it places them in a taxable income bracket.

For barter network participants whose income levels demand a tax payment, the exchange of goods and services through **barter remains a source of substantial financial savings even when the fair market value of goods and services received are declared as taxable income.** For example, if a network user is in a 30% tax bracket, and he or she receives a service through barter valued at \$1,000, the tax payment on that service equals approximately \$330. Therefore, the member has received \$1,000 worth of services at a cost of \$330, a net gain of \$670!

Most barter organizers feel an obligation to inform network members of the tax laws regarding barter and do so through their membership application forms or in a brochure (see Chapter 2). It is up to the individual barterer, however, to comply with these laws if they apply to the particular swaps which he or she undertakes. The incorporated barter network itself is under no obligation to the IRS beyond its tax responsibilities as a corporation.

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*Rural barter is often the economics of necessity, nonprofit barter is self-help in a hostile economic environment, but barter clubs are there to make a profit for somebody.*

Annie Proulx  
Back to Barter

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## *CHAPTER 6.*

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# *BARTER NETWORKS AND COMPUTERS*

The application of computer technology by small community organizations is a subject worthy of its own manual. A few words of advice here, however, will help you consider computers as an information processing alternative for your barter network.

First it is generally unwise to start off your barter network using a computer. While such information systems are “flexible” (that is, they can be modified to accommodate changing needs), in your early stages of development you will want an information system with as much of a “hands on” capability as possible — one you can easily “tailor” to meet the needs of your members. At the same time, the greater your data base, the greater your need for computers. This suggests that in your first six months or year of operation, a “manual” system will be more than adequate. Generally, computers don’t become appropriate until you’ve reached a membership exceeding 500.

Second, you must really want to make the jump to computers. As with any innovative step, you must be prepared to enter a period of adjustment, where your daily way of doing things will undergo change, perhaps of a dramatic nature. Your reasons for the move must also be sound and agreed upon by those affected. For example, you may want to use the computer to re-establish your network onto a more productive foundation, and/or you may wish to better educate and train yourself and your staff to deal with the new communication technologies that are being implemented throughout our society.

Third, you must be able to afford the financial investment. A computer is a financially worthwhile alternative only if at least one of the following applies:

- You can use or obtain a computer free or at a cost that you can manage without going after additional funding.
- Someone is willing to provide the needed funds.
- You have a variety of other uses lined up for the computer (for example, word processing, financial accounting, mailing label generation, statistical analyses) that together justify the computer’s cost.
- You and a number of other organizations can join together to support and use the computer.
- You want the experience of working with a computer and are willing to take the risk that

financial paybacks will come soon enough to justify the investment.

Fourth, you need an entrepreneurial attitude. This involves achieving a balance between the computer options available to you and the amount and kinds of jobs for which you will be using a computer. For example, buying your own computer may initially appear more costly, but if that ownership means you now can provide computing services to others and receive a fee in return, then you may actually be in a position to generate revenue from your computer investment.

On the other hand, if you perceive the uses of the computer to be limited for the time being and some computer source (a university, corporation, or member with a home computer, for example) is offering you use of their equipment free, for credits, or for a modest fee, you may wish to “get your feet wet” using someone else’s computer for awhile.

Your basic computer needs may be quite modest, and only require a simple word processing capability. For example, a generous owner of a word processor or home computer with word processing option (and printer) could enter such information as members’ names, addresses, and services offered, and have this information printed out for you in various combinations. The list can then be updated once a month, and used in the interim in lieu of the various file cards, forms, and indexes discussed in Chapter 2.

When deciding to buy your own or use someone else’s computer, consider these points:

Part of the reason for “going computer” is to learn how that technology really works. If you will be using someone else’s equipment, try to arrange to have “hands-on” involvement with at least some of the tasks. For example, you could handle the data entry, using a terminal to type in the member information for the network. If the computer is a small one (it may even be an advanced word processing system), ask to be trained to operate the sorting and other information processing routines that organize your member data into alphabetical order, skill indexes, and so forth. You will be saving that computer owner staff time in the process. You will need to satisfy the concern of the owners in safeguarding their equipment and the information on their other files. These are concerns that can readily be dealt with if you have good rapport with the owners.

When putting your information on a computer belonging to others, be sure that you are not left vulnerable to their problems or limitations. You will need assurances that your network reports (if you go for a "batch process" approach) will be produced on time and according to agreed-upon specifications. If you want an "online" hook-up, you should be aware of their frequency of "downtime" when the computer is temporarily not working or is being totally used by others. Also, there is often a great deal of difference in the speed at which some of these on-line hookups perform. Watch them in action while they are being used by others, to see if it takes a couple of seconds or even several minutes to respond to questions being asked of it by an outside terminal. These speeds are affected by the number of users most likely to be on the computer at any one time of the day.

There should be no reason to develop from scratch the computer software needed to run your network reports or on-line inquiries. Software packages that come with almost all computers can already handle a good deal of the requirements for a network. A barter network, after all, is very much like an inventory job, the software for which exists everywhere. What's needed, then, is the customization of some existing software. These are costs that can be reduced or otherwise covered by a bit of entrepreneurship. Customization of software can be arranged with a programmer in exchange for computer time, as a class assignment for a college intern, or by friends, spouses, or your own network members and others who are willing to volunteer their time.

Buying a computer is not as financially scary as you initially might think. First, the purchase price for a good system and a basic software package can be under \$5000. This, of course, is a large figure, but as with any equipment purchase, it can be made in installments for usually up to five years. This manual will not attempt to detail the financial arrangements which can be made for a computer purchase — your local computer store can do that, but if you expect to spend anything over \$1500 over the next year for your network information processing requirements (card box, keysort, or fees paid to someone else's computer), it is probably cheaper to buy your own computer. If you plan to use that computer for your organization's other needs (mailing labels, word pro-

cessing, financial recordkeeping, statistical analyses), then the computer becomes even more financially attractive. And if you perform fees-for-service work for others (such as doing their mailing labels), then the computer actually may generate a return in excess of your monthly installments.

Which computer to buy, of course, is a difficult choice. With the proliferation of computer stores throughout the country, almost every community has easy access to a range of computers and computer services that fit your needs and finances. When you shop, compare the following points.

Cost comparisons are important, of course. But be sure you are comparing all the costs — for the equipment, installation, training, software, servicing charges, and financing.

With a friend who knows computers, compare:

- **The memory size of the system.** Memory is the space the computer uses to handle the software programs that run a network's reports, mailing labels, and other jobs. It can be thought of as the computer's "scratch pad." Memory size is expressed as "16K," "32K," "48K," and so forth. (The "K" refers to thousand "bytes," a byte being equivalent to a typed character). Smaller memory sizes begin to limit the range of sorting, reporting, and other organizing of your network information that you will normally want. What you should do, then, is identify the software that you need now; its memory requirements will define the size of the processor.
- **The "storage" capability of the system.** Computer storage refers to the manner in which your network's member information is recorded and held for use by the computer. This can be done on magnetic tape (cassettes for small computers), floppy disks (5.25 or 8 inch), and hard disks (fixed disks not removable from the computer and drum-like disks which are removable). Using cassettes is not recommended for a barter network because this medium is extremely slow. They work like a music tape, where, if you want to find your favorite selection, you have to play the whole tape, going through one song after another, until you get to the one you want.

**Floppy disks** (which look like a 45 record enclosed in a paper sleeve and are inserted into slots called disk drives) enable you to go di-

rectly to the part of the disk where the information you want is located. This is called "random access" and is very much faster than the sequential access of the tape cassette. A floppy disk typically holds from 80K to 600K (80,000 to 600,000 characters). This means that about 300 to 1000 members could be held on one disk (depending on the amount of information you wanted on each person).

- **Hard disks** provide the same random access to data as do the floppies, but they can hold anywhere from 10 times to 1000 times and more of the data than floppies. This means that your searches and other jobs can be done in one operation. Hard disks also have a more sophisticated way of locating data, and are thus 10 to 30 times faster than floppies. Fixed hard disks (of a type referred to as "Winchester" disks) are much less expensive than comparable removable ones; they are also less likely to be damaged from use because they are sealed from dust, and they have a sophisticated internal error checking capability. The only real advantage of removable disks is that when they do fill with data, another can be inserted. Fixed disks, however, typically have much more storage space to begin with, so they do not fill up nearly as fast. Also, the information on them can be copied and sorted onto floppy disks to free-up more space on the hard disk and to provide a backup copy to protect against any accidental loss of information.
- The speed and versatility of the computer's processing system. The processor is the part of the computer that does the "thinking" — it handles the instructions written in the software that then run the reports, labels, etc. Speed is expressed in many ways, but probably the best measure is the term Million Instructions Per Second (MIPS). If the computer literature uses some other measure, such as "clock speed" (which is defined in terms of Mega Hertz), ask for a conversion of this into MIPS and then compare. Versatility is affected by a computer's operating system (the way it interprets the computer language used in a software program) and by the brand of microprocessing "chips" used (for example, "Z-80," "6502C," etc.). Some operating systems will not "understand" software programs written in certain languages; the same applies to the kind of "chip" used. There are

computers, however, which build in two or three of the most widely used processing chip brands and are, therefore, configured to work with the widest range of available software.

- The upward expandability and compatibility of the system. Many small computers are not capable of converting to hard disks or of adding on additional terminals (multi-user systems). If you believe your use of the computer will increase in time, you will want a system that can grow with you. This also applies to your software. For example, some software packages that come with a computer may have an excellent way of recording and then reporting your member information by skills category, but the package does not easily permit you to also produce mailing labels from that file. Check to see, therefore, if the several functions of a software package can be interrelated so that you do not have to reenter your basic file information for each type of job.
- The rapport you can establish with the computer vendor. Let's face it, you need someone you can trust because half of the time (at least for the first year), you will not really know how to best operate your system. You need a vendor who will listen to your problems on the phone and help guide you through places where you are stuck. You want someone who will give you the best advice about what is best for you now and for later. You really need that vendor as a friend. If it means paying some extra dollars at the start, it is probably going to be worth it if you get the relationship you need for the long run.

For further guidance on computers, it is strongly recommended that you identify a local person who has experience with more than one kind of small computer. (Those experienced only with the large systems may well have a set of prejudices and working habits that are not useful in evaluating microcomputers). Familiarize this person with the reasons why you want a computer (put him or her on your board, for example) and have him or her help you with the shopping and systems evaluation. Be sure to visit small businesses and nonprofits who already have some experience with their own computer, especially those using the brand of computer in which you are interested.



## *CHAPTER 7.*

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### *WHERE TO GO FOR MORE HELP*

## Barter

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**Back to Barter.** Annie Proulx. 1981. 138 pp. Garden Way Publishing, Charlotte, VT \$5.95. The most up-to-date and readable book on person-to-person barter. Emphasis is placed on rural swapping.

**Useful Services Exchange of California.** Sample forms, brochure, and newsletter for \$2.50 from USE of California, 7443 Aldea Avenue, Van Nuys, CA 91406.

**Community Skills Exchange.** History of their program, office procedures, and analysis of problems they have encountered, for \$2.00 from Community Skills Exchange, 921 N. Rogers Street, Olympia, WA 98502.

**Useful Services Exchange of Reston.** Summary of their development and sample materials for \$3.50. 25-minute videotape: **An Introduction to USE** also available for rental. Write Useful Services Exchange, 2310 Colts Neck Road, Reston, VA 22091.

**The Traders' Journal.** A new bimonthly magazine "for people who barter — or would like to" which includes tips for organized, individual, and commercial bartering. Available for \$18 (twelve issues) for a Charter Subscription from **The Traders' Journal**, P.O. Box 1127, Dover, NJ 07801.

**Service With A Purpose (SWAP).** Copy of the Barter Research Project, summary of the First National Barter Conference, and sample SWAP materials available for \$10.00 from SWAP, 29 S. Mills, Madison, WI 53715.

**MiniMax: The Exchange Game.** Putnam Barber, Richard Lynch, and Robin Webber. Workshop exercise that encourages participants to share information and skills according to the needs and interests of the members. An excellent training tool for barter network volunteers and a good way to introduce individuals to bartering skills and services. Available for \$22.95 from **Volunteer Readership**, 1111 N. 19th Street, Arlington, VA 22209.

## Self-Help

**Voluntary Action Leadership, Volunteering, and Exchange Networks.** Three quarterly publications of VOLUNTEER: The National Center for Citizen Involvement provided exclusively to VOLUNTEER Associates (\$30 for Basic Associate Plan). The three publications cover a wide variety of topics related to volunteering and self-help, as well as cover government actions and programs affecting volunteering, fundraising, and where to go at the national level for help in a wide range of areas. For details write to VOLUNTEER, 1111 N. 19th Street, Arlington, VA 22209.

**Neighborhood Works.** A biweekly information service which includes abstracts from over 100 publications dealing with neighborhood issues, book reviews, information on federal and private funding sources, and useful training material. Individual and nonprofit subscriptions are a worthwhile \$25 per year (\$40 for libraries and government programs, \$60 for corporations and for-profit institutions). **The Works** is available from the Center for Neighborhood Technology, 570 W. Randolph Street, Chicago, IL 60606.

**Self-Help Reporter.** An excellent resource, published five times a year and available free from the National Self-Help Clearinghouse, 33 West 42nd Street, Room 1206A, New York, NY 10036.

**Citizen Participation.** An extremely informative tabloid published bimonthly. Available for \$12 per year from Citizen Participation, Lincoln Filene Center, Tufts University, Medford, MA 02155.

**Conserve Neighborhoods.** An excellent newsletter on projects related to rehabilitating housing, mounting clean-up and improvement campaigns, and fundraising. It is published bimonthly and available for \$10 per year from the National Trust for Historic Preservation, 1785 Massachusetts Avenue NW, Washington, DC 20036.

**Neighborhood Ideas.** An informative monthly newsletter on all types of neighborhood projects. Published bimonthly, the newsletter is available for \$30 per year (which includes membership in Neighborhoods USA) from the Civic Action Institute, 1010 16th Street NW, Washington, DC 20036.

**Community Jobs.** A 24-page monthly tabloid that lists jobs and internships with community organizations but also includes excellent articles on community activities, publicizes resources of interest to community workers, and provides how-to information. Available for \$8.88 per year for individuals, \$12.00 per year for organizations, and \$24.00 per year for libraries and universities, from **Community Jobs**, 1520 16th St. NW, Washington, D.C. 20036.

## Organizing and Publicity

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**Organizing: A Guide for Grassroots Leaders.** Si Kahn. 1982. 387 pp. McGraw-Hill Book Company, New York. \$7.95. The best and most up-to-date guide book for the beginning organizer of any community effort.

**The Successful Volunteer Organization.** Joan Flanagan. 1982. 376 pp. Contemporary Books, Chicago, IL \$9.50 from **Volunteer Readership**, 1111 N. 19th Street, Arlington, VA 22209. An invaluable resource book on everything from planning to incorporation to job assignments to fundraising and more.

**How To Do Leaflets, Newsletters, and Newspapers.** Nancy Brigham. A highly recommended booklet for \$3 from the Boston Communications Center, 10 West Street, Boston, MA 02211.

**We Interrupt This Program . . .** Robbie Gordon. 1978. 117 pp. (workbook). Citizen Involvement Training Project, Amherst, MA \$6.85 from **Volunteer Readership**. A comprehensive and usable workbook on using the media to promote your program.

**Effective Management of Volunteer Programs.** Marlene Wilson. 1976. 197 pp. Paper — \$7.35 from **Volunteer Readership**. Discusses leadership, motivation, organizational climate, planning and evaluation, and delegation — and applies them to the tasks that most often confront the volunteer coordinator.

**Helping People Volunteer.** Judy Rauner. 1980. 95 pp. \$10.50 from **Volunteer Readership**. Functional, informative workbook covering factors influencing your program, an opinion survey, program planning, job development, recruitment, orientation, interview and placement, training, supervision, etc.

**Winning with Staff.** Ivan H. Scheier. 1978. \$6.25 from **Volunteer Readership**.

## Local Fundraising

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**The Grassroots Fundraising Book.** (Second Edition). Joan Flanagan. 1982. Contemporary Books, Chicago, IL An updated version of the "bible" of local fundraising. An invaluable guide to planning and raising money for any local nonprofit organization. \$9.35 from **Volunteer Readership**.

**Organizing for Local Fundraising.** Bob Johnsen, David Tobin, and Jessie Bond. A workbook on fundraising planning and implementation with emphasis on self-sufficiency and fundraising from local businesses and institutions. \$7.35 from **Volunteer Readership**.

## Foundations

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Research materials on foundations are available at Foundation Center libraries, which make available factual information on philanthropic foundations through programs of library service, publications, and research. Foundation Center libraries contain all of the Center's standard reference works, recent books and reports on foundations, and foundation annual reports. A complete list of Foundation Center libraries and the complete collections of data covering all U.S. foundations can be found at the following national Foundation Center libraries:

**The Foundation Center**  
888 Seventh Avenue  
New York, NY 10019

**The Foundation Center**  
1001 Connecticut Avenue NW  
Washington, DC 10036

Also consult your local public university library for **The Foundation Directory**, **The Foundation Grants Index**, **The Foundation News** (published by the Foundation Center), and the **Grantsmanship Center News** (published six times per year by the Grantsmanship Center, 1031 South Grand Avenue, Los Angeles, CA 90015. \$20.00 subscription for one year, \$36.00 for two years).

**Other useful publications on philanthropy include:** **The Grantseekers Guide** (1981, National Network of Grantmakers, 919 North Michigan

Avenue, Fifth Floor, Chicago, IL 60611, \$5.00 prepaid); **The Rich Get Richer and the Poor Write Proposals** (Nancy Mitiguy, 1978, Citizen Involvement Training Project, Amherst, MA, available for \$6.85 from Volunteer Readership, 1111 North 19th St., Arlington, VA 22209); the **National Directory of Corporate Charity** (1981, Regional Young Adult Project, 944 Market Street, Room 705, San Francisco, CA 94102, \$30.00 plus \$2.00 for postage and handling). NOTE: The directory is a recently released, in-depth listing of over 640 major corporations, and is considered a major new resource for researching corporate giving); and the **Taft Corporate Foundation Directory** (updated annually, Taft Corporation, 5125 MacArthur Boulevard NW, Washington, DC 20016, \$145.00 plus \$6.50 for postage and handling). Before purchasing such expensive publications as the Taft Directory, thoroughly research your local public or university libraries. Chances are, all of the above publications are available for loan or use locally.

## Churches

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A number of community organizations were formed with the active help and participation of local churches. In many neighborhoods and rural areas, the local church remains the most influential institution in the lives of residents and even where it has no money to give the community group, it can be a source of free space and volunteers. It is important to bear in mind that, with very few exceptions, church funding sources at the judicatory level will require some degree of support or approval from their local churches in the area served by the local organization before a grant is made. National church funding sources will require some approval, assent, support (at least not a veto) at the judicatory or local level before making a grant to a community-based organization. Even if the local church cannot provide financial support, clergy or key lay people may help you contact other churches of their denomination in the area and/or explain how to apply for funds that may be available at the judicatory or national level. Having allies in local churches gives your organization a better chance of raising funds from any source which may be available within that denomination if the denomination is one that funds community-based organizations.

**The Lutheran Resources Commission-Washington (LRC-W)** is a grants consultation agency established by the American Lutheran Church, Lutheran Church of America, and the Lutheran Church-Missouri Synod, but which also services by contract, units of the United Methodist Church, the Presbyterian Church in the U.S., the Presbyterian Church USA, and the Roman Catholic Archdiocese of Washington, DC. LRC-W identifies resource opportunities of all kinds and reports this information to the denominational offices to which it is related. From these same offices, it receives requests and proposals for funding of broad community services in the fields of health, welfare, housing, education, and the arts and humanities. After careful research for funding opportunities, the LRC-W reports back to the project and program directors and the national church staff, providing information and professional guidance in final preparation of proposals, how to apply for grants, and follow-through with prospective donors before and after grants are made. LRC-W also publishes an excellent monthly newsletter, *Newsbriefs*, which mentions funding opportunities and lists other valuable information. *Newsbriefs* is available for \$50 per year from Lutheran Resources Commission-Washington, 1346 Connecticut Avenue NW, Suite 823, Washington, DC 20036. For information on LRC-W funding assistance, contact Dr. Lloyd Foerster, Executive Director of LRC-W, at the same address.

**The U.S. Catholic Conference — Campaign for Human Development** is an action/education program seeking to attack the root causes of poverty in American society. It funds self-help projects for the poor and powerless, which give them a chance to change the institutions oppressing them and the strength to succeed within the existing social structures. The Campaign funds projects working for long-term solutions in the critical areas of economic and social development, education, health care, legal assistance, communications, and housing. Contact: Campaign for Human Development, U.S. Catholic Conference, 1312 Massachusetts Avenue NW, Washington, DC 20005.

## United Way

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The national headquarters of the **United Way of America** will provide you with a fact sheet describing the organization, its activities, and the best way to approach your local chapter, by writing United Way of America, 801 North Fairfax Street, Alexandria, VA 22314.

## Computers

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**Patrick Saccomandi** (137 S Street NW, Washington, DC 20001) is a consultant and pioneer in the development of “community computers” for small nonprofit organizations, and has worked with developing computer programs applicable to barter networks. Saccomandi will provide advice on computer applicability and design at a negotiable rate.

Recommended readings on computers include: **The Personal Computer Book** (Peter McWilliams, Pallantine Books, New York, NY, 1982, \$9.95), **Information and Communication Technology for the Community** (Steve Johnsen, Center for Urban Education, 0245 SW Bancroft, Portland, OR 97201, \$6.00), and **Popular Computing** (Byte Publications Inc., 70 Main Street, Peterborough, NH 03458, \$15 per year).

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