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Who Has the Time?  
And Other Questions on Nonprofit Advocacy

By David L. Thompson, Vice President of Public Policy, National Council of Nonprofits

This spring, a prominent nonprofit leader said to an audience of people from public charities and private foundations: “Nonprofits have a duty to advocate on behalf of the people who have no voice, to demand social justice.” Many in the audience nodded in agreement, others waited politely for him to get past his warm-up comments to get to something they hadn’t heard before. One audience member was heard commenting softly, “Yeah, but who has the time?”

To many of us, the “nonprofits ought to advocate” message, as delivered by the above leader and many others, is a mantra without meaning. Everyone says it – preaches it, actually – but very few embrace advocacy as core to advancing their missions. The ought-to-advocate message is akin to hearing that you need to learn a new language. There are plenty of good reasons: cultural appreciation, enhanced communications, reduced demographic tensions. But most of us have other priorities and those reasons don’t push language learning to the top of the to-do list.

This is an article about nonprofit advocacy, but not of the “ought-to” variety. Instead, it relies on two bedrock principles to make the case for “every day advocacy,” which virtually all of us are already doing.

The first principle is that we in the nonprofit community are driven by our mission, our values and our impact. Stated simply, mission is our motivation.

The second fundamental truth is that we typically see ourselves as problem solvers, as solutions-oriented people, as optimists. We haven’t ended hunger and homelessness yet, but we keep at it, and we keep trying new ideas to get to the solutions that work. We know that a live performance of a classical work, or of a brand-new piece, will not only change a life, but also the world; we believe in the transformative power of art, and faith, education, community engagement and more.

Based on those principles, the answer to the question “who has the time” is … each of us. That is partly because bad policies are forcing us to divert time away from our missions. And it is partly because we are already advocating for our missions every day.

Recently released data from the Urban Institute brings these points home. Responses to a nationwide survey of nonprofits with government contracts and grants indicate that Connecticut is the second worst state in the nation (after Maryland and tied with Illinois) for governments imposing needlessly complex and time-consuming reporting requirements. Presumably this means that the time and aggravation that Connecticut nonprofit employees spend on monitoring, reporting and dealing with audits is greater than most other places in the Unites States.

To this problem, the question really is not, ‘who has the time to advocate?’ The question is, ‘how much time could we save by working with governments to prevent duplicative audits, overlapping and inconsistent compliance procedures, retroactive imposition of reporting requirements, incompatible and inconsistent data collection and a lack of standardization that inject vagaries into an already complex process?’
“The ought-to-advocate message is akin to hearing that you need to learn a new language.”

that undercut the ability of their partners to succeed on behalf of taxpayers. Why? The most obvious answer is because nonprofits haven’t effectively advocated for fairness.

Unrealistic limits on reimbursement of a nonprofit’s legitimate costs undermine its efficiency, effectiveness and ability to perform vital services on behalf of the governments. Worse, current policies on indirect costs force nonprofit employees to spend time raising funds to fill the gaps. So to the question, “who has the time to advocate?” the more relevant question is: “why are nonprofits and their funders spending time and resources subsidizing governments?” How much time must we divert from our missions to fundraise for the government?

The new guidance from the federal government means that nonprofits should be able to focus more on their missions and should be under less pressure to raise additional funds to essentially subsidize governments.

Thanks to the ongoing advocacy efforts of CT Nonprofits and many other organizations, there is the promise of relief for some of the time and money wasting problems that are plaguing nonprofits in the state. Last December, the federal Office of Management and Budget published new Uniform Guidance that will require pass-through entities (typically states and local governments receiving federal funding) and all federal agencies to reimburse nonprofits for their indirect costs. If the nonprofit already has a federally negotiated indirect cost rate, that is what the states and localities must pay. If a negotiated rate does not yet exist, then nonprofits are empowered to request negotiating a rate or elect the default rate of 10 percent of their modified total direct costs.

As the National Council of Nonprofits said about the OMB Uniform Guidance when it came out: The new guidance from the federal government means that nonprofits should be able to focus more on their missions and should be under less pressure to raise additional funds to essentially subsidize governments. The benefits are not limited just to nonprofits that provide services on behalf of governments. Charities with no government contracts or grants could see less competition for scarce philanthropic dollars.

The OMB Uniform Guidance is a major success story demonstrating the value of nonprofit advocacy. But it would never have happened if nonprofit leaders focused solely on getting the duplicate forms filed and resubmitted, and spent any leftover time planning and engaging in fundraising activities. Many leaders, over many conversations, told their stories to colleagues who recognized shared problems and did what nonprofit people do best – came up with solutions. That is the kind of every-day advocacy that is transforming nonprofits and their communities.

David L. Thompson is Vice President of Public Policy for the National Council of Nonprofits in Washington, DC. The Council of Nonprofits’ recent special report, Toward Common Sense Contracting: What Taxpayers Deserve highlights ready-made solutions to problems Connecticut nonprofits are facing.
This fall, 33 Senators, 36 Governors and all 435 members of the House of Representatives will be on ballots across the country. Already, 47 ballot questions are certified for spots on nineteen statewide ballots. There are lots of decisions to be made.

Why Voting?

The ballot box is critical to nonprofits’ larger advocacy and policy efforts. Voter engagement can help your organization build clout. Elected officials pay attention to which communities and which populations turn out and are generally more responsive to organizations involved in registering voters and encouraging turnout.

Moreover, voting is associated with a host of positive attributes: People who register and vote are more likely to talk to their neighbors, meet with local officials and engage in other civic actions. Studies show that states with higher voting levels have higher levels of self-reported health, lower ex-offender recidivism rates and even lower unemployment.

In addition to empowering clients, higher participation rates help nonprofits further their missions and complement advocacy and public policy work. Ultimately, the only way to have representatives and laws that support your work is to vote and to encourage other people to do the same. Voting is an extension of your dedication to providing quality care and services, which is why it’s equally important to encourage the people you serve to vote.

Why Nonprofits?

Nonprofits are trusted and respected in their communities. Because of the populations nonprofits reach, their voter engagement efforts have the potential to significantly contribute to the diversity of the electorate, particularly among underrepresented populations. Perhaps most importantly, nonprofits have proven to be effective at increasing turnout among the people they serve. A 2012 study conducted by Nonprofit VOTE and CIRCLE, Can Nonprofits Increase Voting?, found that nonprofit service providers raised turnout rates among those least expected to vote and also closed gaps in voter participation across all demographics. Young, low-income and Latino voters contacted by nonprofits voted at rates 15-18 points higher than their counterparts in the general population.

A 501(c)(3) nonprofit organization may not support or oppose a candidate for public office or a political party. However, nonprofits are free to conduct a wide range of nonpartisan voter engagement activities designed to educate the public and help them participate in elections. This can include voter registration, voter education, get-out-the-vote efforts and nonpartisan candidate engagement. Nonprofits are effective messengers and promoters of active citizenship and engaged democracy, reaching people too often missed by partisan campaigns.

How to Be Successful

Successful voter engagement involves being prepared and making plans. Think about designating a staff lead, potential outreach strategies and getting buy-in from leadership and other staff. Use Nonprofit VOTE’s 2014 Voter Registration and Engagement Timeline to guide your efforts.

Voter engagement strategies differ for every nonprofit. Think about how you connect with your community and where it might be appropriate to have conversations about voting. This could include classes and trainings, while providing services or at community events. Consider participating in National Voter Registration Day on September 23.

Try to use personal, face-to-face contact whenever possible and create a sense of urgency around the election by highlighting an issue on the ballot. Be prepared to ramp up your efforts as Election Day approaches.

“Elected officials pay attention to which communities and which populations turn out and are generally more responsive to organizations involved in registering voters and encouraging turnout.”
Make the election visible on your website, through social media, in your communications and at events. Place a badge on your website to direct visitors to voting information or have them register to vote.

It’s important to know about the voting rules in your state, such as registration deadlines, voter ID requirements, eligibility for ex-offenders and early voting opportunities.

Visit Nonprofit VOTE’s resource library for materials to get your voter engagement efforts started.

Sophie Lehman is the Communications Director at Nonprofit VOTE and can be reached at sophie@nonprofitvote.org.
Horizons is a nonprofit agency whose mission is to create and sustain person-centered opportunities for people with special needs where they live, learn, work and play. Providing these opportunities, however, requires appropriate levels of funding from the State because Horizons not only delivers high quality programs and services, but also must pay competitive wages to its well-educated and highly trained employees.

This necessitates investment of public resources, and the state agencies and legislature are the entities that determine the amount of capital channeled to nonprofits like Horizons. Over the past 20 years, nonprofits have been chronically underfunded. This underfunding has pushed some nonprofits to the breaking point.

The Department of Developmental Services (DDS) commonly funds nonprofits in human services through Purchase-of-Service (POS) contracts. POS contracts in their present form were instituted in 2005. Three variables determine the rates in these contracts: the prior year’s (2004) cost information from providers, the previous year’s (2004) provider wage information from the Connecticut Department of Labor and the level of need (LON) system.

These first two variables have not kept pace with inflation. To illustrate, consider that over the past five years the inflation rate has increased by 10.5%, while simultaneously there has been only a 1% increase in nonprofit employees’ wages.

The third variable, the LON system, is best described as an 8-point rating scale for people with special needs. The number on the scale is tied to funding and often inadequately reflects the true cost of services because frequently provider and DDS opinions differ on the appropriate LON number for a given individual.

Furthermore, the Department of Social Services’ (DSS) new auditing system for providers who received Medicaid payments penalized those providers by extrapolating exorbitant fees on the basis of isolated clerical errors.

As a result, Horizons, in conjunction with CT Nonprofits, embarked on an advocacy campaign to lobby the Connecticut General Assembly (CGA) to reform the current rate setting system, as well as the auditing system for providers. The advocacy campaign included participation in CT Nonprofits Week(s) at the Capitol, a letter writing campaign to legislators, testimony delivered to the Appropriations Committee and face-to-face meetings with legislators.

In addition, families whose children are supported by Horizons testified at the Family Hearing Day at the Capitol. These testimonials were poignant, and further underscored the need to fund more programs to meet demand for services.

We are happy to report that at the end of its most recent session, the CGA approved HB 5500, which reduces the clerical fee extrapolation component of DSS’ auditing system for providers. Advocacy works!

Ultimately, Horizons advocacy efforts seek to improve the lives of families by increasing funds for programs for people with special needs. Great strides have been made, but more progress is required.
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Whether success looks like shareholder earnings in a for-profit organization or mission accomplishment in a nonprofit, employees are critical assets. Research abounds showing the connections between employee engagement (commitment, dedication and willingness to go beyond the call of duty) and high performance, customer satisfaction and bottom line success for both for-profit and nonprofit organizations. As a nonprofit, your modest budget may have no room for expensive employee engagement initiatives, but the lack of monetary resources needn’t stand in the way of you building a highly engaged workforce.

What motivates nonprofit employees? While each person is different, there are some common factors that motivate nonprofit employees and provide insight into how to best engage them. Research confirms what we implicitly know – that intrinsic motivators such as altruism, affiliation with organizational mission and personal growth tend to be more important to nonprofit workers than monetary rewards.

A study conducted in 2011 by the Georgia Center for Nonprofits found that “Employees want to work for an organization whose mission they believe in and where they feel the work they do directly contributes to advancing the organization’s mission.” Other non-monetary motivators include the employee’s relationship with their manager and career and personal development opportunities. The good news is, each of these non-monetary factors provide opportunities for you to apply significant strategies that will engage employees (and bring additional benefits) without breaking the bank.

Connecting to the mission
Connecting employees to the organization’s mission begins with the hiring process but it doesn’t end there. Recruit those who are already passionate about the cause and mission of your organization. You probably already work to communicate your vision to outside supporters, so don’t forget about your most important supporters – your employees. Not only do they need to hear success stories, they need to know specifically how their efforts make a difference.

A good way to show them is to share organizational priorities and help each employee set individual goals that support the larger goals of the department and organization. A clear line of sight from their everyday work to mission achievement not only increases employee engagement but actually improves alignment, focus and performance throughout the organization!

Recognizing good performance
Everyone wants to be recognized for their efforts and to know how well they are doing. How often do you thank your employees? And I don’t mean a general thanks, but individual recognition for specific achievements.
What does CohnReznick think?

Simple behavior theory tells us that what is rewarded will increase. So, teach managers to look for and reinforce behaviors and accomplishments among their employees that they want to see more of. Encourage leaders to get to know employees at all levels well enough to do the same. Feel free to include tangible rewards as well – they don’t have to be expensive. One caveat here – the praise must be sincere and it must be specific. And, as with all of these strategies, recognition and positive feedback well applied will improve employee performance as well as engagement.

Developing employees
Besides participating in a good cause, employees want to have opportunities to grow and develop. There may not be many layers of promotional advancement opportunity, which often forces employees to leave an organization to further their career aspirations. But effort can be made to enrich existing roles and provide opportunities for employees to grow and apply their skills and passions.

This begins with helping employees discover their strengths and passions and placing them where they can apply them on the job.

External training, seminars and conferences are useful, but less expensive on-the-job development is readily available. Consider formal or informal mentoring relationships where “You probably already work to communicate your vision to outside supporters, so don’t forget about your most important supporters – your employees.”

seasoned employees can help develop their younger colleagues. Team or individual assignments can become opportunities for development by simply adding learning elements to them. Staff meetings can include developmental elements such as having participants share best practices. The expanding availability of free online resources such as MOOCs (Massive Open Online Courses) puts excellent educational opportunities within the reach of every individual and organization.

Building relationships
Nonprofit organizations offer great opportunities for people with common interests and passions to find a like-minded community. But the most critical relationships are between employees and their direct managers. Spend time ensuring that your managers learn to be performance coaches and advocates for the development of their employees.

An article in the November 2013 issue of this publication describes a coaching technique that will not only improve underperformance, but can be applied to high performing employees as well, and will help...
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Adam Cobb is a Certified Human Capital Strategist and Regional Sales Manager for eAppraisal, Halogen Software’s performance management solution.

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Columbine. 9/11. Virginia Tech. Hurricane Katrina. Sandy Hook. Boston Marathon. This is a very consolidated list of the major tragedies that have instilled a hunger for justice and inspired my fascination with resiliency in the face of immense hardship. These major events along with my own personal struggles led to my desire to volunteer and be a leader in my community. Also, with a social worker mother and service oriented family, it seems my trajectory towards activism was inevitable. I often asked myself questions such as, ‘Where does activism intersect with politics? Where doesn’t it?’ Much to my surprise, I remained politically disengaged for many years in spite of my longtime involvement in the community.

Since I don’t come from an especially politically active family, it was during my college years that I immersed myself in the Women Gender Resource Action Center, serving as the Violence Prevention Coordinator. I founded a program called New Beginnings, an arts-based support group for formerly incarcerated women and college students. Getting to know my significant other’s political family and friends, my growing knowledge of women’s health issues and my brother gaining the right to marry whoever he chooses, fed my need to understand politics.

Recently, I was accepted to Smith School of Social Work. Before moving on to my graduate studies, I was eager to gain a bigger picture of how the dots connect to one another across the nonprofit landscape. I welcomed the opportunity to gain exposure to nonprofit management, policy and professional development trainings through an internship at CT Nonprofits. Attending a legislative breakfast with families and legislators discussing developmental disabilities, “Earth Day” at the Capitol, a Pay-for-Success Forum and CT Nonprofits’ Week(s) at the Capitol were a few of the highlights from my policy internship.

I’ll remember the thrill I had reading all the testimony written by passionate social workers and the feeling of excitement for my career in this field. More than these informative and eye-opening events, I relished the chance to get to know staff across the public sector and meet with each of the extraordinary staff members at CT Nonprofits. They were happy to answer my questions about their work and share wisdom from their dynamic careers.

In addition to developing an understanding of the complex challenges nonprofits face and the historical context, I was moved by the dedication and longevity of the CT Nonprofits members. I am beyond thankful to CT Nonprofits for their commitment to providing internships over the years and I look forward to collaborating and staying connected in the years to come.
Nonprofits organizations are the faces of our communities. They embody the best spirit and values of our nation, helping millions of individuals and families on a daily basis. Nonprofits give shape to our boldest dreams, highest ideals and noblest causes. They turn our beliefs into action.

To showcase the awesome power of nonprofits, CT Nonprofits held one of its most recognized annual events: ‘CT Nonprofits Week(s) at the Capitol’ during February and March at the Legislative Office Building (LOB) in Hartford. Now in its 8th year, CT Nonprofits Week(s) at the Capitol provides opportunities for 100 of our member organizations exhibiting over the course of two, week-long events, to collectively highlight the variety and impact of the work they do to enhance the quality of life for all citizens of our state. It is a time to educate policy makers and the public, regarding the exceptional work of each individual organization, and their contributions to the collective impact of all.

We are grateful to Governor Malloy, Lieutenant Governor Wyman and the many Legislators who exhibited their commitment to the nonprofit community by attending CT Nonprofits Week(s) at the Capitol 2014! The event continues to grow each year, with ever-increasing engagement among the membership and the Legislature. CT Nonprofits provides participants with advance promotion of the event, advocacy materials and helpful strategies for engaging their elected officials, Board members and stakeholders.

Among the most important components to a truly successful event is the intensity with which our member participants actively pursue professional relationships with their Legislators. This includes correspondence in advance of the event, and extends well beyond those two weeks.

CT Nonprofits greatly appreciates the extraordinary efforts of those who participated in 2014, representing all members of the Nonprofit Provider network. We look forward to building on our success in 2015!

For additional information, please contact Julia Wilcox, Senior Public Policy Specialist at 860.525.5080 ext.1025 or JWilcox@ctnonprofits.org
As this article goes to press, the legislature has approved the midterm budget adjustment for state fiscal year 2015 (SFY15), totaling $18.9 billion. It increases spending by 2.5 percent and is under the state spending cap by approximately $23.9 million. It should be noted that back in January, a $500 million budget surplus was projected for SFY14 (to be used in SFY15), which evaporated into a modest $43 million projected surplus in late April, largely due to lower than expected income tax receipts (collections). The major policy changes contained in the budget include delaying planned tax cuts for teachers (exempt 25% of their pensions from income tax) and consumers (sales tax on clothing costing less than $50 and nonprescription drugs), canceling keno gaming and depositing $38 million into the budget reserve (“Rainy Day Fund”), lifting its reserves to $309 million. The big winners in the final budget, amid the $457 million budget shortfall mentioned above, were local schools ($98 million), the state’s merged public college system ($42 million) and municipal governments ($33 million).

Other (new) funding for nonprofit providers includes increasing Medicaid reimbursement rates for mental health services for adults and children ($4 million) and re-opening the Elderly Renters Rebate program ($600K). Additionally, when compared to the Appropriations Committee’s recommended budget, additional investments were made in the following grant accounts; Project Longevity ($525K), After School Programs ($200K), Community Services ($150K), and Youth Services Prevention ($100K). Conversely, cuts were made to Federal Qualified Health Centers (FQHCs) ($10 million set aside in Medicaid), Jobs First Employment program ($900K) and School-based Health Clinics ($790K). The budget provides funding for developmental services; $4 million for 100 individuals identified as “priority one” placements on the wait list (focus will be on residential services for individuals with parents or caregivers age 70 and older).

(Continued on page 17)
Family Support Grants were also given $600,000 to serve individuals on waiting and planning lists who are not currently receiving residential services. It is important to remember the budget does not include billions spent on Medicaid (100% federally matched) that was previously moved "off-budget" after legislators clashed last year over changing the definition of the state’s mandated spending cap. The original budget for the 2015 fiscal year was $22.3 billion, rather than the $18.9 billion that does not include the "off-budget" money.

Other legislation that passed includes creating social benefit corporations (added to the budget implementer bill), reducing burdens stemming from Medicaid audits, increasing the annual cap on the Neighborhood Assistance Act tax credit program and increasing funding for the Nonprofit Grant Program (capital improvements).

It is important to remember that the Governor recommended the $50 million for the Nonprofit Grant Program (capital improvements) during a time when the state’s economy and budget remains delicate and the words ‘new spending’ are politically-charged. This acknowledgement of nonprofits’ need of resources signals an understanding of our great work and is in no small part due to the advocacy efforts of all nonprofits across the state.

Finally, while the final Department of Economic and Community Development (DECD) budget was decreased by $1.5 million from the Appropriations Committee recommended budget, the agency total remains $3.4 million higher than the original appropriated total. The individual line items (specific to the nonprofit sector) remain unchanged from the Appropriations Committee budget, and in some situations, increased from the Governor’s original budget. The one area where a reduction was been made is in the newly-created Art Museum Consortium of seven Arts Museums; the total first proposed in March has been reduced from $700,000 to $525,000.

Throughout the session, nonprofits voiced their concerns, proposed solutions to the many challenges state government faces and worked collaboratively with state agency partners.

(Continued on page 18)
To that end, over half of the nonprofit providers appointed to the Governor’s Cabinet on Nonprofit Health and Human Services are members of CT Nonprofits, and therefore, will have a significant impact on the final recommendations and policy proposals. Furthermore, hundreds of members participated in our advocacy program by attending regional legislative meetings, testifying at public hearings, promoting the sector during CT Nonprofits’ Week(s) at the Capitol, engaging policymakers at our legislative reception and most recently forming a unique partnership with the Secretary of the State’s office and Nonprofit VOTE on voter engagement and education activities. These activities help policymakers understand how nonprofits make a difference in their communities, benefit the state’s economy and provide a forum for strengthening the sector with additional supports and resources.

Before we know it, the 2015 session will be upon us. It is our hope that you will take the opportunity to learn about how you can be involved in the policymaking process – and that starts and ends with advocacy.

A robust advocacy program cannot be successful without your interest as well as active participation. While the public policy council will continue to push for a (well-deserved and overdue) cost-of-living-adjustment (COLA) to become a primary priority for policymakers, we need your help. Please take time this summer to demand from your local legislators their commitment to supporting our vital programs and services despite serving in the legislature during an era of spending reductions. Only together will our collective voices be heard. And remember, advocacy is deeply-rooted in nonprofits’ DNA. From before the time our nation was formed through today, citizens – recognizing there is power in numbers – have assembled in groups to influence public policy.

As always, please contact us if you have any questions or need advice on how to better advocate for your organization or issue.

Jeff Shaw is the Director of Public Policy at CT Nonprofits. He can be reached at 860-525-5080 ext. 1027, or emailed at jshaw@ctnonprofits.org.
When people ask what I do for a living, I’m proud to say that I am a fundraiser. Titles are impressive: Development Director, Chief Development or Resource Development Officer, but they don’t answer the question as to what I actually do.

Those of us who are fundraisers are blessed to hold such an important position. Ours is a noble profession. We not only assist our organizations in raising much needed funds to support the mission but we do something equally as important: we help others fulfill their need to become part of the issues and causes that are important to them.

We are the conduit that allows people to be involved in something that they might not otherwise be a part of. We are the individuals reaching out, raising awareness, educating, building relationships and connecting people to causes that inspire them to act.

We know donors give to our causes for many different reasons. Some may have benefitted (or had a family member benefit) from the services offered by our organization or others like ours. Some have a strong desire to give back. Some feel a sense of guilt because their situation is so much better than many others in the world. Some donate because it just makes them feel good. Whatever their reason, we are here, helping them fulfill that need to get involved; to make a difference; to be part of the solution to those issues that they most want to have an impact on.

Over many years in this great profession, I have had the opportunity to meet scores of wonderful donors and volunteers. They have shared stories with me about why they give, what their relationship is with the organizations that they support and how doing so helps them feel as though they are making a difference. If we do our job correctly, our donors should feel as if they are an extension of the organization and a part of the cause, not just a financial resource.

Early in my fundraising career, a donor who I had gotten to know shared a story that had a great impact on me. She was a regular contributor to a children’s charity in Connecticut. She consistently gave $5,000 around the same time every year. She, her husband and two children often volunteered and regularly delivered in-kind contributions based on the organization’s wish list. Many of the staff, including the president and development officers, knew her and her family very well.

One year, she received a personal appeal letter from the president of the organization, just as she had every year, but misplaced it and subsequently forgot about it.

It resurfaced well over a month later in a pile of mail on her desk. She was embarrassed that she had not mailed in her contribution. She told me her embarrassment turned to disappointment that no one had reached out to her. Surely they had noticed that she had not made her regular, annual gift. “How did they know whether or not something had happened to me or my family?” she asked. “Was someone in my family sick? Did we have some hardship? Were we upset with the organization?”

I was intrigued. I suggested that maybe they didn’t want to pry or appear to be just looking for the $5,000 gift. She said, “John, if you had a friend or family member who you suddenly didn’t hear from, wouldn’t you reach out to see if everything was ok?”

She taught me a valuable lesson about fundraising, relationships and how some donors may feel about their involvement with a nonprofit organization. She said up until that time, she felt like she and her family were a part of the organization, not just a financial contributor. By not reaching out to see if she was ok, the organization made her feel like she didn’t matter.

“I guess when they didn’t see my gift after several weeks they figured we weren’t donating anymore and focused their efforts on those who were still contributing,” she said.

At that point, she felt as though the organization was only interested in the financial contribution; not about her family or the relationship that had been formed over the years. I spoke to her many months later. She informed me that she still had not heard from the organization.

It really is something much more profound than the exchange of money from one party to the other. It’s about the relationship, the donor’s needs and motivations and the ability to help each donor feel like they are an important part of the mission.

How do your donors feel when they make a contribution to your organization? Do they feel like they made a difference or do they feel like they just completed a financial transaction? We fundraisers must strive every day to make sure it isn’t the latter.
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Are you a nonprofit Board Chair who has a board development or management issue, concern or challenge keeping you up at night (and who doesn't)? Let me know. I'll try to provide a response that can help you sleep better. So, please, send your questions to: mikeb@bwb-solutions.com. This on-going column is dedicated to questions and answers to simple and complex nonprofit governance challenges.

**Question:** As chair of my board I have continued the tradition by chairs before me (and as reflected in the by-laws) to meet regularly with the board officers and CEO in what is referred to as the executive committee. But, I'm hearing executive committees are on the way out. Can you provide an explanation on what you see as the executive committee story?

**Answer:** You are correct. There has been recent chatter (at least among consultants) over the role and even validity of executive committees.

Much of this chatter has been stimulated by a common story: board members who feel they have little or no role to play themselves, including in board meetings, because all of the discussion and decisions have taken place ahead of the full board meeting. The executive committee members believe they are supporting the full board and/or the homework of the board. The non-executive members cite that they believe their authority is being usurped and they are feeling disenfranchised, unneeded and unvalued.

So, can executive committees, by their nature, run the risk of usurping the authority of the board and in turn, disenfranchise board members? Maybe. In my experience, when one part of a group predetermines the prospective results of fiduciary, strategic and/or generative discussions, both collective and individual wisdom and energies can be lost. It is only through inclusive and full engagement of the whole board that full value can be derived.

Is eliminating executive committees the answer to the problems created by their existence? Not necessarily.

Executive committees do offer many benefits. Because committee members have often worked their way up in the ranks, many carry the nonprofit's institutional memory to provide wisdom from the past. Also, these committees are generally small in number and consist of the senior volunteer leadership, so they are easy to convene and agile, being responsive to the executive in particular to address immediate and unanticipated issues.

Depending on their specific assignments as board members, the executive committee is in a strong position to plan the agendas for board meetings. Most importantly, this committee is particularly and perhaps uniquely capable of serving as a sounding board and brain trust to the chair and the executive director.

However, many believe all of these added values can be achieved without the executive committee. Board meeting agendas can be constructed through a process organized by the Chair or Vice Chair in consultation with other committee chairs and the executive. Board policy can guide what steps should be taken for the majority of issues limiting the need for most emergency responses. And, the Chair alone is more than capable of serving as the sounding board and certainly the liaison to other board members when communication with the board is needed.

So, is there really a need for an executive committee? No, there is little need. A board can probably do just fine without an executive committee assuming all that I have described is properly in place.

In conclusion, board executive committees, more often than not, have a high risk in usurping the board's authority, devaluing the board and disenfranchising the board members.

At the same time, executive committees can have a function. They provide guidance, wisdom and support to the board chair and the executive director.

I'd welcome hearing about your executive committees and recommendations they might have. Feel free to comment to my blog: www.nonprofitboardcrisis.typepad.com.

Mike Burns is a partner in BWB Solutions. He writes two blogs, and is adept at helping nonprofits develop solutions to internal challenges (especially board/CEO) and assess their readiness for mergers and revenue generating ventures.
Many well intentioned nonprofit organizations approach strategic planning as a necessary but somewhat unpleasant exercise. They gather their Board of Directors together for a retreat that is meant to set the future direction for the organization but is largely based on “what we want to do” rather than “what we should do.” In our experience, these efforts may yield plans that quickly become irrelevant due to changes in the environment, or due to a lack of incorporation of the plan into the work of the organization.

The best strategic planning efforts involve an extensive and formal process undertaken by nonprofit organizations every three to five years (ideally three). A strategic planning process should be based on the following characteristics:

- A solid evaluation of activities that lists the strengths and weaknesses derived from evidence.
- A shared information baseline on the environment and how it will shift and change.
- The most relevant trends and influences.
- Solid market knowledge in the organization’s fields of service so that opportunities and threats (challenges) are correctly identified.
- Business planning around opportunities conducted to ensure the feasibility of the planned initiatives.
- Clearly identified expected outcomes or key results.
- Annual updates to ensure continuing relevance (after initial multi-year framework is created).

A strong planning process relies heavily on the gathering of objective information that is shared with key stakeholders. Decisions are made based on the information, allowing stakeholders to feel confident with their selected course of action.

Who is involved?
The leadership of a nonprofit organization should determine who will lead the process and who will be involved. Typically, the Board of Directors will establish a strategic planning committee, led by a Board member, including the executive director and 3-5 Board members.

Organizations can also include outside stakeholders as advisors to the process and include them as members of the committee as well.

What do you want to learn?
Strategic planning is an opportunity to learn. By gathering a robust base of information to support the process, planning can be a method to increase the knowledge and understanding of those involved on the committee, as well as your Board of Directors as a whole. Determining the most relevant information to collect as part of the process should be driven by an understanding of the organization’s critical issues. Critical issues could include your program portfolio, challenges with funding, physical plant issues or staff related issues. There is a wide array of information that could be collected, both internal and external.

Types of internal information and analysis:

- Financial analysis - organizational level
- Program performance – financial & evaluative
- Climate survey of staff and/or focus groups with staff
- Board of Directors functioning survey and/or focus groups with Board of Directors
- Assessment of nonprofit management systems
- Review of health of relational strategy (funders, donors, partners, community)
- Focus groups with clients

Types of external information and analysis:

- Interviews with stakeholders and partners in the community
- Market information for programs and services
- Competitor analysis
- Identification of and comparison to comparable organizations in your field
- Quality assurance/program evaluation data or evaluations of similar programming by others
- Review latest industry best practice literature

(Continued on page 23)
The key is to design the information base, to determine how or who will gather information and how it will be presented back to the group.

**What is the process design?**
Once the information base is designed, the committee should discuss how it would like to oversee the process. Typically, a planning committee will meet 3 or 4 times while the information is being collected, with periodic updates to the full Board of Directors. These efforts may then culminate with sharing the information with the full Board of Directors over either a series of meetings or in a retreat format.

**Will you utilize a consultant?**
The strategic planning committee should discuss whether or not it would like to utilize a consultant to support the process. Key questions to ask are:

- Is there a budget to support the planning process? If not, will we reach out to our funders to determine the feasibility of funding a planning effort?
- Are there critical issues that must be addressed by the process that require third-party facilitation and expertise?
- Do our staff and/or committee members have the expertise and availability to support the information gathering effort?

**How will you write the plan?**
With the data and evidence gathered, a strategic plan is constructed, typically through a series of meetings with the committee and/or Board of Directors that has the following components:

- Vision, mission, values
- Corporate level goals
- Identification of strategic issues and strategies to address those issues
- Prioritization of capacity building to support goals
- Identification of a set of key result areas by which the Board can steer the organization and monitor implementation

**How will you implement the plan?**
The strategic planning committee, if ad-hoc, can continue its role or can transition its oversight responsibilities to the executive or governance committee. Ideally the plan is a living document, reviewed and updated quarterly. The key results in the plan inform the creation of an organization-wide dashboard of metrics to monitor. The plan should also act as the basis for the creation of annual goals for both the Board of Directors and the executive director.

Although undertaking a planning process may initially seem daunting, the benefits of a robust planning process are numerous. Most importantly, a shared vision for the future and a path to move toward that future is established. Your organization’s success is a result of your choices. Strategic planning, based on objective information, is a way to make good decisions about those choices.

Fio Partners (www.fiopartners.com) is a consultancy for nonprofits organizations and foundations. We help leaders make better decisions. Anne Yurasek has been an organizational development consultant and trainer for over fourteen years in the nonprofit and private sector.
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CTR Nonprofits is thrilled to announce that our longstanding Endorsed Services Partnership with the Unemployment Services Trust (UST) has reached a milestone year! Providing exclusive unemployment and HR resources to our members for 30 years, UST has been and will continue to be an invaluable program benefit—dedicated to the education and advancement of nonprofits nationwide.

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To learn more about the UST program for 501(c)(3) employers, contact Ron Cretaro (rcretaro@ctnonprofits.org) or Karen Maciorowski (karenm@ctnonprofits.org) or 860-525-5080 for more information. Fill out a Savings Evaluation to find out if you could save thousands of dollars in unemployment costs.
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