



WASHINGTON NONPROFITS

WE MAKE SURE NONPROFITS HAVE WHAT THEY NEED TO SUCCEED.

LISTENING TOUR REPORT

January 2018

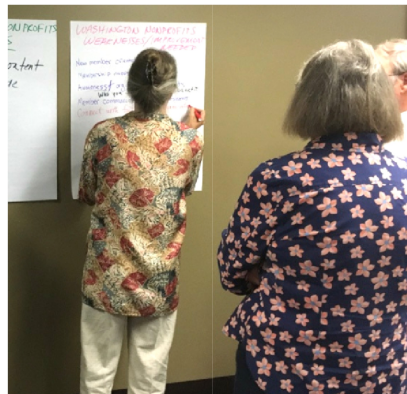
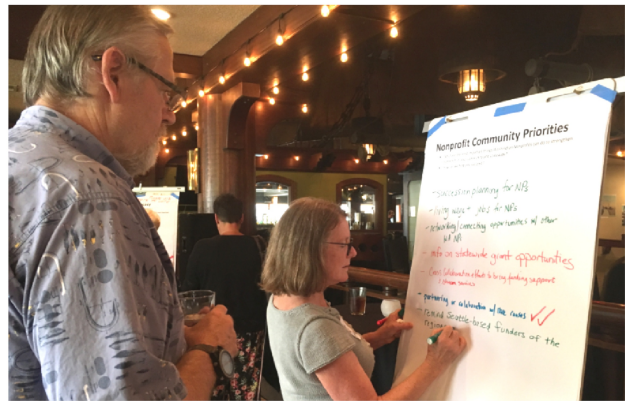


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Introduction

Washington Nonprofits is the state association for all nonprofits. We help nonprofits learn, increase their influence, and connect with people and resources. We make sure nonprofits have what they need to succeed. We are committed to ongoing learning from and about nonprofits in communities across Washington State, across all fields of service to inform our priorities and practices.

This report was developed to capture learnings from our Fall 2017 Listening Tour. The Listening Tour provided an opportunity to introduce our new executive director and to solicit feedback and ideas from hundreds of nonprofit staff members, board members and volunteers in many communities. This information will inform our strategic planning process, our learning agenda and many other aspects of our work. In the interest of community learning and transparency, we are sharing the report with our members, partners and funders. We look forward to the resulting dialogue and additional learning.

We also realize that this information is incomplete, and that listening and learning need to be an intentional, ongoing effort. Our visits to these twelve communities were informative, and also reminded us of the value of face-to-face conversations and “being there.” We recognize that we have many more visits to make. We also recognize that it is easier to connect with leaders from established nonprofits with comparatively more resources and privilege. We will continue to seek out and serve leaders from more marginalized communities such as communities of color, LGBTQ communities, immigrant and refugee communities, and rural communities.

Executive Summary

Nonprofits across the state of Washington are doing amazing work across many different missions. It was powerful for us to visit with many great leaders and learn about their efforts. Participants in the Listening Tour called out our strengths and weaknesses and offered suggestions for improving our service to our members and the nonprofit community at large. Washington Nonprofits is a young organization (founded in 2010), but we have established ourselves as a leader in accessible, action-oriented learning about many facets of nonprofit management and governance. We have a strong network of members and partners in all parts of Washington State. We still have work to do to establish a clear brand and increase our visibility both inside and outside the nonprofit sector, particularly in the Puget Sound region.

Our members want more opportunities to connect with others, including networking and advanced learning opportunities for executive leadership. They are hungry for information about how they can engage in public policy advocacy, both with us and on behalf of their own missions. They see a role for Washington Nonprofits to play in leading the sector toward transformation, greater impact and influence, and equity.

Key community priorities can be grouped into the following themes:

- Learning and capacity building
- Philanthropy and fundraising
- Sector advocacy
- Public policy advocacy
- Diversity, equity, and inclusion
- Immigration
- Networking and collaboration
- New structures and fiscal sponsorship
- Compensation and human resources
- Health insurance
- Volunteer and board development
- Leadership

Local communities have both commonalities and differences. Common challenges include housing affordability, access to healthcare, immigration, and broadband access in rural communities. Major differentiators include drivers of the local economy (tech, agriculture, healthcare, tourism, etc.) and whether the community is primarily urban, suburban, or rural.

Advocacy is important to our constituents, and their top five advocacy issues are:

- Educating the general public about the value and impact of nonprofits
- Preserving or expanding the charitable tax deduction
- Protecting the Johnson Amendment (nonprofit nonpartisanship)
- Healthcare reform
- Protecting nonprofits from taxation and/or expanding tax exemption

In addition, Listening Tour participants would like changes to certain government regulations and government contracting reform, and to offer their ideas for how we can build a strong advocacy program. Finally, our members see a role for Washington Nonprofits to play in advocating with philanthropic institutions to change how they fund our work.

Methodology

As a part of on-boarding our new Executive Director and in preparation for strategic planning at Washington Nonprofits, we held twelve regional Listening Tour meetings from September to December 2017. We also held an online webinar to solicit input from members, and we distributed a survey to individuals who expressed interest but were unable to attend a meeting. In addition, Laura conducted 47 additional individual meetings with nonprofit leaders during the same period, making an effort to include additional communities and to hear from diverse leaders. Overall, more than 385 people provided input to inform this report. An effort was made to ask the same four key questions so that we could aggregate the data, reflect back what we heard, and detect patterns and commonalities as well as regional differences.

This report was written by Laura Pierce in December 2017 and January 2018. Laura has experience writing similar reports for clients for many years as part of her consulting practice.

Location of Listening Tour Gatherings

Each of our gatherings was a bit different based on the local landscape and advice of partners. In some cases, we were able to get time on the agenda of a local network meeting. In other cases, we had a dedicated event. Attendance at meetings varied from 8 people to 60 people. Turnouts tended to be larger in more rural areas. Gatherings were held in:

- Ellensburg, Kittitas County
- Yakima, Yakima County
- Seattle, King County
- Renton, King County
- Olympia, Thurston County
- Sequim, Clallam County
- Port Townsend, Jefferson County
- Spokane, Spokane County
- Bellingham, Whatcom County
- Vancouver, Clark County
- Tacoma, Pierce County
- Freeland, Island County



Acknowledgements

Thank you to the many partners who helped make the Listening Tour possible. These included Kittitas County Nonprofit Group, United Way of Whatcom County, Whidbey Community Foundation, Community Foundation of South Puget Sound, Spokane Nonprofit Network, Spokane County United Way, Yakima Nonprofit Network, Yakima Greenways, Olympic View Community Foundation, Jefferson Community Foundation, Nonprofit Network of Southwest Washington, Murdock Charitable Trust, The Seattle Foundation, Renton Area Nonprofits United, Vision House.

Washington Nonprofits Strengths and Weaknesses

We asked participants to comment on Washington Nonprofits' strengths and weaknesses. By this, we meant our organization, the state association for nonprofits.

Strengths

The following strengths were mentioned a number of times in multiple meetings (presented here in order of priority based on the number of times the issue was raised):

- **Learning workshops** – Our training workshops were most often mentioned as a strength. Washington Nonprofits has offered workshops in communities across the state for the past four years, and has developed a reputation for offering well-organized, high quality workshops. Comments mentioned the strength of the curriculum, prepared presenters, legal education, great staffing and organization, and willingness to travel to smaller communities. Affordability was also stressed as a strength. We also received conflicting comments such as “Love the basics—simple, practical samples are great. Offer more of the basics,” and “Get beyond Nonprofit 101.”
- **Webinars and online resources** – many people cited Washington Nonprofits' webinars (available live and via our Vimeo channel) and appreciated that learning resources are accessible in multiple formats. The toolkits were called out as well as our learning conference calls and our website generally. One person called out the good information we provided on the overtime rules change last year. Another said, “Our board watches all the FUN videos as a part of their training.”
- **Conferences** – Our three conferences (held in Bellevue, Yakima and Spokane) also received many mentions as a strength, especially the Washington State Nonprofit Conference. “There is power in bring people together at the conference.” One person in Spokane said, “It’s good that there is a conference here. I can’t make it to Seattle with the budget required for travel and lodging.”
- **Statewide reach** – People appreciate our statewide reach and connections in many communities. Several people called out our efforts to reach Eastern Washington, and others expressed appreciation for our presence in their community on the day of the Listening Tour event. It is important to our constituents that we work to connect nonprofits from different communities across Washington. Awareness of and service to rural-based nonprofits was also mentioned several times, as was support for regional leaders and successful partnerships with local partners to offer local learning workshops.
- **Strong network** – Connecting communities, promoting partnerships and unity, support for local nonprofit networks, pulling people together to have a larger voice—these were among the strengths listed related to networking.
- **Public Education and Data Sharing** – Participants stressed the value of being an information clearinghouse and sharing data about the nonprofit sector. This includes providing information to nonprofits and information about the sector to policymakers, funders, the media and others. Several people encouraged further development of data and research on the nonprofit sector in Washington State.
- **Communications** – Email is great and consistent.

- **Public Policy Advocacy** – Participants mentioned advocacy alerts, being a representative forum for nonprofits in our state, great beginnings in advocacy, and serving as a resource for the legislature. Several people also called out the Nonprofit Legislative Reception at the Governor’s Mansion in February.

Weaknesses

The following weaknesses had multiple mentions (again, listed in order of priority):

- **Not well known/poor visibility and awareness among nonprofits** – A number of people indicated that they just learned about Washington Nonprofits and didn’t know much about us yet.
- **Statewide knowledge** – We heard that we still need to deepen our understanding of local communities and strengthen relationships, particularly by spending more time in Eastern Washington, recruiting board leadership from Central Washington, and having a more consistent presence in rural counties.
- **Weak brand and communications** – We are improving, but we need a strong brand and ability to communicate effectively about the value of the nonprofit sector. We need to effectively communicate about who we are and what we offer, market classes better, and make our emails more attention-grabbing.
- **Unclear about what you do/role confusion** – A related issue is role confusion. We need to better communicate how we are a resource and the value of membership, as well as differentiate our work from 501 Commons and AFP. One partner said, “I don’t always understand when to send people to you vs. 501 Commons. I need clarity.” Another cited an “unclear member value proposition.”
- **Advocacy** – “Advocacy is a big opportunity, but not well-executed over the past few years.” “Policy and advocacy are most important to me. Unfortunately, this is not a Washington Nonprofits strength.”
- **Engagement** – Participants underscored the importance of building a strong sense of ownership by the nonprofit community and involving our members. One suggested a more personal approach to make members feel special, e.g. changing pro forma renewal message.
- **Training and conferences** – Training seems geared to 101 level. Training and conference content is repetitive. “Please keep it fresh and include advanced content (201/301 levels). What is there for the seasoned leaders?”
- **Technical difficulties** – A few people mentioned difficulties participating in webinars.
- **Name** – Some felt that our name is confusing and should be changed.
- **Diversity of membership** – It is a challenge to serve such a diverse group of organizations as different nonprofits need different things.

The following critiques were only mentioned once, but seem important to consider as well:

- Lack of insurance options: health insurance, liability, D&O
- Cost structure for large nonprofits
- Prioritizing the needs of rural communities
- Tendency to focus on larger, urban nonprofits

- On-boarding for new members
- Would like more new content beyond Boards in Gear and Finance Unlocked for Nonprofits
- We have never been invited to become members
- Learning workshops are not customized
- We need better evaluation and measurement of capacity building. What changes for the organization served? Does a fundraising workshop actually lead to more dollars raised by participating nonprofits?
- Don't put Washington Nonprofits out front and expect the community to follow
- Access national experts for the conference

Suggestions

Listening Tour participants also provided a number of suggestions to improve our impact. These are grouped by theme.

- Networking/Engagement/Coordination
 - Establish forums for connecting with peers
 - Mentorship opportunities
 - Build membership and involvement of members
 - Facilitate more communication between nonprofits, tap into our collective knowledge
 - Create local/regional special event calendars in advance of each year
 - Enhance member connections by: spotlighting different regions, listing volunteer opportunities and opportunities for personal engagement
 - Coordinate with local partners, e.g. share calendars when scheduling major events
 - Create resources and conversation spaces about “advanced” issues such as restructuring the nonprofit sector
- Funder relations
 - Consider advocating for a common grant application
 - Assist in organizing funders’ tours around the state (coordinated schedule, rotating)
 - Be a voice for unrestricted giving
 - Address the issue of overhead and the importance of unrestricted gifts and investment in strong infrastructure
 - Help us build relationships with funders and corporations
- Public Policy Advocacy/Research
 - Coalesce nonprofit advocacy by issue
 - “We have limited bandwidth for advocacy, so we keep our narrow focus. However, we know the issues are interconnected, and we want to hold the broader view as well.”
 - Centralized advocacy day would be helpful.
 - It would be helpful to have an advocacy toolkit with suitable segments for in-service trainings at board meetings.
 - Consider hosting a calendar of advocacy days in Olympia

- Do more with data. Look at CityClub's Civic Health Index.
- Sector Promotion
 - Provide ammunition to debunk myths about the nonprofit sector. As one person remarked, "We need to get past knee-jerk reactions and stereotypes, e.g. 'Businesses are the evil empire' and 'Nonprofits are amateurs.'"
 - Validate the value of the nonprofit sector/Give voice to nonprofits
 - "Please continue to make plain the advantages of the nonprofit world versus the business world."
 - Identify and celebrate nonprofit leaders
- Resources/Learning
 - Monthly updates on nonprofit topics
 - Advanced training courses
 - Share funding opportunities
 - Help communities identify gaps in services
 - Help organizations consolidate and avoid duplication
 - Facilitate shared purchasing, e.g. health insurance
 - Bring back peer support circles that Executive Alliance used to run (six weeks long, structured with a facilitator, cross-sector, trust-building)
 - Engage nonprofit consultants. Create a common space for professional development around content.
 - Training for board members and volunteers outside of work hours (evenings and weekends)
 - Provide support for EDs
 - Keep your resources low barrier. Don't ask for EIN, budget information up front.
 - Offer additional support, coaching, networking alongside workshops
- Leadership/Equity
 - Help our sector adapt to change, e.g. discern appropriate response to tax reform's impact on charitable giving
 - Help us get beyond the old leadership model
 - We need an authentic agenda that is not colored by funding strategy
 - Help us move from the scarcity model to abundance
 - Talk about and interrogate the nonprofit industrial complex. Question reliance on the 501(c)(3) model. Support fiscal sponsorship.
 - Most nonprofits are small. Don't focus on the "nonprofit 1%."
 - Support diversity and representation at the board and staff levels
 - Create leaderful networks
 - Integrate equity into all your work
 - As you think about this, reach out and visit with smaller agencies who won't show up for meetings (due to low capacity). If you can, fund them to show up. Similarly, affinity groups for nonprofits sound good, but those who most need it may be unable to attend. These types of meetings are a luxury. They become white male spaces and are not as welcoming.
 - Keep working on inequitable funding distribution, e.g. philanthropy reception in Yakima

What do larger nonprofits want from their state association?

When speaking with a handful of larger, more established nonprofits, I specifically asked for input about what would make membership in Washington Nonprofits more desirable for them (the majority of our current membership is smaller nonprofits). They highlighted the following as valuable potential benefits or messages:

- HR/benefits assistance
- Group purchasing/buying power
- Advocacy
- Strengthening the sector generally/join because it is a good thing to do
- Information on executive tenure and compensation
- Opportunity to participate in high-level forums on key issues/trends
- Convening, training, representing the sector
- Visibility events like the Nonprofit Legislative Reception
- Access to affordable health benefits
- Recognition for positional leaders (a la Executive Alliance)
- Utilize leaders as experts and mentors
- Speak to the need to combine efforts for greater impact
- Reduce insularity in fields of service
- Talk with us about how the sector is transforming (data-driven decision-making, social entrepreneurship, innovation)
- Ask yourself, “Where can we achieve economies of scale by working together?”
- “You can add value for hospitals, because they have to show community benefit. Because of ACA, there is a lack of uninsured patients, so they are eager to serve in other ways. They may be players in braided funding schemes.”



Laura Pierce talking to nonprofit leaders in Olympia, Dec. 5, 2017.

Community Issues/Priorities

We asked participants to comment on current priorities for nonprofits, and indicate the most important things that Washington Nonprofits can do to strengthen nonprofits in their community and statewide. A number of issues were raised as well as some specific strategies to address them.

Learning

Washington Nonprofits is currently best known for our learning programs. Educational opportunities are clearly a priority for Listening Tour participants, and were mentioned often. In addition to general comments about wanting education and professional development opportunities, participants called out a number of specific training topics that they feel are important.

Requested training topics

- Advocacy
- Governance
- Finance
- Legal issues
- Legal compliance: L&I, employment security, IRS
- Volunteer engagement/coordination
- Business practices
- Recruitments & maintenance of boards
- More trainings for line staff
- How to launch new nonprofit
- How to run a nonprofit
- Strategic planning
- Working w/ millennials
- Storytelling
- Marketing
- Data-driven decision-making and evaluation
- Data collection
- Leadership succession planning
- Mergers and acquisitions
- Emergency preparedness
- OMB regulations
- Intellectual property issues
- Public Disclosure Commission rules, including rules with regard to state initiatives
- Risk management
- Compliance with state rules (OSOS charitable registration, liquor rules, raffles, lobbying, health department)
- Generational differences
- Continuous Quality Improvement
- Dealing with rapid growth: setting culture, codifying policies and practices, how to establish more structure as you grow
- Fundraising
 - Developing a strong case for support
 - Writing grants
 - Donor relations / marketing
 - How to run a successful fundraising event

Capacity Building

In addition to training, a number of people mentioned other types of capacity building and consulting as a priority. Here is a list of resources that participants were interested in:

- Legal resources (mentioned multiple times)
- Systems support sharing of resources (IT/legal aspects/donor databases/web/CRM)
- Office space

- Clerical or financial management support
- Individual support and training to specific nonprofits
- Grantwriting assistance
- Tax advice
- Human resources advising

One note here: many of these services are currently provided by our capacity building partners, at least in parts of Washington State.

One funder commented that there was greater interest among funders in capacity building, but that funders and grantees have different perspectives and lack a common understanding. Funders from several different communities expressed appreciation for the work of the Rural Development Initiative, which offers cohort leadership training programs and has been active in Walla Walla and Yakima, and will be expanding into Mason County and other parts of Washington in 2018.

One interviewee also observed that “Consultants are playing a bigger and bigger role. Nonprofits need to know how and when to utilize consultants, and figure out, will you really have more capacity in the end.”

Philanthropy & Fundraising

Funding is naturally a major concern for nonprofits. Our nonprofit members are looking to us for assistance in gaining fundraising and grantwriting skills and learning how to build relationships with funders. They would also like us to advocate for them with funders, particularly around the issues of operating funding, capacity building funding, onerous application processes and reporting requirements, the sustainability myth, the overhead myth, and equitable access to funding. In addition, our members would appreciate it if we can help match nonprofits and foundations with aligned interests, and/or convene funders and grantees for dialogue and connection. One funder admitted, “We haven’t embraced general operating support yet. We like to fund projects with clear outcomes.” Another reflected, “Philanthropy is changing rapidly. There are fewer general funders. They are taking the short not the long view. This affects continuity in the sector.” The declining centrality and changing role of United Ways was mentioned. Another participant raised the issue of funding silos, and how the inflexibility of some funding sources discourages collaborative or cross-sector solutions.

An important point raised by many communities is that philanthropy resources are not equally available across the state. Some communities have many more foundations than others, and there are “funding deserts” in more rural parts of Washington state. People from these areas asked Washington Nonprofits to remind Seattle-based funders of other regions that need their support.

Community foundations play an influential role in their local communities. We heard both praise and critiques of community foundations, which are very diverse in terms of how they operate and where they place their emphasis. One thing that was communicated was that nonprofits who are receiving funding from their local community foundation do not feel able to provide honest feedback about their concerns to foundation leadership.

Individuals expressed concern about too many nonprofits asking the same donors for money, donor fatigue, and pitting of human services against other nonprofit causes. In addition, the question was asked, “What if we have a natural disaster in Washington State? How would we set up a trusted conduit for giving?”

Sector Advocacy

Advocating for our sector and raising awareness of the value of nonprofit organizations’ work and contributions to society is a top issue, second only to education and capacity building. Participants shared stories about persistent myths and negative stereotypes about the nonprofit sector expressed by the general public, public officials and funders. Participants see a role for Washington Nonprofits to play in changing attitudes and dispelling negative messages about nonprofits. We can celebrate the good work being accomplished. Positive messages should include success stories, highlighting impact, and making private and public-sector leaders aware of the economic impact of the nonprofit sector.

Washington Nonprofits should focus on strengths-based messaging and help the nonprofit sector move from a culture of scarcity to a culture of abundance. Participants indicated that Washington Nonprofits should help the nonprofit sector evolve, and challenge nonprofit practices that may be hurting the sector, such as perpetuating the overhead myth by touting low administrative and fundraising expenses. In addition, nonprofit leaders would like training to better tell their own impact stories. One person stated, “Washington Nonprofits can model and embrace self-calming and reflection, and give out a different energy. We need to normalize and destigmatize self-care—it is not a privilege. Let’s counter the martyr myth in nonprofit circles.”

Finally, participants would like to see us educate the public and donors about what nonprofits need to get their work done, particularly unrestricted support. Education can also extend to other professions, e.g. “Pressure accounting firms to know about nonprofits and serve them well.”

Public Policy Advocacy

Many people expressed desire for Washington Nonprofits to provide leadership around advocacy, and to facilitate our members engaging in advocacy.

In terms of our role, participants requested that we engage in advocacy at the state and federal levels. Washington Nonprofits should educate legislators, with an eye toward changing attitudes toward nonprofits. Washington Nonprofits can champion a broad advocacy agenda for the nonprofit sector, and also help nonprofits connect to issue-specific coalitions to advocate on the issues they care about. One person commented, “Due to capacity limitations, we are focused in our narrow advocacy agendas, and there is no comprehensive nonprofit advocacy agenda. How can different nonprofits doing advocacy communicate with each other? How can we amplify each other’s work?”

Specifically, our members requested the following types of support:

- Education about lobbying rules
- Travel funding to get to Olympia
- Messaging advice for advocacy
- Contact list for legislators
- Public policy advocacy training

- Dissemination of information that Washington Nonprofits gathers at the state legislature (small nonprofits do not have the resources or staff to follow this, so they count on this service and appreciate it.)
- Pulling nonprofits together to support specific policy efforts.
- Updates about state budget development, and sharing specific action steps to take to protect nonprofit interests.

One person summarized, “Nonprofits need to know what they can and cannot do with regard to advocacy. We also need to help nonprofits understand why advocacy is of value. You can especially offer value to nonprofits who can’t do advocacy on their own (because of capacity limitations).” Another said, “There is not a shared understanding about what 501(c)(3) nonprofits can do in the advocacy arena. We need clarity.”

Diversity, Equity and Inclusion

Many people encouraged us to promote equity in the nonprofit sector. Equity issues that were called out specifically include achieving diverse representation in board composition and staff leadership, encouraging equitable policies and practices, supporting equitable development and equitable access to philanthropic resources, and highlighting alternative structures that are equitable. In addition, a number of people spoke of the difficulty of recruiting and retaining people of color and others from marginalized groups at low salary levels that are prevalent in the nonprofit sector. State contracts also perpetuate inequality in some cases where specific staff qualifications rule out many candidates. In general, it was noted that more privileged people can better afford to work for lower salaries and thus establish themselves in nonprofit careers.

“The challenge is finding common goals and listening to the voices of those who aren’t always heard (low-income folks, nonprofits, those with limited resources).”

“The same people are at the same table having the same conversations about who is not at the table. Decision-making remains far removed from the affected people. It is important for our leaders to embrace discomfort.”

“As a Latina Executive Director, when I am out in the community and introduce myself, people assume I have a less senior position at my organization. They do a double take when they find out I am the ED.”

“We need shift from ‘I’m going to help you’ to ‘What are we going to do together.’”

One equity challenge is lifting up rural voices. One person asked, “How do we tell the story of rural communities? How do we change the conversation? We need broader measures of effectiveness and equity.”

Another is ensuring that capacity building training serves communities of color well. One leader of color observed that some people of color may self-select out of training opportunities because after many experiences of bias, they are hesitant to put themselves in situations where they may be treated as less than others. This underscores the importance of partnerships with people of color-led capacity building organizations.

Another set of equity issues was raised by a funder: “Grassroots groups often have non-traditional structures. As a funder, where do you cut them slack? This is an equity issue. The ‘tried and true’ organizations don’t have leadership from the affected communities. We need to turn over some control.”

Immigration

Nonprofit leaders across the state reported that national political climate has created great fear and uncertainty among immigrants. Some people are afraid to leave their homes, and many more are afraid to access social services or participate in their children’s school activities for fear of being rounded up anywhere they congregate. One person reported that Latinos are withdrawing from food bank participation and kids after-school programs, and not signing up for public benefits like food stamps, even if they are legal residents. He continued, “We collectively have work to do to figure out how to work with and support immigrant communities. We are White-led and need to partner with Latino-led organizations. We need to think differently, but we are resource constrained.” Others within the Latino community report high levels of uncertainty, anxiety and trauma leading to chronic health problems, with greater crisis ahead.

Leaders in the Latino community report that they have become go-to people for their communities, and not having clear answers is a heavy burden. One person reported, “Immigrant organizations, even those with unrelated missions, are having to do extra triage and work that adds to the scope of the organization. For example, organizing Know Your Rights or family emergency planning workshops.” She also shared that she sees a silver lining to this current crisis. “I see more people coming as allies and saying, ‘What can we do?’” She continued, “I have to think hard about how to identify opportunities for them to help that actually add value for the community (as opposed to just helping the volunteers feel good).”

Networking and collaboration

Building a strong network and fostering collaboration was mentioned frequently at Listening Tour gatherings. People are interested in networking and sharing information at the regional and statewide level, expressed variously as networking, improving connections among leaders with similar challenges, experience sharing, peer learning, mutual support, and affinity groups. In addition, many see a role for Washington Nonprofits to play in encouraging collaboration, including fostering more collaboration and less competition among nonprofits, matching potential collaborators, facilitating resource sharing, and convening nonprofits to address overarching issues, particularly across silos. One person shared, “Collaboration is a growing emphasis and will be an expectation of nonprofits. We need to address the needs of the whole person/family.”

New structures and fiscal sponsorship

Participants expressed interest in new organizational forms and solutions beyond the traditional 501(c)(3) organizational structure. They listed public-private partnerships, blended organizations, social enterprise, varied funding models, and social benefit corporations. Mergers and consolidation also received a few mentions, as did overcoming traditional ideas about the importance of low overhead.

In addition, a number of people expressed support for fiscal sponsorship and requested that Washington Nonprofits speak out in support of this approach. Support for fiscal sponsorship could

include sharing best practices, developing standards, sharing information about options and roles, and educating funders that fiscal sponsorship can be a valid ongoing partnership strategy. As one person said, “Fiscal sponsorship shouldn’t be thought of as only a temporary stepping stone. Fiscal sponsors and their parent agencies should not be prevented from applying to the same funding sources.” Another observed that fiscal sponsorship can be an important development step for small organizations serving communities of color, giving them the opportunity to focus on mission and not have all the administrative burdens of a new independent organization.

Another person commented, ““It is a challenge to field boards—How many more nonprofits can we have and field competent boards? We should consider the Canadian model—an umbrella organization with one board over many projects.”

Others simply commented that they could sense that new models were coming, and that Washington Nonprofits could play a role in information sharing, evolving our sector and “thinking outside of the box about nonprofits going forward.” One person added, “Let’s have the conversation about institutionalization vs. putting ourselves out of business.”

Compensation/human resources

Low wages and salaries are a perennial issue in the nonprofit sector, though the issue is worse in some fields of service than others. Many people expressed concern about compensation, including the comment that “Our staff should not need public subsidies.” Another remarked, “Sustainability of staffing is a challenge. We need to find and retain good quality people and compensate them fairly.” Workforce development and staff retention are particularly challenging in some fields. For example, one interviewee shared that it is a big issue in behavioral health, where “Starting pay for a masters level therapist is \$38,000, and working conditions are challenging as well when you are working with the most difficult cases.”

Interest in a wage and benefit survey was mixed. Some indicated that a statewide survey would be valuable (this is something many other state associations do), while others indicated that salaries vary so much in different areas of the state and across different fields of service that the data might not be meaningful for their organization.

Insurance

It is very challenging for smaller nonprofits to get affordable insurance, particularly health insurance for staff members. Many expressed interest in accessing an affordable health insurance plan and the wish that Washington Nonprofits could provide a shared solution. There was also interest in affordable D&O insurance.

Volunteer and Board Development

Many communities highlighted the challenge and importance of board development—recruiting qualified board members, supporting boards, and strengthening boards through board education. Participants also talked about the importance of building nonprofits’ capacity to recruit and utilize volunteers.

Leadership

Several people underscored the importance of good leadership to nonprofit organizations. “One wrong fit in an executive position can cause years of damage to an agency.” Also mentioned were a desired to learn more about interim staffing, the challenge of gatekeepers preventing broader participation in leadership, and succession planning.



Listening Tour presentation in Ellensburg, Sept. 29, 2017.

Local Community Profiles

In addition to the general issues covered above, we asked communities that we visited to share specifics about their local community—both strengths and challenges. There were several community challenges shared across most or all of the areas we visited. These are listed, followed by brief profiles highlighting what was top of mind for each local community. Of course, these are partial, anecdotal profiles. We view them as a very first step in deepening our knowledge of specific community concerns throughout Washington State.

Common Challenges

- **Housing affordability** – Every Listening Tour community expressed concern about housing prices, especially Vancouver, Bellingham, Spokane and Jefferson County. Several underscored that the cost of housing in their community makes it difficult to attract employees. Homelessness was also called out by many communities as a significant issue.
- **Access to healthcare** – Many communities reported challenges related to accessing both physical and mental healthcare, including provider shortages and rapid change in the healthcare industry.
- **Immigration** – Immigration and related issues were often mentioned when participants were asked to share regarding their local community (see discussion above under community priorities).
- **East/West divide** – A number of people commented on the differences between Eastern and Western Washington, and expressed concern that Seattle/Western Washington is politically dominant. Issues mentioned included road construction, jobs, environmental regulations. Several Western Washington communities also expressed frustration that their communities are disregarded or lack political influence in comparison to Seattle.
- **Broadband access** – A number of communities indicated that broadband access is a concern in parts of their region. One person commented, “Yakima’s Lower Valley has connectivity issues. Internet service is overpriced, so many people depend on accessing the internet through their phones, not their computers.”
- **Other rural challenges**
 - Lack of jobs/importance of economic development
 - Loss of businesses in small towns
 - Shrinking communities
 - Low civic engagement, especially from newcomers
 - Lack of major corporations to provide living wage jobs and philanthropic support
 - Rural communities can often lack efficiencies of scale—it is more expensive to provide basic services
 - Greater number of unemployed people/people on disability and people experiencing addiction, possibly attracted to these areas due to the low cost of living, and often in need of services for themselves and their children.
 - One person reported that Stevens County is among the poorest in the nation.
 - There is a big rural wealth transfer coming. People are asset rich and cash poor. How can this work to the benefit of communities?

Specific Community Profiles



Clallam County – Clallam County is primarily rural and extends from the Sequim area in the East to the Pacific Coast. Cities include Sequim, Port Angeles and Forks. Sequim is a retirement destination with 60% of the population over 65, compared with 12% statewide. Senior needs include food, isolation, legal issues, dementia and hospice care. Access to primary, specialized and mental health care is also a challenge. Clallam County nonprofit leaders also report that their communities face challenges around homelessness, drug addiction, limited after school care, adequate workforce housing, food insecurity, lack of living wage jobs and homeless youth.

Jefferson County – Jefferson County is also predominantly rural, and is divided into eastern and western parts by Olympic National Park. The largest city is Port Townsend. Jefferson County nonprofit leaders perceive strengths in the nonprofit community: good connectivity among nonprofit organizations, ease in finding volunteers, and a very involved and willing community. One person commented, “We are approaching our issues diligently.” They also report a greying donor and volunteer community, and concerns about aging in place, homelessness, broadband access, a shortage of healthcare providers and concern about the role of civil society.

Grays Harbor County – Grays Harbor County is on the Southern Olympic Peninsula, and includes the Aberdeen/Hoquiam area and a number of smaller communities. Grays Harbor is a resilient, tight community, and everyone supports one another when it comes to nonprofit community. Homelessness is a visible challenge in Aberdeen/Hoquiam. The area is experiencing an economic upswing as existing mills and hospitals are complemented by the arrival of new companies.

Clark County – Clark County includes the greater Vancouver area as well as a number of more rural outlying communities. They have a unique situation being so close to Portland, Oregon. Nonprofit leaders reported that most media are Oregon-focused, and many nonprofits serve constituents in both states. Vancouver attracts many residents who work in Portland, and is perceived as a haven for tax evaders because Washington State has no income tax. It is more difficult to maintain certain services such as a vibrant arts community as some people are accustomed to traveling to Portland rather than patronizing local venues. However, as one person commented, “We’re a community on the cusp of change. Portland has become so crowded that local people are looking for entertainment and arts opportunities closer to home.” Community collaboration within the nonprofit sector is strong with many innovative projects underway. One person stated, “We come together to solve complex issues.” The major challenge participants highlighted is a crisis around affordable housing and homelessness. Rents have increased dramatically in recent years. Clark County has growing racial and ethnic diversity, and the nonprofit community is increasingly talking about and addressing equity concerns.

Feeling isolated seems to be a part of Clark County’s narrative. As one person put it, “We here in the ‘island of Clark County’ have a chip on our shoulder. That we are forgotten is ingrained in our culture.”

Thurston County – Thurston County is home to our state capitol, Olympia. Local nonprofit leaders report a strong nonprofit community, a great location, a high concentration of nonprofits and a high concentration of state government workers. One survey respondent commented that the diversity of sectors housed here (legislative, state workers, students, nonprofits) is a strength. There is an unusual funding collaboration happening in Thurston County between the county, three cities, and United Way to pool funding (including Community Development Block Grants) and reduce grant paperwork for nonprofits. Challenges include the lack of affordable housing, increasing poverty and homelessness. Recognition of diversity and less overall wealth were also mentioned. One person observed, “Olympia-based nonprofits are forced to step up for advocacy. Olympia-based staff are very busy during the legislative session.” This expectation to lead on the advocacy front based on proximity is not accompanied by additional resources.

Pierce County – Pierce County includes both the urban Tacoma metro area and the rural Mt. Rainier foothills. One participant described Pierce County as “a friendly place full of authentic people making good things happen.” Pierce County nonprofit leaders report that having fewer resources than King County forces them to work together, and collaboration is very high. They feel free to innovate, while they believe that “people in King County are under pressure to do things a certain way.” The arts are very strong in Tacoma as well.

Pierce County has a lot of corporations that have left or are leaving, affecting the economy. They also have an influx of workers who work at major tech firms in King County but have chosen to live in Pierce County. Although these major corporations have a significant number of employees in Pierce County, they don’t fund the community at the same level as Seattle. In addition, this is driving increased rents and traffic. The presence of Joint Base Lewis McChord also influences the community (including many military families seeking health and human services off-base) and there are a larger number of veterans in Pierce County than many other communities.

Leaders here are interested in improving relations with local government and increasing public officials’ understanding of the realities of nonprofit service providers. They also acknowledge the

importance of addressing diversity, equity, and inclusion issues head on, and expressed that a one-off training workshop is not enough.

King County – King County is a largely urban/suburban county that includes much of the Seattle metro area. However, the county includes Vashon Island also extends east and becomes more rural. We visited Seattle and Renton on the Listening Tour. Seattle participants reported a number of strengths and challenges. Strengths include like-minded communities or organizations, the existence of other capacity building organizations like 501 Commons, diverse demographics and density (listed as a strength and a weakness). Challenges include high real estate costs, commuting and traffic problems, competing agencies vying for resources, stricter employment regulations and higher minimum wage (in Seattle), insufficient support from the corporate sector, high housing costs for employees and difficulty of recruiting Americorps members given the high cost of living. One survey respondent commented, “There is a lot of competition in this area for funding. It's a dense area with many needs, many good resources and not a lot of time to collaborate.” Another leader interviewed commented, “We have a unique opportunity with the concentration of nonprofits in King County. We are lacking collaboration, trusting relationships, high-touch. We need to create the right context for collaboration, e.g. cohorts with confidentiality.” Of course, the community is large and diverse, and perceptions about how collaborative the environment is vary considerably.

King County has a significant number of vocal and visible organizations led by people of color and other marginalized communities. There is also a good deal of discussion of and action for Diversity, Equity, and Inclusion (DEI).

Renton leaders described Renton as a community of giving that is experiencing many challenges associated with rapid growth and change. Challenges include a local community that is polarized politically, a culturally diverse area which leads to challenges with communication and getting participation in community events, growth that has presented identity challenges, unclear communication avenues, and newcomers to the community who aren't as invested but are asking for services. A survey respondent from Vashon Island commented that the Vashon Island community boasts a progressive attitude, good communication and a strong work ethic. Vashon's challenges include lack of access and economic power. A respondent from East King County commented that they have distinctive issues but are always grouped in with the Westside.

Snohomish County – Snohomish has a diverse group of rural, suburban and urban communities, including a number of independent towns with strong pride and traditions. “You have to show up to be a part of those communities.” Affordable housing is a challenge. Marysville is a rapidly growing community. Challenges include an opioid epidemic, increasing senior population including many low-income seniors, mental health and homelessness. Diversity, Equity and Inclusion (DEI) is emerging as an important conversation.

Island County – Island County encompasses Whidbey and Camano Islands. Our Listening Tour event took place in Freeland, on the south end of Whidbey Island, but was attended by people from both ends of Whidbey Island as well as Mt. Vernon. The island is primarily rural with a different character to the north and south end of the island, with the Oak Harbor area influenced by the presence of Naval Air Station Whidbey Island. There can be some divides between the south, central and north parts of

the island. Currently, there is not a regular opportunity for nonprofit leaders to network and build community, but the fledgling Whidbey Community Foundation hopes to help with this.

Nonprofit leaders report a generous, innovative and amazing community, but also one that is suffering from empathy fatigue, too many competing nonprofits and a limited volunteer base. Local businesses are asked often to support nonprofit events. Community challenges include transportation issues, scarce social services, and the fact that 62% of workers go off the island for their jobs. The cost of living and housing make it difficult to attract good employees.

Many wealthy people own second homes on Whidbey Island, but some are not engaged in giving and volunteering on the island. At the same time, nonprofit leaders report that there is a growing retired population which includes both people in need of support and many highly qualified retired volunteers. One person also reported that young families are moving back.

Whatcom County – Bellingham is the largest city in this predominantly rural county on the Canadian border. Local nonprofit leaders report a very vibrant community with strong support and amazing collaboration, mutual respect and sharing among nonprofits. There are strong nonprofit collaborations that focus on issues, not organizations, as well as a strong and invested donor and volunteer network. Whatcom County has a number of strong environmental organizations. Co-location of several funders in the Whatcom Center for Philanthropy is a strength. Having a large university that trains future nonprofit leaders and provides a steady stream of interns and volunteers is a major strength as well.

A community challenge is a significant number of “asset-limited, income-constrained, employed (ALICE)” people in Whatcom County. This is a growing group of “in-between” low-income working people and families that don’t qualify for services, but can’t afford to live here. It was acknowledged that the cost of living is a big challenge for nonprofit employees as well. Additional challenges are changes to healthcare and Medicaid and a county that is medically underserved. Lack of childcare options was also called out by several people. For nonprofits specifically, challenges include the lack of affordable office space, too many nonprofits doing similar work and difficulty attracting and retaining staff.

Kittitas County – Kittitas County, located in Central Washington, is a rural, agricultural county including the cities of Ellensburg and Cle Elum. Our Listening Tour event also served as the launch of the Kittitas County Nonprofit Group, and had over 60 people in attendance. Community strengths include community support, passion for community, and a varied and increasingly diverse population. Challenges include finite resources and limited pool of people and money (including a shortage of workers), homelessness and lack of affordable housing, lack of living wage jobs, transportation, racism, limited LGBT safe spaces, lack of childcare (especially in upper county) and resources for end of life, poverty and youth at risk. One person commented, “The nonprofits in our community need to learn how to work together and share resources as well as educate the community on what nonprofits do locally.”

Yakima – Yakima County is a large and diverse county that contains the City of Yakima and a number of other communities spread throughout the Yakima Valley. Our Listening Tour stop was in the City of Yakima, which means we still need to outreach to the Mid and Lower Valley communities in the future, recognizing that there are considerable differences. Yakima County is a majority minority community

with 55% people of color. Yakima is fairly segregated, with Latinos East of 16th Avenue. Several people mentioned an “us vs. them” mentality playing out in the community and even on the City Council.

Yakima is located in an agricultural area dominated by fruit growers. One person commented, “In Yakima, agriculture is king. Much of the other economic activity is supporting and related industries.” Agriculture lends some stability to the economy. The community includes a large number of farm laborers, mostly immigrants with lower incomes. The Yakima School District is 63% Hispanic, and some communities such as Mabton are 100% Hispanic. Another person said, “Immigration is the number 1 issue here. It impacts everything—education, jobs, health, mental health.”

The nonprofit community’s strengths include collaboration and the ability to adapt quickly, and many people working in nonprofits. At the same time, participants reported that there are few donors to meet significant needs, competition for resources (grants, events and capital projects), and lack of investment in nonprofit capacity building.

Participants reported that there are language barriers to accessing services, and there are some nonprofits where the culture is completely Anglo. One person shared that there is a cohort of established organizations and that the spirit of collaboration is there, but may not lead to shared funding.

Yakima nonprofit leaders report a number of challenges in their community, including a high dropout rate, high rate of youth pregnancy and STDs, youth violence, drug addiction, homelessness—all leading to low expectations for youth, especially youth of color—as well as healthcare changes and a shortage of providers and high costs of assisted living and nursing homes. One interviewee commented, “Yakima suffers from deep poverty and a deep-seated hopelessness and lack of self-esteem. We compensate with endless boosterism.” Another stated that “Yakima is still perceived as facing struggles—a pressure cooker—but on the rise.” Broadband internet access was mentioned as a challenge, particularly in Yakima’s Lower Valley.

Grant County – Grant County is rural and agricultural. Ephrata is the county seat, and in addition to farming, many work in government jobs such as the Bureau of Land Reclamation. The cities of Moses Lake and Quincy are majority Latino, while Soap Lake has a significant Ukrainian population (75% of school children are Ukrainian). A recent community trend is new agriculture-based nonprofits to support farming, particularly organic farming.

Walla Walla County – Walla Walla has a high ratio of nonprofits, good philanthropic infrastructure and a history of generosity. Recently, there has been an increase in community spirit, increased attendance at City Council meetings, and a wider range of people running for elected office, including women and people of color. The area has a 40% Latino school population and 50% poverty rate. The new Teen Center was developed collaboratively and is a point of pride for the community. Internet connectivity is a challenge in the rural parts of the state. Whitman County borders Oregon and many community connections and efforts cross the state border.

Spokane County – Spokane is a major city in Eastern Washington, and the hub of Spokane County and the Inland Northwest region. Healthcare is the biggest sector of the economy, and Whitworth and Gonzaga universities are major employers as well. Listening Tour participants called out several

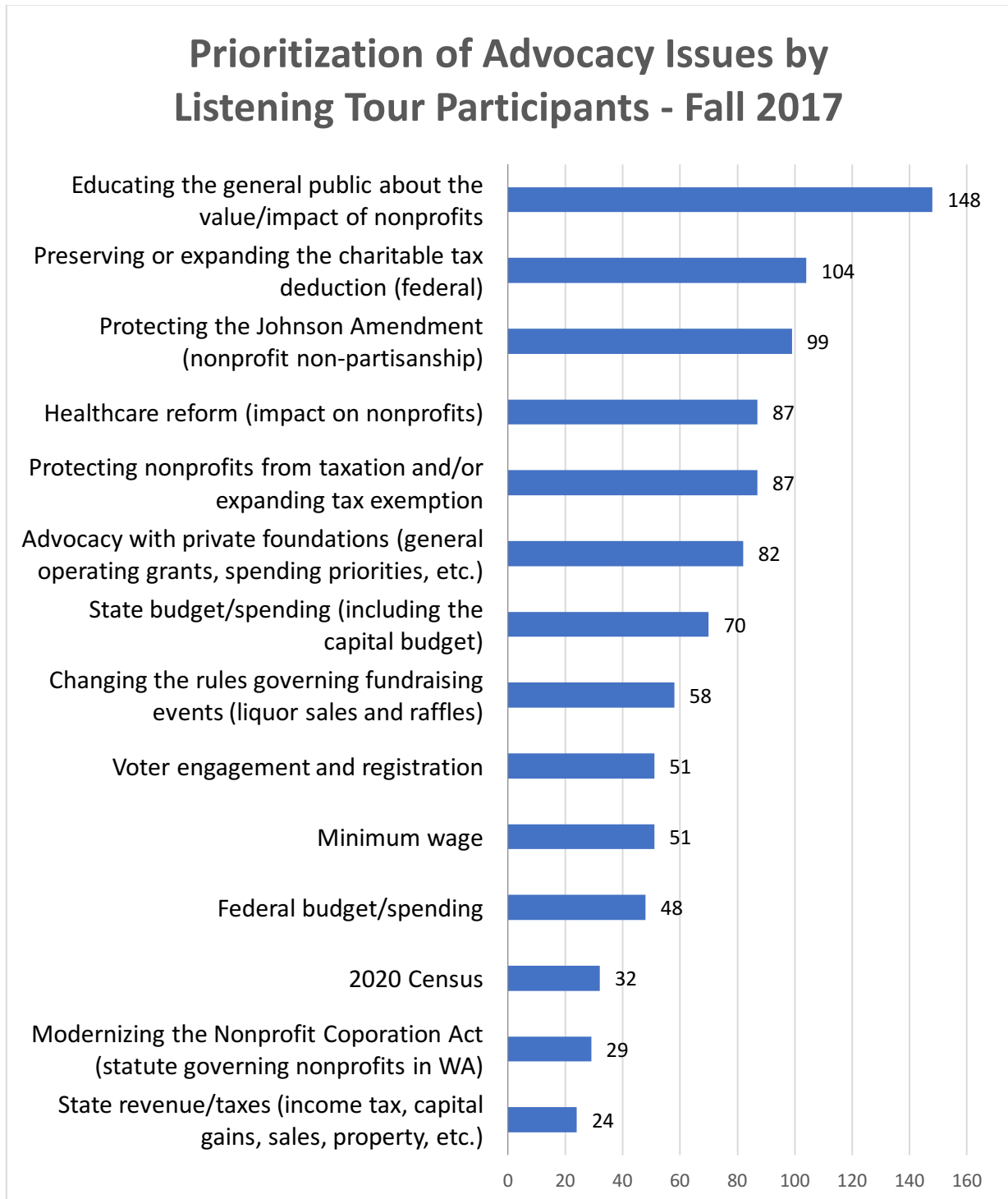
strengths: sharing emerging resources between nonprofits, and a great nonprofit resource in the Spokane Public Library. It was noted that Spokane has had a flat economy, experiencing neither rapid growth nor decline. Challenges include racial issues, limited housing, political polarization, and serving rural communities. Fundraising is challenging, there are few major corporations to provide philanthropic support, and nonprofits are reluctant to advocate for higher salaries. Fielding nonprofit boards is a challenge. One person indicated a need for increased nonprofit collaboration and consolidation. Several funders are working toward a single reporting mechanism for multiple funders using results-based accountability.



Nonprofit leaders at the Spokane Nonprofit Network Meeting on Sept. 11, 2017.

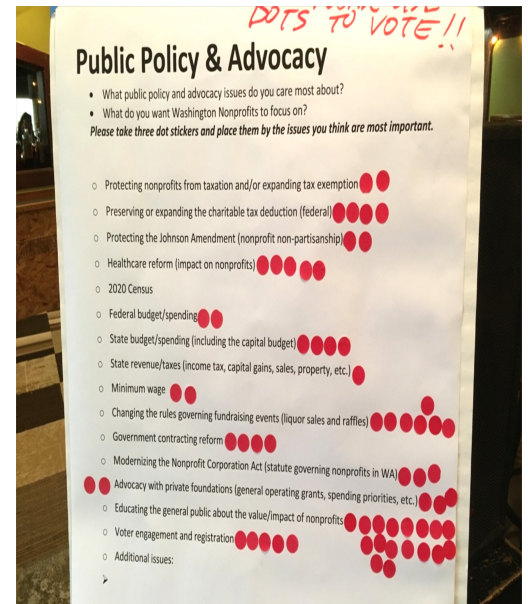
Advocacy Priorities

As part of the Listening Tour meetings and at other public events such as the Inland Northwest Conference for the Greater Good, we invited people to vote using sticker dots to indicate their advocacy priorities from a consistent list of issues. 1082 dots were placed, representing participation from approximately 350 members of the nonprofit community (each person received three dots). The chart below shows the issues and the number of dot votes received.



This list of topics was set at the beginning of the fall and kept consistent. Voting patterns changed somewhat over the course of the fall. For example, the charitable tax deduction received very few votes in September, but by November it was clear how important this issue had become for our sector during the development of the federal tax reform bill, and more people placed their dots on this issue. This underscores how dynamic the advocacy arena really is and the need for Washington Nonprofits to be flexible and responsive in our advocacy efforts.

In addition, we invited individuals to add new issues to our list. The following is a list of additional comments made by participants. The list is actually a combination of suggested strategies and issues, so I've organized them that way, and grouped some related ideas.



Additional advocacy issues

- Immigration/DACA (mentioned a number of times)
- Compensation and benefits
 - Increasing capacity of nonprofits to pay staff fair wages
 - Healthcare benefits for nonprofit employees (mentioned several times)
 - Increasing state/federal grants to include competition wages for employees
- Equity
 - Supporting leaders of color to enter and grow in the nonprofit sector
 - Racial equity lens requirement
- Local government relations
 - County support to nonprofits
 - Local government advocacy
- Volunteerism
 - Elevating the strategic role of volunteers in achieving community impact
 - Funding for volunteer centers
- Regulations and taxation
 - Simplify state reporting registration charity nonprofit trust
 - Reform charitable solicitations roles
 - Excise tax - definition of fundraising
 - Paid time off regulations
 - 501(c)(3) designation
 - Postage rates for nonprofits
 - Fix nonprofit tax rules
 - Taxes on construction for capital projects
 - State nonprofits/Federal nonprofits
- Philanthropy

- Unrestricted funding
- Philanthropy money to People of Color/Native communities
- Donor advised funds (impact on philanthropy)
- Field-specific issues
 - Alternative education venues (museum, play, etc.)
 - Homelessness / unemployed
 - Aging in place in rural areas
 - Prioritization of K-12 education to detriment of higher education (McCleary)
 - Coordinate with WSHFC on advocacy re: tax-exempt financing on federal level
 - Appropriate funding mechanisms for affordable housing

Advocacy Strategies

- Voice and experience of nonprofits in local issues
- Need a lobbyist
- Convening by field of service for advocacy
- Support for/best practice in advocacy with county and city governments
- Op-ed re: value of nonprofits

There were a number of other comments about advocacy, particularly in one-on-one interviews where there was an opportunity to go deeper.

- Many people expressed deep concerns about various federal policy changes and expressed a desire to know more about how they could influence federal policy, including executive orders.
- A number of leaders suggested that Washington Nonprofits could play a role in connection and coordination of advocates across agendas and building an advocacy network.
- Give voice to the nonprofit sector
- Do more to connect with government and the private sector. Get a seat at the table and influence.
- Challenge organizations to get out of their silos and bridge sectors. Small organizations are in survival mode, but they need to “pick themselves up above the bushes.”
- “I’m concerned that governmental people who are elected are leading down a path of paying attention to the big boys. Nonprofits are expected to pick up the slack. We need to wake up decision makers.”
- “Advocate for an income tax, so we have more funding—that would be transformative!”
- “We need more respect, more funding, more invitations to the table, more opportunities to educate.”
- “Many organizations are going to the legislature ringing their own bell. Different tones are not as effective as a unified voice. Housing advocates are an example of different groups coming together to get attention.”
- Be sensitive to the dominance of the Seattle-centric/UW-centric perspective.
- “We need to activate board members. The legislature will listen to them, because it isn’t their livelihood—they are volunteers. It’s also powerful to hear from clients.”
- “We need to make more noise about what we are doing. There is a tendency to keep our

heads down and not rock the boat.”

- “The fear of breaking rules is strong. NPOs that receive government funds know that they can’t lobby with government funds. We need to communicate that it is easy to stay legal and participate in the policymaking process.”
- The nonprofit sector needs to come across as credible. CLASP and the National Human Services Assembly have done some good work on messaging. Check with Seattle Human Services Coalition as well.
- “We’d like to see a consistent curriculum to build capacity for advocacy (transportable, include the basics, provide baseline education). It needs to use the right language: move the nonprofit sector from victim stance to asset mentality. Don’t be embarrassed about our work or status.”
- Partner with Philanthropy NW to work on the 2020 Census. If more people are counted, more federal funding may flow to nonprofits in our area.
- Support advocacy at the city and county levels. Help city departments understand nonprofits better.
- Change gambling and liquor rules—these regulations are not based on a good understanding of how nonprofits work and raise money.
- Make it simple to interact with the state (licensing, reporting)
- Provide a forum to discuss response to changes at the federal level like changes to the charitable tax deduction and (if it happens) repeal of the Johnson Amendment
- “We are all in the business of collecting data. What are we learning? How are doing at stewarding data and maintaining privacy/confidentiality for our clients? Can we develop sample policies and practices to share? Foundations want metrics. Would like training in best practices for data collection to protect clients and satisfy funders. We would like to develop common methods for collecting data, e.g. age, gender, race, etc.”
- One interviewee shared that nonprofits had to do a lot of advocacy a few years back in Whatcom County when the county charter was under review, which takes place every ten years. There was a proposal to block the county from contracting with nonprofits, and it took a lot of time and energy to defeat that proposal. Washington Nonprofits can play a role in ensuring that lessons learned from a campaign like this are shared.
- “Olympia seems far from here. Thanks for keeping me informed.”
- Communicate why advocacy is valuable, teach small groups how to do it. Take the “Did you know?” approach.
- There is an opportunity for rural engagement in legislative advocacy. Rural communities are struggling and we need to figure out how to organize them. For example, road rules (paving, ADA, bike lanes) seem reasonable, but they make road construction prohibitive in small towns. Economic development a major issue. We need to preserve nonprofits’ ability to take care of people in rural areas and their ability to attract resources.
- The DOL overtime rules changes last year (which ultimately were not enacted), were a major issue that affected everyone’s bottom line.
- Build alliances with chambers to move advocacy forward. Find common ground with small businesses.
- A few years ago, the IRS made some changes that knocked some inactive nonprofits off the rolls. How did this affect the overall number of nonprofits? It would be interesting to look at the Master IRS charities file for trends.

- With the advocacy alerts, include information about the limitations and rules. Limit the number of alerts. It can heighten fears, and we have limited space to work on “secondary” issues.

Government Contracting Reform

Contracting reform was a much-discussed issue as well. Leaders in Pierce County had a detailed discussion about government contracting and some of the improvements that could be made by coordinating the differing expectations of different government entities (city, county, state), eliminating inconsistent treatment and special deals, and capacity issues that prevent nonprofits from applying for government funding. Look at funding, but also at state agency staff knowledge and attitudes—customer service and compliance issues.

These comments were echoed by others as well. As one person commented, “The feds are dinosaurs. We have to get approval for minor budget deviations.” He added, “Federal and state contracts have different timing. The cost reimbursement model is very challenging. We have to work with a line item budget, but we would prefer a per child cost reimbursement. We have to zero out the funds every year as no carryover is allowed. They should treat us as a business, and not penalize us for efficiency. They should also eliminate the federal match requirement—we don’t need to be watched in this.”

One leader observed that contracting reform may face union opposition. Another made the general comment that, “In our world of CSBG funding, there are lots of strings attached that keep us in the office shuffling papers rather than out helping people. They want lots of output oriented data. We need higher administrative rates.”

One example of an advocacy effort already underway in this area is the effort by anti-hunger activists including Northwest Harvest to coordinate the contracting process and rules for after-school and summer meal programs. Currently, although both programs are generally provided by the same organizations, the application and reporting procedures are completely different, increasing the administrative burden considerably. In addition, someone mentioned that unified funding applications (City, County and State) are happening in the housing arena, and that this success could be replicated in other fields of service.

Conclusion

There is some temptation to respond to specific comments contained in this report or refute a few misconceptions. Rather than do so in this report, we believe our actions speak louder than words, so we will redouble our efforts to address concerns raised here.

This feedback is very much appreciated by the leadership of Washington Nonprofits, and we will continue learning in order to serve the nonprofits of Washington State to the best of our ability. Thank you to all who provided your thoughts and ideas!

Appendix A – List of Individual Interviews

Thanks to these leaders who took the time to meet individually with Laura this fall to provide input, as well as all the attendees at our Listening Tour events, which are too numerous to list.

Kiran Ahuja, Philanthropy Northwest
Laura Armstrong, La Casa Hogar
Diana Avalos Leos, Clark County Latino Youth Leadership
Peter Bloch Garcia, Latino Community Fund
Sarah Brooks, Methow Conservancy
Siobhan Canty and Debbi Steele, Jefferson Community Foundation
Jessica Case, Medina Foundation
Neiri Carrusco, United Way of Central Washington
Mike Cohen, Bellingham Food Bank
Jim Cooper, United Ways of the Pacific Northwest
Suzy Diaz, Heritage University
Elise DeGooyer, Faith Action Network
Danielle Garbe, Sherwood Trust
Isabel Garcia, Yakima Habitat for Humanity
Bruce Gray, Northwest Regional Primary Care Association
Liz Heath, Private Consultant
Nalani Linder, Degrees of Change
Tracy Kahlo, PAVE
Jeanne Kojis, NNSWW
Phoebe Kruger, Columbia Bank and NNSWW board member
Leslie Lauren, Olympic View Community Foundation
Karri Matau, Community Foundation of Snohomish County
Linda Moore, Lindsay Boswell, Jessica Houseman-Whitehawk, Yakima Valley Community Foundation
Merritt Mount, Washington Community Action Partnership
Rachel Myers, Whatcom Community Foundation
Bob Ness, Consultant
Brian Newberry, Leadership Spokane
Shelly O'Quinn and Molly Sanchez, Inland Northwest Community Foundation
Gilbert Plascencia, Alegria
Eric Potts, Grays Harbor Community Foundation
Craig Pridemore, Columbia River Mental Health Services
Sally Pritchard and Tim Henkel, Spokane County United Way
Wayne Purrett, EOCF
Susan Scheib, Columbia Basin Foundation
Norma Schuiteman, Community Foundation of South Puget Sound
Sue Sharpe, Chuckanut Health Foundation
Andy Silver, Council for the Homeless
Andrew Sund and Dana Eliason, Heritage University
Josephine Tamayo-Murray, Catholic Community Services of Western Washington
Peter Thiessen, United Way of Whatcom County
Ananda Valenzuela, Rainier Valley Corps
Kristin West Fisher, Arcora Foundation
Christina Wong, Northwest Harvest