Arizona Nonprofit Capacity Building Initiative

Final Report

Submitted by: Arizona Nonprofit Capacity Building Initiative Executive Committee

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Executive Summary

The purpose of this report is to summarize the results of fourteen months of concentrated effort to understand the capacity building needs of the nonprofit sector in Arizona and to ascertain what strategies and structures would best be suited to address these needs.

An unprecedented body of research has been accumulated, including a profile of the sector, an assessment of both the capacity building needs of nonprofits and the quality and availability of services to address those needs, and a review of best practices. Community meetings were held with nonprofits throughout Arizona to review the research and to engage organizational leadership in defining what organizational or structural models are most appropriate in Arizona.

There is an emerging consensus about strategic responses on a number of levels:

- ☐ The need for association, i.e., the opportunity to derive the benefits of empowerment and collective action in such areas as advocacy and joint purchasing of needed services;
- ☐ The need for coordination of information regarding available resources and the accessibility of that information to all organizations
- ☐ The need for linkages between the seekers and providers of capacity building services
- ☐ The need for new strategies and structures to accommodate the interests and unique attributes of rural and urban organizations.

This Initiative should be viewed as the beginning of a *work in progress*. A statewide conversation has begun that needs to be continued. We trust that this work provides a solid platform for ongoing discussions that will forge a shared vision for the future sustainability of nonprofits in Arizona.

Respectfully submitted,

Members of the Executive Committee

Marissa Theisen, Chair Lorie Cobb Michelle Lyons-Mayer Donna Pope Herb Paine Project Consultant/Manager

I. Background

Context

In January 2003, the Arizona Corporations Commission reported that nearly 29,000 nonprofits are in operation, of which 18,950 are registered as 501(c)(3) charitable corporations. The sector employs approximately 100,000 Arizonans with a combined payroll of \$2.75 billion. Its overall community impact is felt through a broad array of activity including social services, health care, arts, education, and recreation. However, as critical as these organizations are to our civic life and to the health of our communities, their role and value are not adequately understood by the public or public policy makers. In a period of economic downturn and funding cutbacks, their condition is exacerbated by the convergence of a series of formidable challenges to their viability and sustainability: for example, increased demands for services at the same time that greater competition exists for limited resources; increased expectations by funders for collaboration, effectiveness and accountability; adaptation to new technology; and increased competition from for-profit service providers.

Over the last twenty years, regional or state associations have been formed to strengthen nonprofits, improve communication, decrease duplication, and increase effectiveness and access to resources. Today, thirty-seven such organizations exist in the United States and are associated with the National Council of Nonprofit Associations. (For further information and links to state associations of nonprofits, see www.ncna.org; also see the two Supplements to this report.) Their experience has demonstrated the value of an entity that can serve in a number of supportive roles:

- as a clearinghouse for sector-related information, e.g., job bank, directory of consultants and resources, training calendars, and website links to national and local resources:
- as a convenor for information-sharing and partnership development;
- as a champion and policy advocate; and
- as a broker for cost saving benefits through group purchasing.

In contrast, the non-profit sector in Arizona has been a loose collective of organizations at various stages of development and organizational needs, but all sharing a common challenge: the need for a more sustainable infrastructure. Any strategy that hopes to address this challenge needs to be informed about the current level of need and the current level and adequacy of response to that need. However, until now, there has been a general paucity of data about the nonprofit sector in Arizona and its capacity building needs.

Thus, in September 2001, a group of public and private sector professionals, committed to addressing these challenges and enhancing the viability of the nonprofit sector in Arizona, convened to explore the need for and value of a statewide capacity building organization in Arizona. As a result, funds were secured from Arizona Community Foundation, Virginia G. Piper Charitable Trust, and St. Luke's Health Initiative to support a process targeted to ascertain the feasibility of a statewide association of nonprofits.

As a result, in January 2002, the Arizona Nonprofit Capacity Building Initiative was formally launched. A Steering Committee was organized and included nonprofit, foundation, and governmental representatives from throughout the State. (See Attachment A for a listing of the committee membership.)

Purpose and Scope of the Project

Albeit the initial focus of the Initiative was to ascertain the feasibility of a state association of nonprofits, the Steering Committee quickly realized that it would be better to understand the level and degree of need before prescribing solutions. Therefore, the purpose of the project was reframed, as follows: to ascertain the capacity building needs of Arizona nonprofits and to determine what strategies and structures, including but not limited to a state association of nonprofits, may best be suited to addressing these needs.

The scope of the feasibility study initially consisted of four key components:

- A profile of the nonprofit sector in Arizona
- An assessment of capacity-building needs of Arizona nonprofit organizations
- An inventory of existing capacity building resources
- An inventory of "best practices" and lessons learned from other states.

As the process evolved, an additional element was included: the convening of community meetings with nonprofits throughout the State or Arizona. The focus of these meetings was to actively engage participants in distilling the results of the research, considering their implications, and discussing what strategies might be most suitable to address identified needs.

Therefore, in October and November 2002, a series of eight community meetings was conducted in Flagstaff, Havasu, Phoenix (2), Prescott, Show Low, Tucson and Yuma. In order to provide an organized framework for the meetings, the research findings were organized into the following six categories of strategic direction:

- Advocacy
- Collective strength
- Information clearinghouse
- Training and technical assistance
- Strategic partnerships and collaboration
- Public awareness

In addition, attendees were invited to discuss three alternative models for a statewide capacity building organization. Section VII of this report discusses the models in further detail.

Capacity Building Defined

"Capacity building" has come to mean many things to many people. For the purposes of the project, the need for consistency in the language of the research and the communications with local organizations throughout the state dictated the adoption of the following working definition, as framed by the Conservation Company:

"Any activity that strengthens nonprofit performance and impact."

A range of activities has been included within the scope of this definition, including: advocacy, management support and technical assistance, joint purchasing, networking and information-sharing.

Work Products

This report presents the following work products that have constituted the Initiative's research agenda and acknowledges with gratitude the partners who provided leadership in conducting the research:

- a profile of the size, scope, and distribution of the nonprofit sector in Arizona (conducted by Dr. William Brown, ASU Center for Nonprofit Leadership and Management);
- an assessment of the capacity building needs of nonprofit organizations (administered under the auspices of Dr. Sandi Perez, Arizona Community Foundation);
- an assessment of the availability, accessibility, and quality of capacity building services (designed and conducted by Dr. John Hultsman, ASU West's Partnership for Community Development);
- a review of *best practices* and lessons learned from capacity building efforts in other states (conducted by Michelle Lyons-Mayer);
- focused research on specific issues around which collaboration could demonstrate the
 efficacy of association among nonprofits, with emphasis on the feasibility of joint
 purchasing of health insurance (coordinated by Jill Rissi, David Miller, and Michelle
 Lyons-Mayer;
- the results of a series of community meetings with nonprofits throughout the state to present the research findings and to engage organizational leadership in discussion regarding what structures may best be suited to addressing the collective capacity building needs of nonprofits (coordinated by Michelle Lyons-Mayer).

Outcomes

On February 3, the Steering Committee of the Arizona Nonprofit Capacity Building Initiative held its final meeting of this fourteen month project and reviewed the findings of all data collected to date as well as the outcomes of the community meetings with nonprofits throughout Arizona.

The intended outcomes and decision points of the meeting focused on a.) developing a consensus around the selection of preferred strategies to address the defined capacity building needs of Arizona nonprofits and b.) creating an organized framework for advancing to the next phase of implementation planning.

The collective findings of the research indicated that the top-rated areas for organized action center around advocacy, collective purchasing, the development of a statewide information clearinghouse, training and technical assistance, strategic partnerships and collaboration, and

public awareness. However, no single area of need was consistently identified as the top priority for immediate action.

However, participating nonprofits have indicated a preference for an organizing structure that brings together under a common umbrella – *the collaborative model* – nonprofits, associations of nonprofits, and providers of capacity building services. Nonprofit respondents also consistently have indicated a willingness to pay dues for such focused services as joint purchasing, an information clearinghouse, advocacy on public policy, and increasing public awareness regarding the sector's value.

Given these observations, the Steering Committee considered what strategy should become the focalpoint for organized action in addressing these areas of need. The crucial question was whether consensus existed that the preferred strategy for future action is a blended model that integrates the beneficiaries and the providers of capacity building investments.

While it appeared that those in attendance were close to achieving a common agreement around the *collaborative model*, a consensus did not emerge. Rather, the outcome of the meeting was general agreement that the convening of a nonprofit *summit* or conference, preferably in Summer 2003, would provide an important and much-needed opportunity to engage nonprofit organizations more directly and actively around the issues that have been defined and the analyses that have emerged from this Initiative.

It seems clear, as well, that the emergence of a unified statewide nonprofit voice may be dependent, in part, on the cultivation of and investment in the development of local centers of nonprofit leadership (such as those that are emerging in Flagstaff, Tucson, and Phoenix)

Next steps

In the aftermath of this Initiative, discussions will be conducted with partners and funders to ascertain the feasibility of a statewide conference or *summit* and to consider who is best positioned to implement such recommendations as the development of a clearinghouse for nonprofits.

Acknowledgments

The products of the Arizona Nonprofit Capacity Building Initiative are the result of a unique collaboration among nonprofit organizations, grantmakers, representatives of the public sector, and community leaders, all of whom have shared a common interest: to enhance the capabilities and effectiveness of nonprofit organizations in Arizona.

Given limited resources and a commitment to maximize collaboration, Steering Committee participants generously donated staff time and resources to complete the various research components.

Thanks go to the following:

- The members of the Steering Committee (see Attachment A) for giving generously of their time, knowledge and resources. Special mention needs to be given to Michelle Lyons-Mayer not only for her extensive work as a committee member but also for service as project consultant in organizing the statewide community meetings with nonprofits.
- The funders of the Initiative, not only for their financial support but also for the perspectives and insights of their staff. The Arizona Community Foundation, the Virginia G. Piper Charitable Trust, and St. Luke's Health Initiative provided major support for the project. Thanks also go to Quarles & Brady, Streich Lang for their generous grant.
- The partners in the Initiative, whose research expertise was essential to the success of
 this project: the Center for Nonprofit Leadership and Management at Arizona State
 University, the Partnership for Community Development at Arizona State University
 West, and the Arizona Community Foundation. These entities constituted the core of
 a larger research committee, chaired thankfully by, Sandi Perez, now with the Legacy
 Foundation.
- The local hosts of the community meetings with nonprofits: City of Phoenix Office of Intergovernmental Programs, Just Grants Arizona, Havasu Interagency Council, Lake Havasu Public Library, Prescott Area Information and Referral, Prescott Public Library, United Way of Northern Arizona, North Country Community Health Center, Torrean Country Club, Valley of the Sun United Way, United Way of Tucson and Southern Arizona, the Volunteer Center of Tucson, the Yuma Community Food Bank and the Arizona Community Foundation Regional Affiliates. The Nonprofit Management Institute at Arizona State University not only hosted one of the meetings but also published information regarding the meetings in the Nonprofit Community Report, provided website hosting and design, and managed the registration process for all eight community meetings.
- The Institute for Cultural Affairs, and, in particular, Jim Wiegel, for leadership in designing and facilitating meetings that ensured maximum participation in the distillation of a substantial amount of data and focused reflection on the implications of that data for future action.
- The Community Forum an organization whose mission for over fifty years has been to bring together Arizonans to address emerging community needs in a collaborative way for serving as fiscal sponsor and administrative home.

II. General Research Findings

Overview

Based on a review of all of the collected data, six general findings surfaced regarding the scope and condition of the nonprofit sector in Arizona:

Finding # 1 - Profile of the Sector¹

Arizona's Nonprofit Sector is as diverse and as complex as the state itself

- Arizona witnessed a 45% growth in the number of nonprofits between 1992 (2,378) and 1998 (3,447)
- During that same period, the number of private foundations grew from 352 to 487
- The distribution of nonprofits closely paralleled the overall population distribution throughout the state
- More than half of Arizona's nonprofits report an annual revenue of \$200,000 or less
- Approximately one quarter of nonprofits report an annual revenue of more than \$500,000

Finding # 2 - Public Awareness

Arizona's nonprofits constitute a hidden sector, often misunderstood and generally not visible as a collective force

- Currently, there is no systematic mechanism to gather and disseminate information about Arizona's nonprofit sector
- Nonprofits believe that a strong need exists for public education and marketing regarding the value of the sector
- 94% of nonprofit respondents indicated interest in belonging to a state association in order to improve the public's image and understanding of nonprofits

Finding # 3 - Advocacy

Arizona's nonprofit sector does not speak with one voice

- Only 11% of nonprofits surveyed were satisfied or very satisfied with the level of nonprofit advocacy at the local, state or federal level
- 71% indicated interest in belonging to a state association in order to take action on public policies that affect nonprofits
- One respondent's statement reflected the perspective of a majority of respondents: "We speak with many voices, subsequently, no one hears what we say"

¹ The source for profile data regarding the nonprofit sector is William A. Brown, *Arizona Nonprofits: Scope of the Sector in Brief*, (2003) ASU Center for Nonprofit Leadership and Management. Also, see Section III and Attachment C of this report.

Finding # 4 - Funding

The current budget crisis and economic downturn are stressing an already under-resourced sector

- Nonprofits indicate a high need for flexible and sustained operating funds as well as financial support for planning and collaboration
- Nonprofits consistently identify "access to funders" as a priority
- 94% of nonprofits indicated interest in belonging to a state association in order to access grantmaker forums to discuss issues of common concern and alternative approaches to grantmaking, including general operating support and multi-year grants

Finding # 5 - Collective Buying

Arizona's nonprofit sector is not taking advantage of its collective buying power

- Health insurance was consistently reported as the number one priority for collective purchasing
- Other potential areas to target for cost savings include: travel, technology, office equipment, office supplies, directors and officers (D&O) liability insurance, printing, and employee benefits
- 95% of nonprofits indicated interest in belonging to a state association in order to access programs that could help their organizations cut costs

Finding # 6 - Infrastructure

The state's infrastructure for capacity-building has not kept pace with the growth of the sector

- Respondents were generally not satisfied with the availability and accessibility of resources
- Referral sources for capacity building services and nonprofits concur about the need for a centralized information clearinghouse
- Awareness of capacity building resources and services varies by size and location of organizations
- The expressed needs of rural and Native American organizations vary in type and magnitude from urban nonprofits and may require a specialized response
- Most major metropolitan areas are supported by at least one management support organization or nonprofit resource center
- Arizona's infrastructure is relatively young and emerging

Notwithstanding extensive efforts to secure a broad base of participation in the research, it is understood that the above findings are based on a relatively small response. With such totals as 245 participants in the community meetings and 103 responses to an inventory survey, one might reasonably ask whether the sample size is statistically significant enough to draw firm conclusions on scope of need and required responses. Further discussions and future research will need to validate the accuracy of this data.

III. Profile of the Nonprofit Sector in Arizona

Under the direction of Professor William Brown, ASU Center for Nonprofit Leadership and Management, research was conducted to develop the first organized profile of the nonprofit sector in Arizona. The profile includes a description of the sector in terms of

- Prevalence in areas of service
- Geographical distribution
- Size, resources, and assets of nonprofit organizations.

The primary data set for the profile included 1998 IRS Form 990s, available from the National Center for Charitable Statistics. It is acknowledged that reliance on this single data set leads to under-representation of nonprofits, specifically, religious organizations and small/fledgling organizations. The sample of nonprofit organizations includes approximately 3000 entities, 56% of which are in Maricopa County.

Attachment C provides an overview of the profile findings.

More comprehensive analysis by Dr. Brown is now available on the Center's website, www.asu.edu/copp/nonprofit.

IV. Assessment of Needs

The assessment of nonprofit capacity building needs derived from two sources, both provided by Arizona Community Foundation. Specific questions related to the Initiative's research interests were included in a statewide capacity building needs assessment, administered by ACF in early 2002. Additionally, the Foundation shared feedback from nonprofits that participated in a series of ACF-sponsored *community conversations*.

For additional details, see Attachment C.

V. Assessment of Existing Capacity Building Resources

Under the leadership of John Hultsman, currently interim dean of ASU West's College of Human Services, research was conducted by the Partnership for Community Development to ascertain nonprofit and provider perspectives regarding the accessibility and availability of capacity building services.

One survey was directed to nonprofit organizations throughout the state and requested information about their need for and level of satisfaction with *capacity building* services. The survey was sent to nearly 3000 nonprofits in Arizona. Despite additional follow-up calls, the number of respondents was 103. The summary of these responses is included in Attachment D.

A second survey was sent to *broker* or *intermediary* organizations (e.g., foundations, governmental offices) that are likely referral sources and have knowledge about the adequacy and effectiveness of *capacity building* resources for nonprofits. The results of this survey are also included in Attachment E.

Findings

Based on the responses received, the following conclusions have been formulated regarding capacity building services:

- Nonprofit organizations are generally not satisfied with the availability and accessibility of capacity building resources.
- Nonprofit organizations would be interested in joining some form of association if it
 could effectively address the availability and accessibility issues about which they are
 dissatisfied.
- Approximately 75% of the respondents are willing to pay for what they need.
- Brokers appear more optimistic about the provision of services perhaps, in part, because many of the brokers are themselves providers.
- Brokers and nonprofits concur about the need for some sort of centralized mechanism for linking nonprofits with resources.
- Awareness regarding the availability of services and providers of services appears to vary by size and location of organization.
- The expressed needs of rural and Native American organizations vary in type and magnitude from those of the urban nonprofits and may require a specialized response.

VI. Focus on Health Insurance as a Joint Purchasing Opportunity

Issues related to health insurance purchasing

Research focused on the issues related to joint purchasing of health insurance for nonprofits. The outcome of conversations with experts in health insurance provided a sobering reality-check on the difficulties and complexities in securing such coverage. On the other hand, the apparent barriers opened the door to consideration of innovative alternatives to address the challenge. Regrettably, time and resources did not allow the hoped for exploration "outside the envelope." However, the issue will not likely be abandoned. To serve future efforts to address this critical need, the following is a summary of key findings:

Overview of purchase cooperatives and association plans

> Consumer perspective

Pros

- -Size of purchasing group creates leverage and price advantage
- -Leverage produces price points and other privileges

Cons

- -Participants lose some control
- -Reporting not group specific
- -Limited to certain markets
- -Plans require high level of cooperation among members

➤ <u>Carrier's perspective</u>

- □ With reference to medical and dental coverage, risk selection is an issue: the concern that *healthy groups* will leave when they realize that they may be subsidizing weaker entities, and *sick groups* will remain
- □ Life and disability insurance: volume discounts can apply where the purchasing group can promise a stable population; volume discounts are possible in this area; it is an easier risk to underwrite and not as volatile as medical and dental
- ☐ Ancillary coverages: for example, voluntary payroll deduction plans; availability of discounts on cancer, accident, group home, or auto coverage
- ☐ Property and casualty: volume discounts apply but variations in pricing among carriers exist
- Carriers' experience with medical and dental association plans have been negative; carriers have lost money in these plans and tend to resist entry into market

➤ Risk reward analysis – issues to be considered by associations

Purchasing groups need to decide their position on the following issues:

- □ Cost vs. control
- □ Short-term gain vs. predictable pricing
- □ Strategic group objectives vs. tactical, i.e., individual member goals
- □ Today's insurance market vs. tomorrow's market

> Distinctiveness of other markets

Legislation enabling formation of group plans is state-specific. Therefore, in states such as California and Colorado, where group offerings are available, legislation is supportive. Such provisions may be unavailable in Arizona and might meet resistance from certain interest groups.

> Implications for dependent coverage

The creation of a group insurance plan requires that the carrier be assured that *contribution* assumptions are constant and credible; also, smaller organizations may be unlikely to afford the contributions for dependents

Participation goals:

Carriers typically expect 75% participation of the groups in the association and of the individuals within the group

Further research questions to other associations with group purchase plans

- □ What are the terms of the association plan and its by-laws e.g., the latitudes allowed to participants, contributions, opt-out provisions, plan designs, etc.?
- □ How is the purchasing plan being funded?
- □ How is the purchasing plan administered?
- □ What are the lines of business?
- ☐ Is the plan working? What is the persistency and retention of the group?
- □ What would the association do differently in structuring the plan and would it do it again?

- □ What is the track record of financial performance of the plan and how does it measure against market norms?
- ➤ Issues related to self-insurance groups
 - ☐ Essential to find the best manager for a self-insurance group
 - □ Critical need to find effective reinsurance plan

Findings

Research concluded that serious constraints to group purchasing of health insurance coverage exist. Among the findings were the following observations that have implications for future initiatives to address this issue:

- It may be more practical for a formative association to focus on group life and disability or to explore voluntary coverages, such as accident, group auto, and group legal. Since associations need early success, these areas of coverage are good starting point to demonstrate member savings
- The incentive to join an association plan depends on price advantage.
- There is question about the feasibility of advancing legislation favorable to the creation of group purchasing
- Associations need a credible infrastructure to manage the plan
- Given current constraints, there may be advantage in examining *non-traditional* strategies for accessing health care and coverage, for example:
 - □ Discount cards for community health centers in rural areas
 - □ Adding nonprofit contractors to coverage provide to state employees
 - Leveraging interests of community health centers in sustainability and developing client base

VII. Community Meetings with Nonprofits

In October and November 2002, the Initiative conducted eight community meetings throughout the state.

The purpose of these meetings was twofold:

- To share the findings of the research to date including a presentation of three organizational models: statewide association, management support network and the collaborative. See Section VIII for a detailed discussion of the three models
- To solicit input on the question: "What strategies and structures might best fit the needs of Arizona's nonprofits?"

Community Meeting Schedule					
October 22, 2002					
October 30, 2002					
October 31, 2002					
November 5, 2002					
November 6, 2002					
November 13, 2002					
November 14, 2002					
November 18, 2002					

The Institute for Cultural Affairs was contracted to create a meeting design that would maximize the participation of all attendees while identifying the most promising strategies to strengthen Arizona's nonprofit sector.

More than two hundred and forty-five (245) nonprofit leaders participated in the meetings and generated an enormous volume of ideas related to the establishment of capacity building services to nonprofits throughout the state. (See Attachment B for a list of attendees.)

Strategies

Across the state a number of strategies were identified with some degree of consistency:

1. Advocacy

In six of the eight meetings, advocacy was identified as an important strategy. Participants expressed interest in efforts to unify nonprofit organizations behind a global advocacy agenda and create "one voice" for the sector. Another suggestion was to "organize and become an active third sector." Within this context, participants enumerated such tactics as cultivating awareness of policy makers regarding nonprofit issues, legislative alerts, lobbying, and sustaining revenue streams.

Participants spoke of "building the capacity to build the capacity," i.e., educating nonprofit leaders (staff and board members) about the array of allowable activities in the area of advocacy and the effective use of advocacy tools. There was also considerable discussion about linking together existing advocacy efforts to create "strength in numbers" rather than initiating yet another independent effort.

Despite enthusiastic conversation in this arena, participants conceded the difficulty in identifying a single policy agenda relevant to the diverse array of organizations that make up the nonprofit

sector.

2. Collective Strength

In six of the eight meetings, participants identified collective purchasing as a needed service. There appears to be little differentiation regarding the need for this service in rural and urban communities although several statements were made regarding the need to help small nonprofits with these services. In at least one meeting, there was equal interest in both joint purchasing and an information clearinghouse that would provide "real time information" and "testimonials" about the quality of vendors.

The Think Twice Campaign - Minnesota

Facing a substantial state budget crisis, the Minnesota legislature contemplated millions of dollars in spending cuts. Fearing that these cuts would threaten nonprofits and the clients they serve, the Minnesota Council of Nonprofits launched a media campaign to encourage the legislature to pass over vital services to the community and look elsewhere to solve the budget dilemma. The Council was successful, turning back millions of dollars in proposed reductions to programs and services.

Health insurance was identified as a priority in two of the meetings. This is consistent with the survey finding that identified health insurance as the number one priority for collective purchasing efforts. In the ACF-administered Dot.Che Survey, a number of other priorities were also identified, including travel, technology, office equipment, supplies and printing, D&O liability insurance and general employee benefits.

Preliminary research into options for health insurance suggest that this is not a viable "start up" activity for any fledgling collective purchasing pool and, despite success in other states, may prove difficult

to develop in Arizona, given the current insurance market.

Unemployment Service Trust - Arizona

The Unemployment Service Trust (UST) is a grantor trust created in 1983 by and for nonprofit organizations. Rather than subsidizing the unemployment claims of for-profit companies, UST members pool their resources to pay only the claims incurred by their members. UST members typically save 50% off their unemployment taxes their first year of participation and typically continue to save approximately 30%. The Unemployment Service Trust serves more than 1,900 member organizations nationwide including the member agencies of the Arizona Council of Human Service Providers. (Source: UST Website)

3. Information Clearinghouse

The need to establish a comprehensive information resource for nonprofit organizations was identified in five of the community meetings. Participants envisioned a clearinghouse as not merely a repository of information, but also as an interactive portal that could potentially facilitate the exchange of best practices and the establishment of collaborative efforts. Participants also recognized the opportunity to network with existing nonprofit support organizations such as Business Volunteers for the Arts (BVA), Protecting Arizona's Families and Children Coalition (PAFCO), et al.

Respondents were inclined to emphasize the use of the virtual domain (website, Listserv) rather than a physical clearinghouse. However, concern was expressed, particularly in rural communities, that information services be accessible in multiple formats.

Although discussions focused primarily on resources for use by nonprofit organizations, participants also identified the need to promote the availability of nonprofit services to the community, specifically to enhance the community referral process. One group also suggested the use of a comprehensive website to publish nonprofit needs and "wish-lists" to access potential supporters in the business community.

4. Training & Technical Assistance

Access to affordable management support services including training and technical assistance was identified as a priority in five of the eight meetings conducted.

Specific areas of need identified were strategic planning, fund development and leadership development. Participants articulated the need for general professional development opportunities for nonprofit staff and services that would assist nonprofits in efforts to "rejuvenate" a sense of vision and mission in their organization.

Participants also identified the need for greater access to networking opportunities and consulting services.

C-MAP - California

The California Management Assistance Partnership is a consortium of fourteen regional, nonprofit support organizations providing technical assistance to local nonprofits. C-MAP maintains the nonprofit GENIE website as a free service to help nonprofit staff and board members manage more successfully.

Although there were no discernible qualitative differences in input between urban and rural groups, rural nonprofits were particularly concerned about the accessibility of services in their area. Generally, participants were skeptical that a statewide organization could adequately address rural needs without a substantial effort to establish regional service delivery infrastructure. Affordability of services was universally identified as a potential barrier.

5. Strategic Partnerships & Collaboration

In five of the meetings, participants discussed the need to foster strategic partnerships and collaboration, both within the sector and with the private and public sectors as well.

Grants Collection - Texas

The membership of the Texas Nonprofit Management Assistance Network includes more than thirty nonprofit capacity building organizations. Recognizing the need to create greater access to foundation resources, the Network pursued a substantial grant to increase access to grantmanship materials at libraries throughout the state. Because of the statewide scale of the project, the Network was able to secure funding that would otherwise have been inaccessible to the individual libraries.

These strategies were viewed as a way to maximize effectiveness while building clout and visibility. Participants felt that the expansion of public/private partnerships would serve to increase access to resources to serve nonprofit missions.

On the other hand, strong sentiments were expressed about the need to reduce duplication of services through mergers and other efforts to consolidate service delivery.

6. Public Awareness

In half of the meetings, participants spoke of the need for greater public awareness regarding the value and contributions of the nonprofit sector.

Suggested activities included the development of a media and a public relations campaign targeted at policy makers, corporations, foundations and other funders, and the general public.

Participants articulated the need to capture and communicate real evidence of the economic and social impact of the nonprofit sector in Arizona communities. It was also thought that this strategy could help to create leadership that values nonprofits and would foster greater community involvement and support for the work of nonprofit organizations.

Facts & Fallacies - California

Each year, the California Association of Nonprofits publishes a compendium of information about the state's nonprofit sector including demographics and information intended to dispel commonly held misconceptions about the sector and it's contribution to the community. The publication has been so effective that it has been replicated by a number of other State Associations.

7. Other Ideas

A number of additional strategies received attention at just one or two of the meetings:

- Nonprofit incubators
- □ Technology support and development
- Standards of excellence and accountability
- Standardized funding applications
- Research and education

While these strategies did not surface as top priorities in the meetings, they clearly represent emerging needs and a growing interest in the variety of capacity building services that could be made available to the nonprofit community.

Structure

In every meeting conducted, participants contributed insights about the potential infrastructure necessary to delivery the services identified.

At the conclusion of the meeting, participants were asked to complete a brief survey that included the following two questions:

• Of the three models presented today, which do you think best suits the needs of Arizona's Nonprofits? [n=234]

Nonprofit Association	17% [41]
Management Support Network	10% [23]
Collaborative Model	37% [86]
Combination	4% [9]
Other	3% [8]
Not Sure/Need More Information	11% [25]
No Response	18% [42]

• If such an organization did exist, do you think your organization would be willing to pay dues to access the services? [n=235]

Yes	61%	[144]
No	6%	[13]
Maybe	6%	[15]
Not Sure/Need More Information	9%	[20]
No Response	18%	[43]

The responses collected in the dialogue sessions and the "comments" portion of the exit survey revealed a rich range of opinion regarding the issues to be considered in the development of an Arizona-specific model. These responses can be sorted into two main categories:

- 1) What should be created?
- 2) How should it be created?

The following perspectives relate to the first question: "What should be created?"

- The structure must present a balance between the advantages of a statewide presence and the accessibility of services locally. Many participants suggested a bifurcated model where regional capacity building organizations co-exist as part of a larger statewide structure.
- Services must be both accessible and affordable to all nonprofits and must demonstrate tangible benefits and value added to participating organizations.
- Services must be both accessible and affordable to all nonprofits and must demonstrate tangible benefits and value added to participating organizations.
- Strategies selected for implementation should be based on "best-practice" research that demonstrates their effectiveness.
- All efforts should seek to build upon and enhance existing efforts rather than create new structures that may potentially duplicate existing services.

With reference to "How should it be created?" participants articulated the following perspectives:

- Efforts must be culturally responsive and tailored to the distinctive needs of a diversity nonprofit sector, specifically with reference to differences in size, location and stage of development: e.g., small/large; urban/rural; variety of missions and organizational cultures.
- Care should be taken to ensure that this effort does not become a competitor for funds with the very organizations it intends to serve.
- A continued commitment to designing participatory processes for ongoing dialogue and input on this topic is vital to future success. In particular, the following strategies should be considered:
 - □ Continue to expand Steering Committee membership to include greater representation from around the state.
 - □ Seek greater involvement of nonprofit leaders in the decision-making process.
 - Rotate meeting locations throughout the state to maximize involvement.
 - Utilize existing technology to enhance the participation of a larger number of individuals from around the state.

- □ Support the continuation of regional/local dialogue and action.
- Communicate the results of this process to all who have participated.
- □ Finally, start with something relatively easy to implement that will achieve an immediate and tangible result.

Conclusions

The discussions held at the community level generally affirmed the findings of the survey data.

Participants preferred the collaborative model or a combination of models to the two other options described. In particular, participants preferred models that balanced both statewide and regional/local infrastructure development.

The majority of participants (61%) reported that they thought their organization would be willing to pays dues to participate if such an organization did exist.

Documentation from the group discussion and additional comments on the survey reveal strong expressions regarding the conditions that must be met for this effort to successfully attract participation:

- Dues or fees must be affordable to all nonprofit organizations.
- Services must provide tangible value added to participating organizations.
- The service delivery model must balance the benefits of a statewide effort with accessibility to services in every part of the state.
- Great care must be taken to ensure that services build upon or enhance existing services and efforts within contributing to the duplication of efforts and resources.

While a number of strategies were consistently identified as priorities across the state, no single strategy emerged as a clear mandate for immediate action.

VIII. Potential Models – Best Practices

Under the leadership of Michelle Lyons-Mayer, formerly with Governor Hull's Division of Community Outreach, research was conducted to secure insights regarding the experience of other in coalescing nonprofits as a unified force with a shared vision. Discussions with nonprofit leaders throughout the country included an examination of the issues related to the formation and development, structure, services, and funding of state associations of nonprofits. Additionally, one of the principle resources for research on *best practices* was the National Center for Nonprofit Associations, the umbrella organization for state associations of nonprofits. (For a more detailed review of *best practices*, see the two Supplements to this report.)

Findings regarding the critical success factors in forming associations

- The conditions driving the creation of state associations of nonprofits have varied, based on a singular precipitating event, the nature and commitment of the membership, and a key leadership figure.
- In the early developmental stage of an association, the sponsors need to demonstrate to constituents how the association can save them money and what specific value-added is being provided. The focus on advocacy may come later, unless there is a springboard event (major funding or policy changes) around which the association can galvanize interest and mobilize participation. For example, the Colorado association emerged out of organizing the sector against a legislative move to eliminate property tax exemptions for nonprofits. Similarly, the Minnesota Council of Nonprofits is a leader in advocacy regarding the implications of State government cutbacks.
- The image of the forming association can be quickly shaped by the first action it takes and its role can become pigeonholed. On the other hand, if an opportunity exists to organize around a "hot" issue, successful associations have leveraged the opportunity to draw media attention to the work and value of the association as a primary resource to public officials, grantmakers, and planners.
- The formation of an association requires the cultivation of potential members from education regarding the benefits of the association concept to buy-in to ownership. The impetus for the association must be generated by the organizations in the field. For example, town hall meetings in New Mexico energized the voice of nonprofits about their needs and how a network or association can address those needs.
- Once information on needs have been elicited from constituents, the credibility of the association relies on responsiveness and timeliness.
- Financing of associations varies by state and includes membership dues, program fees, and grants. Many associations augment a sliding scale for membership fees with workshop revenues.
- Investments by nonprofits in an association clearly are dependent on their perception regarding the value-added of the association's offerings.
- In no state do a majority of nonprofits belong to state associations. The bulk of the membership of state associations is smaller organizations.

Arrangements have been made with ASU's Center for Nonprofit Leadership and Management to house the documentation regarding the experience of selected state associations so that it is available to researchers and other interested parties.

Association models

The examination of *best practices* revealed that two predominant statewide models exist to support the capacity building needs of nonprofits. Although every organization studied was different, the following table summarizes the major features of the two models.

M - 1-1	C4-4- A	Management Comment National
Model	State Association	Management Support Network
F1	California Association of Nonprofits Minnesota Conneil of Names 545	Texas Nonprofit Management Assistance Network
Examples	 Minnesota Council of Nonprofits 37 other state associations – 	
	• 37 other state associations – nationwide	California Management Assistance Portnership
	To build the sector in order to strengthen	Partnership To build individual nonprofits in order
Mission Focus	individual nonprofits	to strengthen the sector
Wiissioii Focus		9
Mission	"To promote the awareness and	"To develop a coordinated network of
	effectiveness of Michigan's nonprofit	centers and organizations, strategically
Examples	sector, and to advance the cause of	located throughout the state of Texas,
	volunteerism and philanthropy in the	that delivers quality management
	state"	support services and resources to the
	- Michigan Nonprofit Association	nonprofit sector"
		- Texas Nonprofit Management Assistance Network
Manah anahin	Namestang	
Membership	Nonprofit organizations	Capacity-building organizations
Service	Large scale projects that focus on "economies of scale"	Work through local and regional intermediaries to serve individual or
Delivery Model	economies of scale	
Model	"O	small groups of nonprofits
C	"One-stop-shop" – information dissemination	"One-stop-shop" – information dissemination
Services		
	Public policy advocacy	• Training
	Joint purchasing - products and	Consultation Constitution
	services	Coordination of services
	Training	Access to services Portrarship development and
		Partnership development and allebarative projects
	Manchanchin days Amicall 111	collaborative projects
F 1:	Membership dues – typically sliding	Membership dues – paid by
Funding	scale, based on budget	capacity-building organizations
	Revenue from joint purchasing Food for garning	• Fees for service
	• Fees for service	Grants and contracts
	Grants and contracts	

Observations regarding existing models

Based on the preliminary findings of the various surveys, the Steering Committee concluded that neither of the above models was ideally suited to meet all of the needs identified by Arizona nonprofits. Therefore, the discussion was broadened to consider an alternative model that would best fit the distinctive needs of Arizona nonprofits. In terms of criteria, the Committee determined that any new strategy should:

- incorporate the best elements of existing models
- link and strengthen existing capacity building efforts
- supports the coordination of services
- provide a "one-stop-shop" clearinghouse
- promote the development of a learning community
- enhance the field of capacity building
- strengthen the sector as a whole in Arizona.

The working model that emerged consists of two major elements:

- A tripartite membership:
 - 1. a core set of partners, primarily capacity building organizations
 - 2. a general membership of nonprofit organizations
 - 3. associations of issue- or field of service-specific nonprofits
- A working agenda that targets functional initiatives that address the top priority needs identified by nonprofits (e.g., advocacy, joint purchasing, training & technical assistance).

Attachment A – Steering Committee Roster

Marissa Theisen, Chairperson WinWin Creations Herb Paine, Project Consultant/Manager Paine Consulting Services

Mary Alba, Former Executive Director, Golden Gate Community Center

Dr. Robert Ashcraft, Director, ASU Center for Nonprofit Management and Leadership

Bruce Astrein, Senior Vice President for Programs, Arizona Community Foundation

Marilyn Boess, Just Grants Arizona

Kerry Blume, Executive Director, United Way of Northern Arizona

William Brown, Assistant Professor, ASU Center for Nonprofit Leadership and Management

Lorie Cobb, Senior Program Coordinator, ASU Center for Nonprofit Leadership and Management

Karen Dickinson, Attorney, Quarles & Brady Streich Lang

Betty Doran, Vice President of Human Resources, American Heart Association

Paul Eppinger, Executive Director, Arizona Ecumenical Council

Mary French-Jones, Executive Director, Big Brothers/Big Sisters of Northeastern Arizona

Ellen Hargis, Executive Director, Volunteer Center of Tucson

George Iglesias, Clinical Director, People of Color Behavioral Health Network

Charlene Laplante, Director, Domestic Violence Programs, Southern Arizona Legal Aid

Mike Levy, Nonprofit Management Specialists

Sandi Perez, former Senior Program Officer, Arizona Community Foundation

Joyce Lopez-Powell, Director, Management Assistance Programs, Valley of the Sun United Way

Michelle Lyons-Mayer, Former Director, Governor Hull's Division of Community Outreach

Patricia McCarver, Director Administrative Services, Yavapai County Health Department

Patrick McWhortor, former Director, Arizona ACCESS Programs, Libraries for the Future

David Miller, CEO, Arizona Council of Human Service Providers

Kevin Muir, Volunteer

Brenda Patterson, Director, Hopi Office of Youth Affairs

Donna Pope, Manager, ASU Nonprofit Management Institute

Jill Rissi, Associate Director, Finance and Administration, St. Luke's Health Initiative

Dan Shilling, Executive Director, Arizona Humanities Council

Rebecca Van Marter, former Executive Director, The Community Forum

Ralph Varela, Executive Director, Pinal Hispanic Council

Attachment B – Community Meeting Participants

Phoenix – October 22, 2002

Rebecca Akporiary Assistant Director Leadership for Educational Entrepreneurs
Michael Blank Board Associate Arthur M. Blank Family Foundation

Ray Combe Grant Writer Winning Words Susan Combe Grant Writer Winning Words

Janelle Degan Executive Director Phoenix Day Child/Family Learning Center Tim Delaney Founder Center/Leadership, Ethics, Public Service

Norma Faries Program Administrator Women in New Recovery

Becky Gaspar CEO/Executive VP Arizonans for Cultural Development

Cynthia Gattorna Director A Stepping Stone Foundation
Rebecca Glenn Corp & Fdtn Coord The Phoenix Symphony

Patti Goodenberger Executive Director Showcase Concerts, Inc

Stephen Hall Fundraising Counsel Carlton & Co

M. Hopp-Newman
Todd Hornback
Kim Huber

Principal Consultant
Executive Director
LSTA Consultant
State Library

Associates in Education
Scottsdale LINKS
State Library

Maralan Hutchins Downtown Redev Mgr Buckeye Mainstreet Coalition

Susan Kauffman Principal The Fund Raiser Group

Sharon Ketchum Asst Dir for Training Arizona Prevention Resource Center

Pam Koester President Koester & Associates

Maria Lerma Parent Facilitator Sunland School-PTS/Neighborhood

D. Mainville-Knight Development Director Scottsdale Prevention Institute
Patty Melcher Comm Investment Staff Valley of the Sun United Way

The Physical Second Prevention Institute
The Physical Second Prevention Institute

Jenny Millinger Asst Dir of Dev The Phoenix Symphony Amanda Morris Dir-Corp & Comm Dev Goodwill Central Arizona Melinda Morrison Executive Director Desert Foothills Land Trust

Sheila O'Keefe Grant Writer Specialist Planned Parenthood/Central & Northern AZ

Marilyn Oyler Co-Director Institute of Cultural Affairs
J. Polk-Matthews ASU/AmeriCorps*VISTA
Cindy Ramsey Executive Director Horses Help

Cindy Ramsey Executive Director Horses Help
Brenda Ringwald Board Member Social Venture Partners of Arizona

Maureen Rooney Operations Manager Phoenix Family Museum

Debbie Rubenstrink Development Director Body Positive

Timothy Schmaltz Convener/Facilitator Protecting Arizona's Family Coalition

Sharon Skinner Dev Coordinator Chicanos Por La Causa
Alexis Smith Grants & Vol Coord Body Positive

Alexis Smith Grants & Vol Coord Body Positive
Michele Spidel Development Director Phoenix Girls Chorus
Kevin Spidel Advisory Board Chair Best Buddies of Arizona

Donna Wallace Southwest Autism Research Center

Prescott – October 30, 2002

Mary Bauer Girl Scouts

Michael Byrd Preserve Manager Prescott Creeks Preserve

Devon Casey Case Manager Open Inn

Becky Hays Campaign Coord Sharlot Hall Museum

Janet Lovelady Campaign Coord Highland Center for Natural History
Doreen McDonald Prescott Fine Arts Association

Harry Miller **Board Member** Habitat for Humanity **Bob Moore** Executive Director Prescott Area Information and Referral Laura Norman West Yavapai Guidance Clinic Comm Rel Coord Douglas Oliver West Yavapai Guidance Clinic Jan Spaulding Prescott Fine Arts Association **Debbie Stewart** Consultant **Stewart Communications Emily Talmage** Volunteer Prescott Creeks Preservation Association Nichole Tushell Highland Center for Natural History **Executive Director** Dale Wiebusch **Director of Programs Stepping Stones** Phoenix – October 31, 2002 Mary Alba **Executive Director** Golden Gate Community Center Rhonda Bannard Consultant Rhonda Bannard Consulting Paul G. Barnes **Executive Director** St. Mary's Food Bank President **CGSI** Lea Benson Liz Bernreuter West Valley Fine Arts Council AZ Literacy & Learning Center Suzanne Brimley Marketing & Vol Coord Maureen Bureson **Principal Consultant** Increased Potential, Inc Brandi Carter **Program Director** Communities in Schools, Inc Steven G. Christoffel Promote Faith Based Initiatives Ray Clarke President & CEO Tucson Urban League Lori Conrad AmeriCorps*VISTA Salvation Army Rex Critchfield Program Administrator AZ Department of Economic Security Mary Daisy Artistic Dir/Founder Actors Workout, Inc Grants Officer SW Shakespeare Laura Davis Trinity Donovan Improving Chandler Area Neighborhoods **CEO** The Nature Conservancy Dawn Doorn Assoc Dir of Dev Marcie Ellis West Valley Fine Arts Council **Executive Director** Phoenix Developing Families Center Lylaine Gavette **Executive Director** Fran Goldstein Katie Hobbs Sojourner Center Dir of Contract Admin Communities in Schools of Arizona Christina Holden Program Assistant Mary Hutchinsen Client Service Sup MesaCAN Sheila Iosty **Executive Director** Arizona Center for the Book Maggie King President & CEO Volunteer Center of Maricopa County Betty Kjellberg **Association Solutions LLC** Principal Carroll Klein **Executive Director** Greater Phoenix Youth at Risk Volunteer Manager Susan Kriz St. Mary's Food Bank **Assistant Director** Arizona Commission on the Arts Mollie Lakin-Hayes Kristie Leshinskie Human Serv Planner Maricopa Association of Governments **Program Director** Mesa YMCA Susan Long Stephanie Lynch **Executive Director** Scottsdale Artists School Paul Martadom **CEO** Catholic Social Services Mary McCann President of the Board Arizona Music Heritage Fund, Inc Jovce Millard-Hoie Raising Special Kids **Executive Director** Juan Nolan Dir Resource Dev Mercy Housing Southwest Portable Assessment for Kids Rachel Oesterle **Principal Consultant** Challenger Space Center Rod Ossowski Dir of Development

Raynd Palmer

President & CEO

Apache Junction Chamber of Commerce

Debbie Person Dir of Development Arizona Schools Choice Trust

Connie Phillips Executive Director Sojourner Center
Julie Phillips VP, Board of Directors Phoenix Girls Chorus

Nancy Root Board Member Sun Health, BVA, Theater Works

Robert Root VP/Vice Chair Theater Works/Sun Health

Sandra Rose COO Central Arizona Shelter Services

Bob Rundio CEO Superstition Mtn Medical Health Center

Billie Sandberg Community Relations St. Mary's Food Bank

Diana Schmidt Director Development Center for Native and Urban Wildlife, SCC

RJ Shannon Prog/Proj Specialist ADHS

Susan Sirkus Senior VP, Regional Dir Netzel Associates, Inc Conrad Spohnholz President Safe Haven, Inc.

Jo Ann Stuckey Executive Director Sale Haven, Inc.

Sale Haven, Inc.

Cave Creek Museum

Paige Thomas Executive Director Glendale Human Service Council
Mary Thomson Human Serv Prog Mgr Maricopa Association of Governments

JoAnn Thorpe Case Manager MesaCAN
Lynn Timmons Fed Rel & Grant Liaison City of Phoenix

Jessica Tisdale AmeriCorps*VISTA ASU – Service Learning Program

Barbara Tomlon Dir – WIA Programs Arizona Call-A-Teen
Chris Tompkins Director Foundation for the Blind

Lynn M Tuttle Program Officer Arizona Community Foundation

Pat Washburn Asst to the Exec Dir Lura Turner Homes, Inc Candace Wilson Vice President United Cerebral Palsy Susan Wirth Program Liaison AZ Call-A-Teen Don Zella Executive Director Gompers Center

Flagstaff – November 5, 2002

Ann Beck Executive Director Literacy Volunteers of Coconino County

Mary Berg Associate Director Northland Hospice
Cheryl Brock Executive Director Flagstaff Cultural Partr

Cheryl Brock Executive Director Flagstaff Cultural Partners Maureen Christiansen Center Director NACOG – Head Start

Joe Costion President VBS, Inc

Brian Cottam Coordinator Greater Flagstaff Forests Partnership

Shayna Diamond Executive Assistant Alliance/Holistic Arts, Resources, Education

Linda Dodas Founder & President CUDDLE Outreach, Inc

Agi Gillespie Vice President LPAA – Lake Powell Art Association

Tina Hansleben Outreach Coordinator Alternatives Center Terry Hayes Manager New Horizons

Rene Hobbs Center Director NACOG – Head Start

Dennis Homan Program Manager Coconino County Juvenile Court
Holly Hulen RSVP Director RSVP – Senior Volunteer Programs
Sally Jackson Development Director Plateauland Mobile Vet Clinic
Paula Johns Executive Director Plateauland Mobile Vet Clinic

Kip Kelly Planning Specialist NACOG – Head Start

Connie Leto Executive Director Citizens Against Substance Abuse Susanna Maxwell Professor Northern Arizona University

Bruce Nisberg Dir of Comm BuildingUnited Way of Northern Arizona
Cynthia Olsen Poverty Prog Manager Arizona Community Action Association
Joe Patricca Adv Board Member Community Resource Connections

Maxine Perrone Regional Manager Parents Anonymous of Arizona, Inc Julie Roller Northern Regional Mgr Arizona Community Foundation

Judy Starn Program Manager NACOG

Linda Stedman Executive Director Dry Creek Arts Fellowship
Kathy A. Turner Executive Director Northland Family Help Center
Pat Talbott Secretary Lake Powell Arts Association

Bob Tures Co-Director Workin' 4 Kids

Kathy Weisensel Board Member Literacy Volunteers of Coconino County

Janel Wilcox Soc Serv/Comm Planner NACOG

Show Low – November 6, 2002

James Akers Director Friends of the Mountain

Jane Brown Board of Directors Silver Creek Regional Humane Society
Les Brown Board of Directors Silver Creek Regional Humane Society

Pamela DuPree Coordinator Show Low Main Street

Mary French-Jones Executive Director Big Brother Big Sister of NE Arizona

Bobbi Goode Secretary Mogollon Medical Foundation
Sam Goode Handyman Mogollon Medical Foundation
Bob Heming President Rim Country Senior Center
Laura Higgins Outreach Specialist St. Anthony School – United Way
Donna M. Kalberg Executive Director White Mountain Safe House

Donna M. Kalberg Executive Director White Mountain Safe House
Dia Musante President Greer Community Facilities
Rox. Rogers-Poole Director St Johns Concho Senior Center

Lisa Salazar Holbrook Senior Citizens Association

Joanie Sawyer Director Navajo/Apache NRCD Education Centers

Jan SchinkeOffice Mgr/Comm DirShow Low Chamber of CommerceJames L. ScottProjects DirectorKerr-Cole Sustainable Living CenterSandy SebyDirector, NE ChapterUnited Way of Northern Arizona

David Sherman Soldier in Charge Salvation Army
Tina Sherman Manager Salvation Army

Tucson – November 13, 2002

Holly Altman Administrative Mgr Community Shares of Southern Arizona Andrea Black Executive Director Florence Immigrant and Refugee Project

Barbara Brown VP/Programs Community Foundation for Southern AZ Shannon Cain

Coordinator Southern Arizona Fund for Social Change Karen Chatfield Dir of Communications La Frontera Center, Inc

Anita Clancy Executive Director Alternatives in Housing
Laura Donnelly Managing Director Arts Genesis

Beth Duckles Graduate Assistant University of Arizona
Dan Duncan Grp VP Comm Impact United Way of Tucson
Curtis Ferree Consultant Nonprofit Impact
Sharon Foltz Comm Relations Dir Tucson Electric Power

Sharon Foltz Comm Relations Dir Tucson Electric Power
Levonne Gaddy Director Pro Neighborhoods
Rudy Gallego Board Member Marshall Home for Men
Maura Grogan President Nonprofit Business Strategies

M. Greunsfelder-Cox Executive Director Arizona Council for Economic Conversion

S. Henning-Mitchell Deputy Director CCS/Division of Disabled Persons

Heather Hill Wingspan

Kelly Holt **Grants Coordinator** Casa del los Ninos Elizabeth Hospdarsky Development Director **Tucson Zoological Society** Scott Ingram **Director of Programs** Volunteer Center of Tucson Sue Krohe-Eggleston Executive Director Our Town George Iglesias Tomas Leon **Executive Director** Youth on their Own Anne Levv **Executive Director** Div Disabled Persons-Outreach/Deaf Jaime Leopold VCHC Jean Lewis Lib, Grants & NPOs Tucson Pima Public Library Janet Marcotte **Executive Director** YWCA of Tucson Joanne M. Mauger Dir of Development ASDB Leslie McCalley **Assistant Director** La Paloma Family Services Ed Mercurio-Sakwa Program Manager Vision Mark Consultant - Volunteer Sons of Orpheus – BASIS School Richard Miller **Executive Director** Green Valley Assistance Services Hal Myers Ami Nagle Consultant Tony Novelli **Assistant Director** Development Center/Appropriate Tech Cassandra O'Neill The Aurora Foundation Stephanie Parker **Executive Director** The Aurora Foundation Laura Pederson Executive VP/Director Teen Outreach Pregnancy Services Jocelyn Rechichar **Project Coordinator** Rebuilding Together Dick Rehse Consultant AZ Women's Cancer Network Bridget Riceci President & CEO Southern AZ Center Against Sexual Assault Strengthening Families -UW of Tucson Maira C. Rodriguez Director Pamela Romanello Southern AZ Center Against Sexual Assault VP of Finance Literacy Volunteers of Tucson Betty Stauffer **Executive Director** Sasaly Stamps Dir of Development The Brewster Ctr Dom Violence Services John Tabor Crisis Pregnancy Centers of Tucson **Executive Director**

Family Counseling Agency

Family Counseling Agency

American Red Cross

Beacon Foundation

Havasu – November 14, 2002

Teresa Welborn Mary Wilson

Linda Wooden

Jennifer M. Tersigni Development Director

Financial Dev Dir

Executive Director

Dir of Development

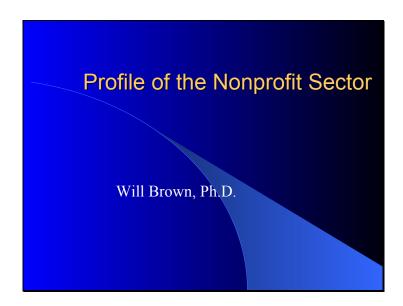
Pat Creason **Executive Director** Havasu Interagency Council American Red Cross Brenda Crutcher La Paz Co Sup Kenneth C. Crutcher La Paz Co Sup, Asst American Red Cross President & CEO Nancy Darrow Havasu for Youth Terry Delia **Executive Director New Horizons** Debbie Des Chene Vice President **Kiwanis** Sharlie Freeman **Executive Director** United Way Administrator Hospice of Havasu Nancy Iannone Pamela Krejci **Executive Director** Lake Havasu Abuse Prevention, Inc Helaine Levy Diamond Foundation Shauna Shockley **Educational Director Abuse Prevention** Ralph Tapscott Mohave State Bank Vilma Weigand Association/Supportive Child Care **Program Coordinator**

Yuma - November 18, 2002

Cecilia Young

Erika A Argueta Member Services Exec Girl Scouts Arizona Cactus Pine Gary Arnold Regional Director Arizona Children's Association Madeleine Coil **Executive Director** United Way of Yuma County Erin Cornelius **Executive Director** Big Brothers Big Sisters WACOG Susan Dempsey Director Mike Elg Director Crossroads Mission Louie Galaviz **Executive Director** TSA Boys and Girls Club Arizona Community Foundation Judy Gresser Regional Manager Karen Griffin Director of Volunteers Hospice of Yuma Darryl Long Work Incentive Spec **SMILE** Nick L. Lund **Executive Director** Northern Arizona U./Yuma AJ Mosqueda Sup – Yuma County American Red Cross Ronna Sue Stubbs **Executive Director** Yuma Community Food Bank Yuma Reading Council Barbara Sutton Director

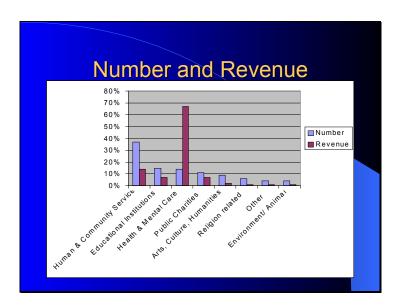




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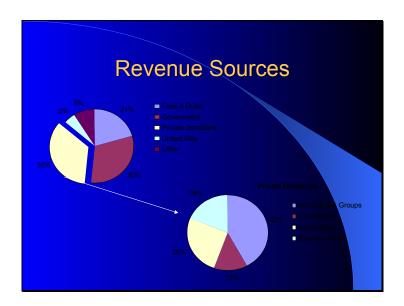


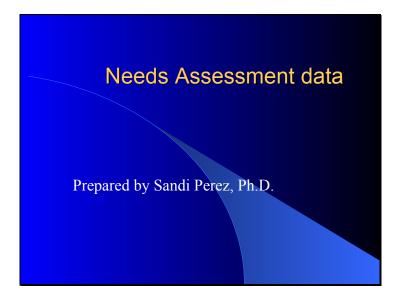


Organizations by County

- Maricopa 1656 (56%)
- Pima 641 (22%)
- Coconino − 137 (5%)
- Yavapai 117 (4%)
- 2% each Cochise, Mohave, Pinel, & Yuma
- 1% each Apache , Gila, Graham, Navajo, Santa Cruz



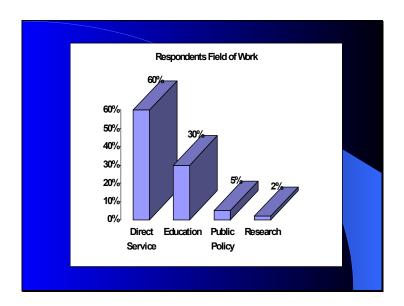




Needs Assessment Survey

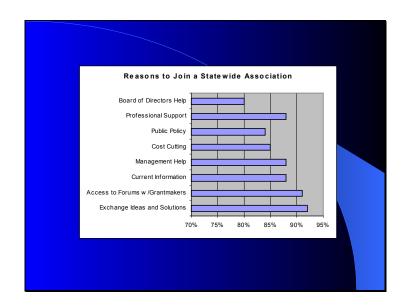
- 128 organizations completed a 60 question survey
- Representation in 9 counties from Yuma to Cochise to Coconino
- 90% sample were nonprofits
- Predominant scope: statewide (40%) county-based (30%) and municipality (10%)

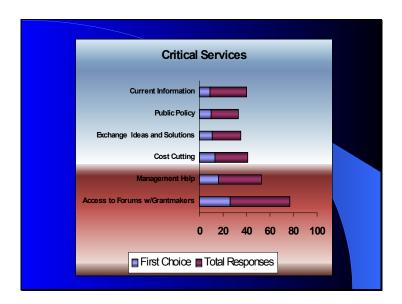


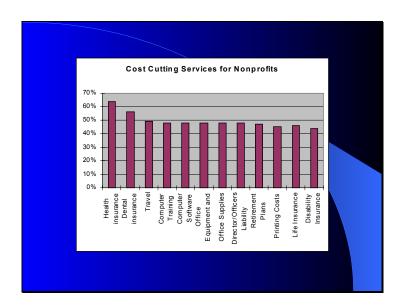












Attachment D

Assessment of Capacity Building Resources for Arizona Nonprofits - Part 1

Prepared by Partnership for Community Development, ASU West

Selected Responses of Nonprofit Organizations Total Responses: 103

In interviews, nonprofit directors mentioned the following most often as areas for which they need information, training, or consulting. For each of the following areas, please tell us your level of satisfaction with the support you receive and your level of unmet need.

Q1	Information Clearinghouse, - Level	of Satisfaction Very Dissatisfied	2	3	4	Very Satisfied
M = 2.42 SD = .94	Community Data	15.8%	36.6%	31.7%	8.9%	2.0%
M = 2.27 SD = .94	Repository of policies, procedures, bylaws, etc.	18.8%	43.6%	22.8%	7.9%	2.0%
Q2	Information Clearinghouse - Level	of Unmet Need				
		Need Currently Unmet	2	3	4	Need Currently Met
M = 2.29 SD = .98	Community Data	19.8%	39.6%	27.7%	4.0%	4.0%
M = 2.31 SD = 1.12	Repository of policies, procedures, bylaws, etc.	25.7%	32.7%	24.8%	7.9%	5.0%
Q3	Advocacy - Level of Satisfaction					
	·	Very Dissatisfied	2	3	4	Very Satisfied
M = 2.30 SD = .97	For nonprofits at state level	20.8%	39.6%	25.7%	8.9%	2.0%
M = 2.34 SD = .94	For nonprofits at federal level	17.8%	37.6%	31.7%	5.0%	3.0%
M = 2.16 SD = 1.02	For nonprofits at local level	28.7%	35.6%	19.8%	8.9%	2.0%
Q4	Advocacy - Level of Unmet Need					
	·	Need Currently Unmet	2	3	4	Need Currently Met
M = 2.10 SD = 1.00	For nonprofits at state level	31.7%	32.7%	23.8%	5.9%	2.0%
M = 2.21 SD = 1.04	For nonprofits at federal level	26.7%	33.7%	23.8%	6.9%	3.0%
M = 1.97 SD = .92	For nonprofits at local level	34.7%	35.6%	21.8%	2.0%	2.0%

Q5	Group Purchasing - Level of Satisfaction						
		Very Dissatisfied	2	3	4	Very Satisfied	
M = 1.85 SD = 1.06	Employee benefits	48.5%	22.8%	14.9%	6.9%	2.0%	
M = 1.78 SD = 1.06	Health insurance	54.5%	17.8%	15.8%	5.9%	2.0%	
M = 1.96 SD = 1.12	Liability insurance	46.5%	20.8%	20.8%	5.0%	4.0%	
M = 1.91 SD = 1.01	Technology services	44.6%	24.8%	17.8%	8.9%	0.0%	
Q6	Group Purchasing - Level of Unm	et Need					
		Need Currently Unmet	2	3	4	Need Currently Met	
M = 1.67 SD = 1.09	Employee benefits	61.4%	15.8%	9.9%	4.0%	4.0%	
M = 1.68 SD = 1.78	Health insurance	65.3%	9.9%	10.9%	3.0%	5.9%	
M = 1.75 SD = 1.17	Liability insurance	60.4%	11.9%	14.9%	2.0%	5.9%	
M = 1.86 SD = 1.11	Technology services	48.5%	23.8%	13.9%	5.0%	4.0%	
Q7	Convening/Networking - Level of	Satisfaction					
		Very Dissatisfied	2	3	4	Very Satisfied	
M = 2.89 SD - 1.06	Collaboration and partnering	9.9%	20.8%	35.6%	18.8%	5.9%	
M = 2.71 SD = 1.08	Convening on key issues	15.8%	16.8%	39.6%	12.9%	5.0%	
M = 2.59 SD 1.06	Identifying emerging issues	15.8%	23.8%	35.6%	8.9%	5.0%	
Q8	Convening/Networking - Level of	Unmet Need					
		Need Currently	2	3	4	Need Currently Met	
M = 2.81 SD = 1.07	Collaboration and partnering	<i>Unmet</i> 12.9%	22.8%	38.6%	17.8%	5.9%	
M = 2.55 SD = 1.06	Convening on key issues	17.8%	28.7%	33.7%	12.9%	4.0%	
M = 2.46 SD = 1.00	Identifying emerging issues	16.8%	34.7%	34.7%	7.9%	4.0%	

Q9	Management Support - Level of Satisfaction							
		Very	2	3	4	Very Satisfied		
M = 2. 93 SD = 1.04	Strategic planning	Dissatisfied 5.9%	28.7%	36.6%	15.8%	8.9%		
M = 2.99 SD = 0.96	Program development	5.0%	24.8%	37.6%	23.8%	5.0%		
M = 2.77 SD = .95	Fiscal management	5.9%	34.7%	34.7%	16.8%	4.0%		
M = 2.67 SD = 1.01	Fundraising	11.9%	30.7%	35.6%	14.9%	4.0%		
M = 2.67 SD = 1.03	Marketing/Public relations	8.9%	38.6%	30.7%	10.9%	6.9%		
M = 2.74 SD = .96	Board development	7.9%	32.7%	34.7%	17.8%	3.0%		
M = 2.79 SD = 1.00	Volunteer management	8.9%	29.7%	36.6%	16.8%	5.0%		
M = 2.56 SD = 1.14	Legal issues	20.8%	24.8%	32.7%	11.9%	5.9%		
M = 2.51 SD = 1.02	Technology and information	18.8%	26.7%	35.6%	12.9%	2.0%		
M = 2.72 SD = 1.01	Staff development	11.9%	28.7%	31.7%	21.8%	2.0%		
Q10	Management Support - Level of	Unmet Need						
Q10	Management Support - Level of	Need Currently	2	3	4	Need Currently Met		
M = 2.85	Management Support - Level of Strategic planning	Need	2 26.7%	3 25.7%	<i>4</i> 15.8%			
M = 2.85 SD = 1.25 M = 2.79		Need Currently Unmet				Currently Met		
M = 2.85 SD = 1.25 M = 2.79 SD = 1.08 M = 2.71	Strategic planning	Need Currently Unmet 14.9%	26.7%	25.7%	15.8%	Currently Met 12.9%		
M = 2.85 SD = 1.25 M = 2.79 SD = 1.08 M = 2.71 SD = 1.13 M = 2.51	Strategic planning Program development	Need Currently Unmet 14.9% 8.9%	26.7% 31.7%	25.7% 35.6%	15.8% 9.9%	Currently Met 12.9% 9.9%		
M = 2.85 SD = 1.25 M = 2.79 SD = 1.08 M = 2.71 SD = 1.13 M = 2.51 SD = 1.10 M = 2.57	Strategic planning Program development Fiscal management	Need Currently Unmet 14.9% 8.9% 13.9%	26.7% 31.7% 29.7%	25.7% 35.6% 30.7%	15.8% 9.9% 13.9%	Currently Met 12.9% 9.9% 7.9%		
M = 2.85 SD = 1.25 M = 2.79 SD = 1.08 M = 2.71 SD = 1.13 M = 2.51 SD = 1.10 M = 2.57 SD = 1.06 M = 2.67	Strategic planning Program development Fiscal management Fundraising	Need Currently Unmet 14.9% 8.9% 13.9%	26.7% 31.7% 29.7% 32.7%	25.7% 35.6% 30.7% 27.7%	15.8% 9.9% 13.9% 12.9%	Currently Met 12.9% 9.9% 7.9% 5.0%		
M = 2.85 SD = 1.25 M = 2.79 SD = 1.08 M = 2.71 SD = 1.13 M = 2.51 SD = 1.10 M = 2.57 SD = 1.06 M = 2.67 SD = 1.07 M = 2.66	Strategic planning Program development Fiscal management Fundraising Marketing/Public relations	Need Currently Unmet 14.9% 8.9% 13.9% 18.8%	26.7% 31.7% 29.7% 32.7% 33.7%	25.7% 35.6% 30.7% 27.7% 31.7%	15.8% 9.9% 13.9% 12.9% 9.9%	Currently Met 12.9% 9.9% 7.9% 5.0% 5.9%		
M = 2.85 SD = 1.25 M = 2.79 SD = 1.08 M = 2.71 SD = 1.13 M = 2.51 SD = 1.10 M = 2.57 SD = 1.06 M = 2.67 SD = 1.07 M = 2.66 SD = 1.01 M = 2.54	Strategic planning Program development Fiscal management Fundraising Marketing/Public relations Board development	Need Currently Unmet 14.9% 8.9% 13.9% 18.8% 14.9%	26.7% 31.7% 29.7% 32.7% 33.7% 31.7%	25.7% 35.6% 30.7% 27.7% 31.7%	15.8% 9.9% 13.9% 12.9% 9.9% 13.9%	Currently Met 12.9% 9.9% 7.9% 5.0% 5.9%		
M = 2.85 SD = 1.25 M = 2.79 SD = 1.08 M = 2.71 SD = 1.13 M = 2.51 SD = 1.10 M = 2.57 SD = 1.06 M = 2.67 SD = 1.07 M = 2.66 SD = 1.01	Strategic planning Program development Fiscal management Fundraising Marketing/Public relations Board development Volunteer management	Need Currently Unmet 14.9% 8.9% 13.9% 18.8% 14.9% 12.9% 9.9%	26.7% 31.7% 29.7% 32.7% 33.7% 31.7% 35.6%	25.7% 35.6% 30.7% 27.7% 31.7% 31.7%	15.8% 9.9% 13.9% 12.9% 9.9% 13.9%	Currently Met 12.9% 9.9% 7.9% 5.0% 5.9% 5.9%		

Q11 Listed below are reasons an organization might want to join a statewide association of nonprofits. Indicate whether you would be interested in joining a statewide association for EACH of these reasons

		Not Interested	Somewhat Interested	Very Interested
M = 2.42	To improve the public's image and	4.0%	48.5%	45.5%
SD = 0.57	understanding of nonprofits			
M = 2.71	To take action on public policies that	2.0%	24.8%	71.3%
SD = 0.50	affect nonprofits like keeping the			
	exemption from sales tax			
M = 2.80	Access to programs that could help	3.0%	13.9%	81.2%
SD = 0.47	my organization cut costs			
M = 2.66	Exchange ideas and solutions with	2.0%	29.7%	66.3%
SD = 0.52	•			
M = 2.60	Opportunities for professional support	2.0%	35.6%	60.4%
	and renewal			
M = 2.74	Easy access to current information on	1.0%	23.8%	73.3%
SD = 0.46	• • • • • • • • • • • • • • • • • • • •			
	and resources	0/	/	
M = 2.54	Information on keys trends in	4.0%	37.6%	56.4%
SD = 0.57	nonprofitslike salaries and funding			
	patterns	0.00/	0.4 =0/	== 40/
M = 2.47	Help on specific management	9.9%	31.7%	55.4%
SD = 0.67	challengeslike personnel policies,			
14 0 50	fundraising, computers & accounting	0.00/	00.70/	00.40/
M = 2.59	Access grantmaker forums to discuss	3.0%	33.7%	60.4%
SD = 0.55	issues, i.e., need for general			
M - 0 40	operating support/multi-year grants	0.00/	24.70/	E4 E0/
M = 2.48	To get help in increasing the	8.9%	31.7%	54.5%
SD = 0.66	effectiveness of our board of directors	40.00/	24.70/	40 50/
M = 2.38	Joint purchasing	12.9%	34.7%	49.5%
SD = 0.71	Other places enecify	9.00/	E 00/	12.00/
M = 2.15	Other, please specify	8.9%	5.0%	12.9%
SD = 0.89				

Q13 Please indicate what type of help is important enough that you would pay what it costs to provide them?

	uieiii:	Will Not Pay for	Low Priority	High Priority	Top Priority
M = 1 02	To improve the publicle image and	Services	47 E0/	16 00/	2.00/
M = 1.93	To improve the public's image and	29.7%	47.5%	16.8%	3.0%
SD = 0.77 M = 2.35	understanding of nonprofits	14.9%	40.6%	24 70/	6.9%
SD = 0.82	To take action on public policies that	14.9%	40.6%	34.7%	6.9%
3D - 0.02	affect nonprofits like keeping the exemption from sales tax				
M = 2.69	Access to programs that could help	12.9%	19.8%	51.5%	14.9%
SD = 0.88	my organization cut costs	12.9 /0	19.070	31.370	14.970
M = 2.10	Exchange ideas and solutions with	24.8%	41.6%	26.7%	4.0%
SD = 0.83		24.070	4 1.070	20.770	7.070
M = 2.28	Opportunities for professional support	16.8%	41.6%	33.7%	5.0%
SD = 0.81	and renewal	10.070	11.070	00.1 70	0.070
M = 2.28	Easy access to current information on	27.7%	26.7%	31.7%	11.9%
SD = 1.01	nonprofit issues, solutions, services	,	_0,0	5 / 5	, .
	and resources				
M = 2.18	Information on key trends in	25.7%	38.6%	18.8%	10.9%
SD = 0.95	nonprofitslike salaries and funding				
	patterns				
M = 2.40	Help on specific management	19.8%	31.7%	30.7%	13.9%
SD = 0.97	challengeslike personnel policies,				
	fundraising, computers & accounting				
M = 2.58	Access grantmaker forums to discuss	14.9%	23.8%	45.5%	12.9%
SD = 0.90	issues, i.e., need for general				
	operating support/multi-year grants				
M = 2.23	To get help in increasing the	25.7%	29.7%	31.7%	7.9%
SD = 0.94					
M = 2.29	Joint purchasing	26.7%	28.7%	29.7%	12.9%
SD = 1.01	.	40.00/	4.00/	4.00/	= 00/
M = 1.97	Other, as described in previous	16.8%	4.0%	4.0%	5.9%
SD = 1.20	question				

Additional Comments

- The services you have outlined are available to us through our membership in our national organization. We are very well supported and cared for through national field staff that act as consultants and service the network. For that reason, we have little or no need for another organization to assist us in the areas that you have outlined in your survey. As it relates to issues of public policy, we have a state association that has been recently formed to help network our concerns.
- ➤ Please take us off your mailing list. We utilize the ASU Non-Profit Resource Center if we need any assistance. A development of any other organization would be a waste of resources. Try to figure out how to enhance something that is already providing a great service.
- We believe there is considerable help offered to non-profits through the universities, but costs often prevent us from partaking.
- We'd like to see more networking among agencies with an eye to helping each other, group purchasing of such items as liability insurance, services of a CPA to help with federal/local tax forms, perhaps even health insurance. We realize membership in NSFRE offers some of these "perks," but again, that is an expensive membership for an agency is totally self-supporting.

Q22 Please provide us with the following information regarding your organization's field of services:

Yes Response		
8	Health	7.9%
38	Human Services	37.6%
35	Arts	34.7%
2	Environment	2.0%
18	Other	17.8%

Q23 Please indicate the size of your organization's operating budget (Please do not include \$ signs or commas in your answer)

92.1%

Range of Annual Budgets of 93 Respondents

0 to 25,000	11	11.8%
25,001 to 50,000	8	08.6%
50,001 to 100,000	10	10.8%
100,001 to 250,000	9	09.7%
250,001 to 500,000	16	17.2%
500,001 to 1,000,000	11	11.8%
1,000,001 to 2,000,000	7	07.5%
2,000,001 to 5,000,000	9	09.7%
5,000,001 to 10,000,000	10	10.8%
Over 10,000,000	2	02.2%

Q24 Please indicate the size of your organization's staff

99.0%

Number of Employees from 100 Respondents

Too respon	uenta	
0 to 05	46	46%
06 to 10	17	17%
11 to 20	8	08%
21to 50	10	10%
51 to 100	10	10%
101 to 150	3	03%
151 to 250	4	04%
251 to 500	1	01%
over 500	1	01%

Attachment E

Assessment of Capacity Building Resources for Arizona Nonprofits - Part 2

Prepared by Partnership for Community Development, ASU West

Responses of Broker Organizations

Q1

1. Adequacy of Assistance. For each of the following types of assistance, please indicate the adequacy of service available to NPOs in Arizona.

Total Responses: 46

_	Very Adequate	Adequate	Somewhat Inadequate	Very Inadequate
Fund Raising/Resource	6.9%	34.5%	44.8%	13.8%
Development				
Strategic/Long-range Planning	6.9%	37.9%	37.9%	17.2%
Marketing/PR	6.9%	37.9%	34.5%	20.7%
Technology/Information	3.4%	37.9%	31.0%	27.6%
Board Development	3.4%	37.9%	44.8%	13.8%
Program Evaluation	3.4%	41.4%	37.9%	17.2%
Collaboration/Partnering	6.9%	37.9%	48.3%	6.9%
Volunteer Management	13.8%	37.9%	37.9%	10.3%
Organizational Management	6.9%	44.8%	44.8%	3.4%
Information Clearinghouse	13.8%	27.6%	31.0%	27.6%
Advocacy	0.0%	27.6%	55.2%	17.2%
Group Purchasing	3.4%	3.4%	34.5%	51.7%
Convening/Networking	10.3%	41.4%	31.0%	10.3%
Management	6.9%	27.6%	41.4%	20.7%
Support/Technology				

Sampling of Open-Ended Responses

1. Availability of Capacity Building Services

• Fundraising and Resource Development

- You usually have to pay for someone to help you with resource development and foundations don't fund that. Fundraising is very hard in Phoenix. Limited \$ for an overwhelming number of nonprofits.
- My response will be the same for all those areas marked "inadequate." The inadequacy rests in the difficulty that nonprofits have in finding resources to meet this need -- i.e., the lack of a central information source to serve the needs of Arizona's
- Although it is probably not possible, small non-profits could benefit from a centralized fundraising effort. The information provided on the 'how to' of fundraising is adequate but requires time intensive attention that small non-profits are unable to give
- There is not a central place for organizations to contact for the assistance they need, and at a fee they can afford.
- It's marketing. It's very challenging for residents and those with political, monetary, social power in state of AZ to reckon with its past and present acceptance of Native peoples as a vital part of the whole of the state.
- Turnover of development/fundraising talent, reluctance of board to fulfill fundraising obligations, economy, misperceptions of the nonprofit sector
- > Our organization is only 2 years old, but has received almost no assistance from any agency related to our nonprofit status. Thus, for me to complete this survey is most likely not very helpful because we have no experience associated with receiving.

- In this, as with others listed below, the fact that we are located outside of the Phoenix area colors a lot of our observations. In this category, 1) resources like the monthly meeting of the professional fund-raisers is great, it's just hard to get to.
- Takes \$ to make \$. We have no "seed" to hire the best fundraising specialists.
- Affordable assistance is not available.
- ➤ We are finding it hard to devote the proper funding to the areas list as "inadequate", we place all income to the serving of our clients.

• Strategic/long-range planning

- The current trend with the Drucker model is terribly time intensive and inadequate. Unfortunately, this has been accepted as 'the model' and has been marketed to agencies of all sizes ended in few viable outcomes and has caused a distaste or reluctance to pursue.
- In most cases they do not even understand what strategic planning is let alone what to do with it.
- There is not a central place such as a MSO (management support organization) for organizations to contact for assistance and for little or no fees.
- ➤ It's easy to tell Native communities about the latest "buzz-process", i.e. strategic/long-range planning, but it is something we do not do and should do much better.
- Even when assistance IS available locally, many nonprofits don't take advantage of it.
- ➤ I only know of the course available through the ASU Nonprofit Institute. May not fit everyone's needs.
- Lack of funding/resources to adequately and appropriate engage and sustain strategic planning efforts, "silo" funding streams rarely include planning.
- ➤ Government & funding sources here do not appear to have the vision to endorse an idea that would take Phoenix into the Lincoln Center, Kennedy Center, Mark Taper Forum, Guthrie, Alley category PLUS marketing on the Internet of packages that are the gateway to arts
- Nonprofits need to work together and support each other rather than feeling that they are in competition.

Marketing and Public Relations

- > Usually can not afford a person or staff specializing in this field.
- Referrals are usually not successful and the costs are often prohibitive.
- > I only know of the course available through the ASU Non-profit institute.
- Lack of talent interested in working in nonprofit sector vs. business sector in marketing, "fish-out-of-water" syndrome where nonprofit folks are marketing (to the best of their understanding/ability)
- > Resources are scarce in rural counties.
- Requires Board or other community contacts for expertise

• Technology/Information

- There is no place to go for free information or services. Very little is done to help nonprofits achieve a technology base that is current. Most of our systems are dinosaurs.
- Although good information may be available, small non-profits do not have the staff or capacity to fully utilize the technology available to them.
- There is a need for a central contact that can make referrals based on the need.
- They "donate" much needed and often out-dated and discarded inventory to us, without providing any technical assistance.

- When it's time for various nonprofits to move to technology, it seems that each one must re-invent the wheel and do all their own research on various options. Others simply don't take advantage of what's available to them.
- This is an area that almost every non-profit I know is struggling with. Most have nowhere to turn for help, as consulting firms do not like to take on small organizations and are very expensive.
- Costs!!! Simply can't afford it, nor have time/talent/resources to staff it ourselves . . .need NPowerAZ.
- We were given an initial computer WITHOUT an operating system and with a 2400 modem! Any acquired communications donations have come from individual sources. Tech assistance via individual loyalties. Expertise via trial & error.
- ➤ Difficult for small providers to keep up and maintain info systems... Are shared IT experts a possibility?
- Rural and isolated reservations don't have local service providers and have to pay long distance costs to use internet.

• Board Development

- ➤ I have attended several Board development workshops only to hear the same message with the same techniques these techniques appear to be non-productive in today's culture this may actually be due to the change in the profile of individuals serving.
- There is a need for a central point of contact for referrals and for low cost service.
- > Info on what and how we should be operating is readily available. Consultants galore!
- ➤ There is a lack of information offered. A board of directors is capable of serving a variety of different purposes. I have seen little education/ support for agencies to explore the potentials.
- No "formal" training required or offered for new board members, little training or other avenues for execs. to learn board development strategies.
- Lack of training available for board members and for senior staff.
- The only source that has helped with board development is the Phoenix Chamber of Commerce via its Arts-Board connection project with Business Volunteers for the Arts.
- ➤ Very little is available locally beyond the basics. Need training that is attractive to board members professional and timed to fit their schedules. Something that is provided by a credible source. Something that the non-profit can afford.

• Program Evaluation

- > Still another area that a nonprofit must pay serious money.
- Not much out there and there appears to be resistance among nonprofits to conduct serious and revealing evaluation activities it seems to be based on the fear that their funding will be in jeopardy.
- Insufficient staff to focus on and no real measurements or follow-up typically.
- ➤ It seems that there have never been enough tools to do this. How do you measure success -- often very difficult to tell.
- Most organizations do not understand or take the time. Education is key to this issue.
- This is an area of great concern. Funders are asking for evaluations but there is very little training. I tried to find a course at ASU (beyond the short course available through the nonprofit institute) but got bounced from department to department.
- A changing field, little clear understanding of how to REALLY evaluate outcomes, little resources to staff/fund evaluation efforts.
- Resources are scarce. Service agencies are quite small, everybody's so busy, there's no time left over for evaluation.

- No reputable funding, government, or consultant source has bothered to witness the quality of our programming so grant applications are the only knowledge decision makers have of what we have consistently offered in 10 + years of debt free operation.
- ➤ Have no seen any creative styles of evaluation. They are always the same methods. Need better methods instead of always looking at the quantitative numbers but seek a better method to evaluate quality of a program.

• Collaboration/Partnering

- ➤ Have heard enough of this. Most of the non profits partner or collaborate when they can. If the foundations want us to collaborate, why don't they think of ways to do it and fund it too?
- Many organizations do not understand the benefits!
- Not much available from in-state. Lots across the U.S. Efforts appear to emulate what nonprofits may receive from nationally based funders.
- Although we have many good collaborative efforts taking place at any given time, the main obstacles are: 1) agencies don't know HOW to set up collaboratives, and 2) if they know how, they can't commit the resources to do so.
- More complex than most imagine, little understanding/appreciation of the complexity, little to no resources to support collaborative/partnership development.
- ➤ Because we are basically rural, we collaborate rather well to share meager resources. However, would like to see greater collaboration between urban and rural service agencies -- bring the resources and expertise out to the country!
- ➤ I work with 4 agencies that have excellent skills in this area: the Institute of Cultural Affairs, The Community Forum, LINKS Community Collaborative, & Neighborhood Partners, Inc. If adequately funded, they could contribute immensely to the nonprofits.

• Volunteer Management

- ➤ Need to educate organizations on the resources available such as the Volunteer Center and related associations.
- For Great deal of info and support available regarding volunteers and the internal satisfaction that is nurtured from helping without compensation. It is difficult to establish sophisticated network in communities where everyone volunteers all the time.
- ➤ Difficulty of funding the staffing by small provider. Often accomplished ad hoc.
- ➤ Very little available beyond the basics. This is a field that is undervalued.

• Organizational Management

- Weak boards typically, and so no focused management plus usually short terms and high turnover.
- Need to have a central contact with resources available.
- > Available but often at costs.
- Many nonprofits don't understand the business-end of running their organizations. They focus on "doing good" and hope, pray or divine the funding to appear to keep their doors open. Many open the doors and never give a thought to long-term sustainability.
- This topic seems to typically be addressed to the business community rather than nonprofits yet it can make or break an organization.
- > Agency leadership needs additional training/networking around tasks required of CFO's/CEO's
- > Affordable assistance is not available.
- Everything is so very expensive. Need low-cost and relevant training. Need more information on human resource issues, supervision, facilities management, OSHA these types of generic topics that no one learns in nonprofit school.

There is never any information on how to run the business of nonprofit. We have most of the same issues that any business has but there is little training on managing it.

• Information Clearinghouse

- The only information clearinghouse that seems to provide anything to us is Scott Sheldon's weekly e-mail. There is nothing more formal than that. Should there be?
- There are pieces of this -- Information and Referral Services (only human services) -- Events Calendars (Business Journal) -- Scott Sheldon & Marilyn Boess. Nothing that even attempts being comprehensive.
- ➤ Clearinghouse is needed, but needs to be more than just a clearinghouse....must provide resources! And provide assistance for little or no cost.
- ➤ Limited to the Valley and Tucson. Even Flagstaff and Payson are left out of the "mix."
- The hardest money to get is for organizations that do not provide direct services to clients. Our local I&R struggled for years to get off the ground and finally has done so through a partnership with several agencies including our local United Way.
- It is hard to know where to go for information and hard to keep up on new research and studies. It is eatch as eatch can.
- This is a cumbersome task. Defining the scope of what information should be retained, then funding infrastructure and operation appears to be too large a challenge given current funding levels.
- Lack of centralized organization to serve as clearinghouse.
- ➤ Difficult to share information under any circumstances -- rural geography and sparser populations makes it even harder.

Advocacy

- ➤ Who is advocating for non profits????? I'd like to talk to them.
- In particular on the westside of Maricopa County. I am referring to advocacy that could be closely described as lobbying efforts. It appears the eastside of Maricopa County has strong efforts that overtake the abilities of western Maricopa County.
- We speak with many voices, subsequently, no one hears what we say.
- Little emphasis and interest on this. Education is key.
- I think most agencies simply overlook this piece of the puzzle. They are so involved with helping their clients overcome whatever problem brings them through the doors that they don't think about teaching the clients to advocate for themselves.
- ➤ I see misunderstanding if the ability of non-profits to participate as an advocate. There is also a resource issue in finding time for staff to devote to advocacy.
- ➤ Who advocates for the rural counties?
- The Protecting Arizona's Family Coalition (PAFCO) has accomplished a lot this past year in organizing a broad base of NPOs around 2 issues: stopping further cuts in human services and tax reform. So we have made some progress, but it will take time

Group Purchasing

- > Big needs here, especially in insurance.
- This would be incredibly helpful and I am not aware of any efforts in this area.
- ➤ Have not been able to identify options and then communicate this as a group to take advantage of such opportunity.
- This has some potential especially for smaller organizations -- of which there are hundreds. Whether it is office supplies or health insurance, this would be helpful.
- This has been studied and other than services such as insurance, there are no great benefits. For purchasing goods, warehouse capability is needed.

- There would need to be a central clearinghouse for this. It doesn't exist. Wasn't there talk of starting an AZ Nonprofit Association that would provide for this type of thing? What's the status of that effort? I'd asked to be kept abreast.
- Lack of knowledge as to how to engineer the creation of a group of purchasers. Lack of time to coordinate interagency purchases.
- ➤ Great idea. The community health centers have a group purchase system that works well. United Way has a Gifts in Kind program that we can't use because the volume purchases are way too big; it would be great to get in on group arrangements for office
- ➤ Liability insurance is one huge expense area where group purchasing would be extremely helpful.
- ➤ This would benefit the groups financially if it could be worked out.
- ➤ Just think how much power we could yield if we acted like a corporation and bought large quantities of items.
- The needs of insurance are high for reservations as many times we cannot obtain appropriate rates due to no nearby fire departments. All the rates are based on the city rules.

• <u>Convening/Networking</u>

- For the networking aspect, you need to join a group that costs \$\$\$. Really sick of this. Why don't the foundations host a monthly networking session for nonprofits for free?
- ➤ There are numerous networking opportunities...probably not known by many organizations, so better communication is needed.
- ➤ Lack of centralized organization to facilitate networking on a regular basis.

• Management Support/Technology

- This is just an area that is lacking...and the nonprofits are dealing with it. If a nonprofit has a \$200,000 budget or less, it is doomed to technology starvation.
- This is a time intensive effort that small and middle sized nonprofits are unable to afford. A centralized effort would be beneficial.
- ➤ Need for central contact to evaluate situation and make recommendations and referrals.
- ➤ Big issue. Nonprofits do not know where to turn.
- > Statewide there is a large gap in access to technology. It appears that urban systems are moving ahead without working to include agencies that are lingering in their ability to acquire technological capabilities.
- ➤ Lack of group training resources.
- More local nonprofit "think-tank" resources would be great. ASU center moving in that direction.
- Management support and technology training simply isn't offered.
- Need a pool of people to help do grants writing for small organizations who don't have the funds to hire this type of personnel and also to hire a funds development position. Small organizations have only 2-3 staff who have to wear all these hats.

2. Critical Factors Leading to Successful Provision of Outside Assistance

• Fundraising/Resource Development

- No shortage of people in business.
- ➤ I believe we have some very good fundraising consultants and firms in the Arizona community. I know many of them and am impressed with their skills. There are others who should be run out of town -- but we don't get to do that.
- > Our local AFP chapter provides excellent workshops on these topics.

- ➤ The Association of Fundraising Professionals seems to organize regular training, plus the Arizona Grant and the Nonprofit Institute also do quite a bit in this area.
- ➤ Topic covered by ASU Downtown Center and other seminars.
- There needs to be resources (\$) and the political will to make things happen. Get enough of the right people on your steering committee, including policymakers, and maybe something will happen.
- Many trainings and consultants everywhere.
- A pool of outside assistance would help us if they become knowledgeable about native reservations and our differences as many of our Tribes have cultural differences that we develop our programs around. We need to build capacity in our own communities.

• Strategic/Long-range Planning

- No shortage of people in business.
- Some very skilled people doing this for a living.
- Topic covered by ASU Downtown Center and programs sponsored on a fairly regular basis.

• Marketing/PR

- No shortage of people in business.
- ➤ Good information easily available.
- Excellent firms (some that do pro bono work) and good single practitioners.
- Local workshops & consulting is available in this area.
- > Topic covered by ASU Downtown Center.
- Arizona State University's Interdisciplinary Department contributed a grant-in-kind valued at \$20,000 for a survey of audiences from Gammage, Orpheum & Herberger re "what is missing in Phoenix theatre" as a preliminary to creating business plan.

• Technology/Information

- No shortage of people in business.
- ➤ We have been able to share info on this matter and most realize the need plus have to go this direction because can not afford the other option of staff.
- I think there is more of this than what I have been hearing. Is it free -- no. And it probably never will be, nor should it be. Nonprofits need to seek sound advice, pay for it (at reduced nonprofit rates), and take the time to understand it and use it.
- New initiatives developing, covered by ASU Downtown Center.
- ➤ Broadband is beginning to come to our part of the reservation but the cost is steep. We would be able to use the internet the way one uses it in town, without always having to write off line, turning the internet off and on.

• Board Development

- No shortage of people in business.
- ➤ We have been able to conduct many workshop and seminars on this matter and the word is out to improve and how to do it. Still have a long way to go but opportunities are there.
- > Lots of good folks doing this.
- There seems to be training available. The challenge is that Board members often do not have the time to take advantage of it

• Program Evaluation

- ➤ We have been stressing measurements and follow-up on all programs plus it is looked at closely by the public.
- It seems that most agencies know whether or not their programs are working.
- > Topic covered by both ASU centers and ongoing community education from Piper Trust.
- Most of the contractors provide this training and guidance.

• Collaboration/Partnering

- Our organization facilitates this among our members.
- Lots of info offered the challenge is accomplishing this as it was intended to be done.
- ➤ We have to collaborate or we are not efficient or effective. Most of us have seen the advantage. We also have many success stories now.
- ➤ I think this is just coming of age in this community. It needs to be nurtured and encouraged.
- Topic being covered in community plus incentives created by various foundations.
- This is a necessity and happens regularly.
- ➤ While funders all promote/require collaboration, I don't think they really understand the levels of collaboration and what it involves to do it well. Few have been willing to fund it, let alone to fund organizations to provide the training required

• Volunteer Management

- No shortage of people in business.
- ➤ Good information with a recent increase in availability.
- ➤ We started a volunteer center a year ago and have had tremendous success (over 1500 volunteers placed with over 300 agencies). This is also a strong community in volunteerism.
- See Pam Betz.
- It also seems that most agencies are getting better at managing volunteers.
- ➤ Volunteer Center has training program for all nonprofits.
- Volunteer Management assistance is available through local Volunteer Centers and DOVIAs

Organizational Management

- No shortage of people in business.
- ➤ Good info currently being offered however is currently costly.
- ➤ Good people with good skills -- and both corporate and nonprofit experience doing this.
- Affordable, frequent opportunities for training. Also, education as to its value to non-profits.
- Covered by ASU Downtown Center
- Nonprofit Management Institute and ASU Center for Nonprofit Leadership and Management

• Information Clearinghouse

- > Our organization does this for our members.
- ➤ Good resources available for social service provisions in the County.
- We are fortunate to have several clearinghouse agencies plus everyone works as a team with each other. PAIRS as an agency has made a significant difference.
- ➤ It seems obvious. Because philanthropy in the state is "Valley-driven".
- > ASU's Downtown Center Non-Profit Report is very helpful.
- > Too many clearinghouses now.

• Group Purchasing

- Education as to what it is and what the benefits are. Forums where agencies could identify partners.
- Never all that good of a deal, and most associations offer these.
- There hasn't been anything like a statewide NPO association to provide a way for NPOs to organize group purchasing.
- There needs to be an assessment provided in rural and reservations areas to come up with better ways of determining a rate for us for insurance and health care benefits.

Advocacy

- Our organization does this for our members.
- > Teamwork and awareness
- It seems to me that a few groups have tried this but without individual commitment to advocacy as a method of change.
- > Training available.

• Convening/Networking

- > There are too many fractured efforts.
- Absolute must and growing as each of us understands the benefits.
- Again there are groups/people making this happen. AFP needs to take a more active role in this. ASU Nonprofit Management has done a good job.
- ➤ Convening and networking have always worked well. It's taking the next step (to collaboration and partnering) that is the stumbling block.
- ➤ Via ASU downtown Non-Profit report and membership in the Phoenix Chamber of Commerce much networking has been possible.

• Management Support/Technology

- Most of the successful agencies have learned how to apply technology or to ask for it.
- I think there are good resources in our community -- again, they are not free.
- Lots of consultants available.

3. Primary Resource Providers for Outside Assistance

• Fundraising/Resource Development

- > St. Luke's Health Initiative/TAP Program
- ➤ ASU Nonprofit Management Institute
- > MLM Communications
- We used a private consultant for our fundraising activities last year. Although this was an effective approach, it was very costly.
- United Way of Yavapai County
- > Yavapai Community Foundation
- This would really depend on the organization and the need. I give referrals all the time. I try to match the consultant/firm with the organization. So far I'm batting 100%.
- > Arizona Community Foundation
- Not Arizona Community Foundation! They will recommend starting a Committee or "branch of the Foundation" that may or may not be funded. Or better give them \$5,000 and they will make it grow in ten years.
- Association of Fundraising Professionals (AFP).
- Marilyn Boess's workshops/Just Grants Arizona
- ➤ Referral recruitment and gradual training of individual board members with potential funding contacts.

- Organizations like Oregon Shakespeare Festival, Mark Taper Forum, & UCLA graduate department in theatre for staff.
- > Boys and Girls Club top people

• Strategic/Long-range Planning

- ➤ OD Network
- > ASU Nonprofit Management Institute
- > MLM Communications
- ➤ ASU West's Partnership for Community Development
- > Several board members and advisors on the United Way board plus several consultants
- I have a list of individuals that I recommend, but the fees are often prohibitive.
- ➤ Mesa United Way
- ➤ Institute for Cultural Affairs
- > ASU Center for Nonprofit Leadership and Management
- > St. Luke's TAP program
- Social Venture Partners AZ
- Organizations like the Piper Trust & Flinn Foundation
- ➤ Show business producers & unions, real estate supporters & developers, CEOs from the travel and Internet industries.
- ➤ United Way
- ➤ Wide variety of consultants
- > Arizona Community Foundation

• Marketing/PR

- > ASU Nonprofit Management Institute
- > Susan Z Communications
- ➤ United Way staff
- > St. Luke's TAP program
- Social Venture Partners AZ
- ➤ Wide variety of consultants
- > Major marketing firms

• <u>Technology/Information</u>

- > ASU Nonprofit Management Institute
- > Sinper
- A number of the computer companies and several of the consultants locally.
- ➤ Kintera & individual "geeks" with long track records in the industry.
- ➤ AZ Tech Cares
- United Way

• Board Development

- ➤ OD Network
- > ASU Nonprofit Management Institute
- > MLM Communications
- ➤ United Way staff
- > AFP
- > Yavapai college
- ➤ Phyllis Allen
- ➤ Bill Harrison
- Navajo Way, Inc.
- The United Way of Yavapai County director Jim Robak.

- ➤ ASU Center for Nonprofit Leadership and Management
- Board Source
- ➤ Boys and Girls Club Top People
- > Arizona Community Foundation
- ➤ United Way
- Cultural Partners in Flagstaff and many other groups provide this training

• <u>Program Evaluation</u>

- > ASU Nonprofit Management Institute
- > ASU West
- > Yavapai college
- Navajo Way, Inc.
- ➤ Arizona Prevention Resource Center
- Sheila Murphy and Associates
- Pima Prevention Partnership
- ➤ ASU Downtown Center
- Piper Trust
- Arizona must go outside the state for program evaluation in the arts
- ➤ United Way
- > ASU Center for Nonprofit Management and Leadership
- ➤ The Drucker Institute

• Collaboration/Partnering

- > ASU Nonprofit Management Institute
- ➤ Volunteer Center of Yavapai County
- ➤ This requires the partners coming together, maybe with a facilitator like Lori Fischler, Leadership Development Services
- > The Hopi Foundation
- ➤ Youth Counts a local agency that promotes collaboration among youth-related agencies.
- ➤ The partners of a cooperative health-based program that originated from our Health Department, Marcia Jacobson, director
- ➤ Sue Wolf
- > St. Luke's TAP program
- > ASU programs
- ➤ Herb Paine's Seminar contributed practical guidelines.
- ➤ Institute of Cultural Affairs large scale efforts
- > The Community Forum countywide efforts
- ➤ LINKS Community Collaborative citywide efforts
- Neighborhood Partners, Inc. neighborhood level efforts

Volunteer Management

- ➤ Volunteer Center
- > ASU Nonprofit Management Institute
- ➤ Volunteer Center of Maricopa County
- > Flagstaff United Way
- > Pro-Vol
- ➤ Volunteer Center of Tucson

• Organizational Management

- ➤ OD Network
- > ASU Nonprofit Management Institute
- Resource Perspectives, Inc.
- > ASU West
- > Yavapai college
- ➤ Board of United Way
- Lois Zachary, Leadership Development Services
- Connie Wolf
- Navajo Way, Inc.
- Social Venture Partners AZ

• <u>Information Clearinghouse</u>

- Community Information and Referral
- ➤ Glendale Human Services Council, Inc.
- > PAIRS
- ➤ Community Resources, Inc.
- > AZ Grantmakers Forum
- > Arizona Community Foundation
- Piper Trust
- > Internet
- ➤ Scott Sheldon's newsletter
- ➤ Marilyn Boess's grant information

• Group Purchasing

- Maybe the Chambers of Commerce, but not much out there.
- ➤ The organization formally known as ACCCA
- No idea unless we get a statewide NPO association

Advocacy

- > ASU Nonprofit Management Institute
- United Way
- Navajo Way, Inc.
- > Statewide associations that pertain to specific causes (homeless, hunger, etc.)
- ➤ Children's Action Alliance
- > Show business leaders like Robert Redford, Paul Newman and Steven Spielberg
- > ACADV Homelessness Association
- Protect Arizona Families Coalition (PAFCO)

• Convening/Networking

- > ASU Nonprofit Management Institute
- United Way
- City of Prescott
- Debbie Stewart
- > Yavapai College
- Scott Sheldon
- Mesa United Way
- Scottsdale LINKS
- > AZ Grantmakers Forum
- ➤ Phoenix Chamber of Commerce mixers and special events.

• Management Support/Technology

- > ASU Nonrofit Management Institute
- > Yavapai College
- > Robert Hoyt

• Other

- Most of the problem lies in the fact that those of us in the rural areas are not able to take advantage of a host of opportunities that are more readily available to folks in Phoenix or Tucson.
- > Grants Management: Management Concepts, Inc. is a national company that offers certificates in professional grants management.
- > Public Relations Association of Phoenix