

THE WHITE HOUSE
Office of the Press Secretary

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MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Supporting the Role of Nonprofit Organizations:
 Interagency Task Force on Nonprofits and
 Government

The United States is the most generous Nation on Earth. In 1998, an estimated \$175 billion was given by American individuals, communities, foundations, corporations, and other private philanthropies to a wide variety of causes and organizations. Individuals accounted for 85 percent of all contributions in 1998 and their giving has increased by almost one-third since 1995. And over the next 20 years, approximately \$12 trillion in wealth is expected to be transferred from one generation to the next -- more than \$1 trillion of which will flow to nonprofit organizations through charitable giving.

In many cases it is nonprofit organizations that convert philanthropy into results -- helping people in need, providing health care and educating our Nation's youth. The nonprofit sector is an integral component of our national life, encompassing more than one and a half million organizations with operating expenditures in excess of \$600 billion. But more telling than the dollar figures is the new spirit of service and civic activism that nonprofits of every kind are now exhibiting. We are today in the midst of a nonprofit boom, a time when the activities of this sector are becoming ever more creative and entrepreneurial.

Nonprofits are uniquely able to identify problems, mobilize fresh thinking and energy, care for those in need on a human scale, and promote social change at the community level. As this sector grows in size and importance, there is an ever greater opportunity to forge partnerships that include Government, nonprofit groups, businesses, and citizens to address pressing public problems. There are already many ways that nonprofits work closely with the Federal Government. For example, Federal grant programs from the National Science Foundation and the National Institutes of Health assist non-profit research

institutions that search for cures to cancer. And the Corporation for National Service works with nonprofits throughout the Nation to provide after-school and tutoring programs. Our challenge in this time of burgeoning social entrepreneurship is to encourage Government, nonprofits, and others to work together more meaningfully.

Therefore, today I direct the Assistants to the President for Domestic Policy and Economic Policy and the Chief of Staff to the First Lady to convene an Interagency Task Force on Nonprofits and Government ("Task Force"). The purpose of this Task Force will be twofold: first, to identify current forms of collaboration between the Federal Government and nonprofits; and second, to evaluate ways this collaboration can be improved.

Structure of the Task Force

The Assistant to the President for Domestic Policy, the Assistant to the President for Economic Policy, and the Assistant to the President and Chief of Staff to the First Lady will jointly Chair the Task Force. The Office of the Vice President, the Office of Management and Budget, and the Council of Economic Advisers will be regular participants.

The Task Force shall be composed of the following members:

- (1) Secretary of the Treasury
- (2) Attorney General
- (3) Secretary of the Interior
- (4) Secretary of Agriculture
- (5) Secretary of Commerce
- (6) Secretary of Labor
- (7) Secretary of Health and Human Services
- (8) Secretary of Housing and Urban Development
- (9) Secretary of Transportation
- (10) Secretary of Education
- (11) Administrator of the Small Business Administration
- (12) Chief Executive Officer of the Corporation for National and Community Service

The Chairs of the Task Force may add such other officials and independent agencies as they deem appropriate to further the purposes of this effort or to participate in specific aspects of it. The Chairs, after consultation with Task Force members, will appoint staff members to coordinate the Task Force's efforts. The Chairs may call upon the participating agencies for logistical support to the Task Force, as necessary. Members of the Task Force may delegate their responsibilities under this memorandum to subordinates. During its work, the Task Force will consult regularly with the nonprofit sector.

Objectives of the Task Force

The Task Force will:

1. Develop a public inventory of "best practices" in existing collaborations between Federal agency programs and nonprofit organizations. In cooperation with the nonprofit sector, the Task Force will work to apply these leading models to other Government efforts. For example, cross-agency initiatives that reflect the community-wide focus of many nonprofits could be highlighted and replicated. The Task Force will also examine ways that Federal agencies can better draw upon the experience and innovations of nonprofits in the development of public policy.
2. Evaluate data and research trends on nonprofits and philanthropy. Understanding the significance of the relationship between the nonprofit and Government sectors requires an understanding of the impact that the nonprofit sector has on the economy and on public policy. For example, the Council of Economic Advisers should undertake an analysis of existing data from the private and nonprofit sectors concerning the role of philanthropy in our economy, including an examination of the factors that affect giving and an investigation of trends that are likely to affect future giving. The Task Force will also coordinate agency efforts to identify the contributions made by the nonprofit sector and information regarding philanthropic activity.
3. Develop further policy responses. The Task Force will meet to discuss new findings and to consider new or modified Administration policy responses. For example, the Task Force will work with the non-profit sector and others to explore ways to encourage philanthropy and service, efforts to help nonprofits develop and grow (including "venture philanthropy"), opportunities for closer collaboration on research and in meeting local needs, and ways to reduce governmental barriers to innovative nonprofit enterprises.

From time to time, the Task Force will report to me on the results of its efforts.

General Provisions

This memorandum is intended only for internal management of the executive branch. This memorandum is not intended, and should not be construed, to create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or its employees. This memorandum shall not be construed to create any right to judicial review involving the compliance or noncompliance with this memorandum by the United States, its agencies, its officers, or any other person.

WILLIAM J. CLINTON

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