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To: MaryEllen C. McGuire/WHO/EOP

cc:

Subject: re: NonProfit Task Force

These are the 4 we chose as the most promising.

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----- Original Text -----

From: <MaryEllen_C._McGuire@who.eop.gov>, on 06/22/2000 12:03 PM:

The message you have just received is too large to be displayed in the normal application. You should look at it using another application (like a text editor or word processor). The attached file MAIL.TXT contains the message.

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- NONPROFIT EDA2



- NONPROFIT EDA3



- NONPROFIT NIST1



- NONPROFIT NIST2

Goodwill Industries of Miami, Florida 04-59-03953 FY 1993 \$1,500,000

Dennis Pastrana, Director

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Goodwill Industries of South Florida, Inc., located in Dade County, Florida, was devastated by Hurricane Andrew in 1992. Overnight, the agency's annual budget plummeted from \$10.5 million to \$5 million. The agency lost three retail sales stores and approximately \$3 million in service contracts at Homestead Air Force Base (HAFB).

Goodwill's activities at HAFB were designed to provide rehabilitation and employment opportunities to people with disabilities living in poorer areas of South Date County. Prior to Andrew, Goodwill was the largest civilian contractor performing services at the base. In a matter of hours, Goodwill lost those contracts. This resulted in the painful layoff of 300 employees, 92 percent of which were severely disabled. Most of these employees worked and lived in the South Date County area that was hardest hit by the storm. Many lost their homes. All lost their jobs, and all were severely affected. Goodwill's professional staff over the next three months helped the laid off employees find other work and secure other needed services such as food, water, clothes, medication, etc.

A major step toward Goodwill's recovery was the award of a \$1.5 million Title IX SEED Grant from the Economic Development Administration, U. S. Department of Commerce, in Fiscal Year 1998. The grant was utilized for building renovation and to purchase equipment to expand vocational training programs and create 300 new industrial sewing job positions at its main facility in Central Dade County.

Now that the renovation is complete, Goodwill is on schedule with its plan to employ 300 people and place 150 in the local garment industry annually. To accomplish this, the building was adapted to serve approximately 600 additional clients each year.

The result has been the dramatic expansion of Goodwill's training and manufacturing operation. Through vocational training, Goodwill moves a steady stream of skilled workers into local garment industry employment where a documented labor shortage exists. Because of the project's vocational rehabilitation component, the grant funds did more than create 300 jobs. New earning power is fostering local economic growth.

The chart below demonstrates data on employment, placement, earning power and Federal taxes resulting from the grant.

GOODWILL INDUSTRIES OF SOUTH FLORIDA, INC.

Project Economic Impact/Benefit Projection

PEOPLE BENEFITTED				NEW EARNINGS CREATED		NEW FEDERAL TAXES	
Year	Annual Employment	Cumulative Placements	Total	Annual Earnings \$1,000	Total Earnings \$1,000	Tax Rate	Total \$1,000
1st	150	--	150	\$ 950	\$ 950	15%	\$ 140
2nd	300	--	300	1,900	2,650	15%	427
2rd	300	150	450	1,900	6,700	15%	855
4th	300	300	600	1,900	8,000	15%	1,282
5th	300	450	750	1,900	11,400	15%	1,710
6th	300	600	900	1,900	14,250	15%	2,137
7th	300	750	1,050	1,900	17,100	15%	2,868
8th	300	900	1,200	1,900	19,950	15%	2,892

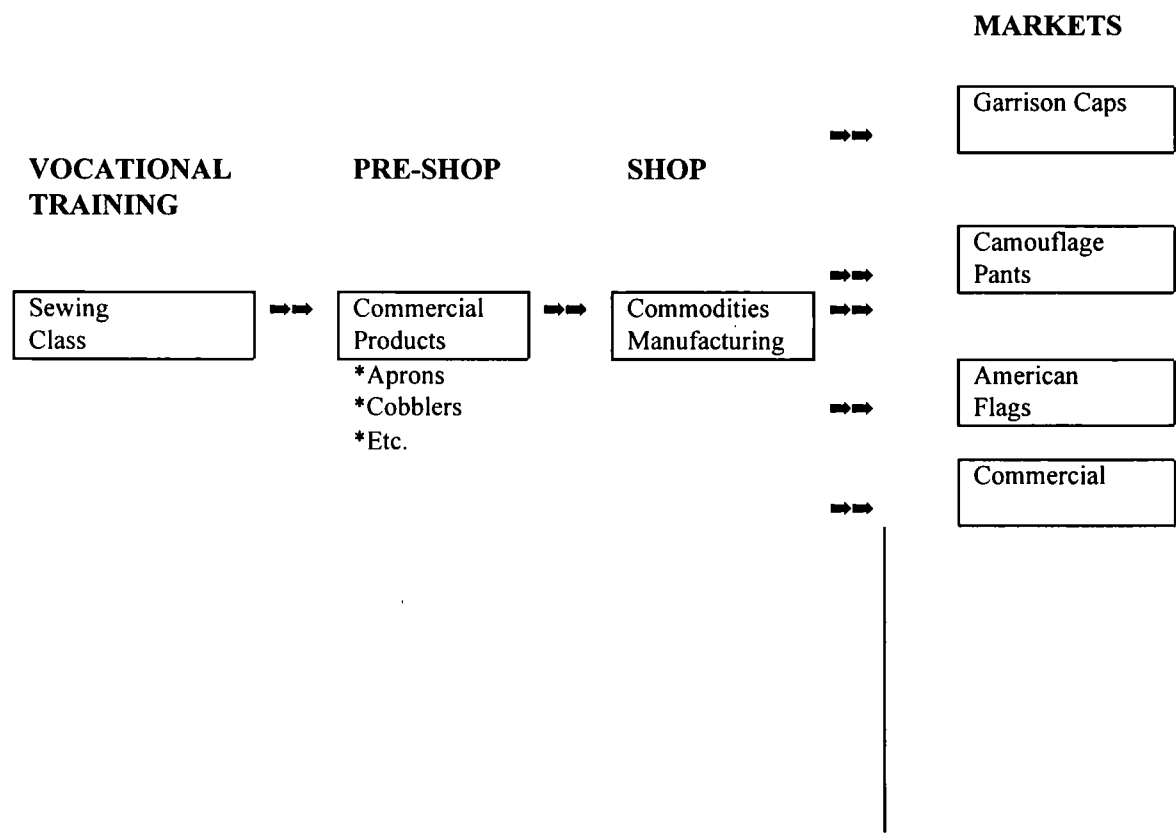
Several years prior to Hurricane Andrew, Goodwill pursued the opportunity to manufacture commodities for the Federal Government and was awarded a contract to produce military garrison caps. After the hurricane, the Department of Commerce grant jump-started expansion of the agency's capabilities in this field and helped revitalize Goodwill.

Goodwill has the building capacity at its main facility to accommodate additional manufacturing contracts and working capital to support increased production. They, however, did not have the financial resources to purchase production equipment or to make necessary building adaptations. The grant was Goodwill's stepping stone to pursuing additional manufacturing contracts, ensuring continued growth of that program.

In addition to production area renovation, other building additions and renovations to increase capacity and efficiency were also provided by the grant. The parking lot was improved to expand capacity, traffic flow and to enhance safety and security. New ramps and steps were built to improve access to the building. The entrance was redesigned to consolidate receptionist, personnel and medical areas for improved entrance control and security. Bathrooms throughout the building were expanded and modernized. Additional classrooms, office space and conference rooms were built or renovated to accommodate increased activities in Evaluation, Training, Counseling, Job Readiness and Placement.

Now that the renovation is complete, Goodwill is on schedule with its two year phase in plan to employ 300 people and place 150 in the local garment industry annually. To accomplish this, the building was adapted to serve approximately 600 additional clients each year through the rehabilitation and employment components of Goodwill.

Goodwill’s rehabilitation program is playing a significant role in achieving the project goal. Disabled/disadvantaged individuals who need help to enter productive employment are recruited. The agency’s Evaluation Department determines their aptitudes and potential for training. They receive rehabilitation services, and enter an Industrial Sewing Vocational Training Program. Subsequently, they work manufacturing aprons and other similar commodities which Goodwill produces. Thus, they gain production line experience in areas where mistakes are not costly. As their skills improve, Goodwill employs them in manufacturing Federal Government commodities. A Goodwill job coach assists them until they become efficient producers. Being trained in performing a variety of sewing tasks, they receive job readiness training and are assisted in securing employment in the local garment industry through Goodwill’s Job Placement Department.



The White House Non-Profit Task Force

The Economic Development Administration and ACCION Texas

In May, 2000, the Economic Development Administration awarded a \$500,000 grant to ACCION Texas, a non-profit micro-enterprise development program, to purchase and rehabilitate a building. This building will support the statewide headquarters of ACCION Texas; a store-front micro-enterprise lending office in the impoverished East Side neighborhood of San Antonio; and a regional center for economic development, offering comprehensive technical assistance to promote successful micro-entrepreneurial development.

The site of the future ACCION Texas Center for Economic Development is a 5,670 square-foot building located in a distressed community within a city undergoing economic adjustment for military base and manufacturing plant closures. According to the 1990 census, the per capita income in this area is \$7,860, 55 percent of the national average. Fifty-five percent of the San Antonio's total population lives within this target area and 62 percent of this population is in distress, compared to 38 percent of the remaining San Antonio metro area.

Unemployed, underemployed and dislocated workers will benefit directly from this project as ACCION Texas targets its lending program to the marginalized self-employed – those struggling to meet basic needs of housing, food, and education through small entrepreneurial initiatives. Special outreach already is made to disenfranchised, low-income and minority entrepreneurs. This facility, in its new location, will facilitate both the delivery of micro-loans as well as the provision of critical technical assistance that can make the difference in helping a micro-entrepreneur achieve economic independence.

ACCION Texas is a nonprofit micro-enterprise development program dedicated to increasing incomes and creating jobs in low-income communities by providing micro-entrepreneurs with loans and business support services not available from the commercial banking sector. ACCION Texas helps micro-entrepreneurs strengthen their businesses, stabilize their incomes, create additional employment, and contribute to the economic revitalization of their communities. Typical borrowers include small family-owned storefronts and home-based businesses. Sixty percent of ACCION Texas borrowers are women.

ACCION Texas is the flagship member of the ACCION U.S. Network, winning the 1997 Presidential Award for Excellence in Micro-enterprise Development. Launched in San Antonio in 1994, ACCION Texas is now the largest micro-lending agency in the State of Texas.

In 1998, ACCION Texas developed and began to implement an innovative "blueprint" for delivering micro-lending programs to new areas around the state at a much lower cost. The first satellite operation opened in the spring of 1998 in the Rio Grande Valley, one of the poorest regions of the country. Additional satellite offices have since opened in Houston, Dallas/Ft. Worth, and Austin, and the operations of ACCION El Paso have also been brought under the

umbrella of ACCION Texas. The San Antonio office serves as the centralized loan-processing center for the satellite operations, using electronic networking technologies to achieve its results. The new building will make this process easier to facilitate.

ACCION Texas has a strong board of directors working closely with the ACCION management team to increase program visibility, raise funds, encourage community support, and network with local governments and private agencies. Each branch community is represented on the ACCION Board of Directors and is supported by a local Micro-credit Support Council providing leadership, credibility, and oversight. ACCION Texas has developed an organizational structure with the capacity to steadily and significantly increase the number of communities and micro-businesses the program can reach through loans and other business services.

As of June 30, 1999, ACCION Texas had disbursed a total of \$3,866,286 in 1304 loans to 683 micro-business owners. After three small loans each, clients in San Antonio increase business assets by 51 percent, they bring in 37 percent more in monthly business revenue and they increase their take-home pay by 40 percent or an average of \$5,300 per year.

The ACCION Texas Center for Economic Development will provide a permanent home for ACCION Texas and its innovative satellite operations, which are fast becoming a national model for the low-cost delivery of micro-loans in rural and urban regions spanning thousands of miles. The proposed project also will establish the first center in San Antonio to provide comprehensive technical assistance in support of micro-entrepreneurial development – and it will be located in the heart of a distressed community where the people who need its services reside.

NonProfit Task Force

Agency: **National Institute of Standards and Technology**
Technology Administration
Department of Commerce

Activity: **Manufacturing Extension Partnership**

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Category: I

The NIST Manufacturing Extension Partnership is a nationwide network of locally managed, non-profit organizations, offering technical assistance and the latest business practices to help smaller manufacturers improve their competitiveness. At the heart of the Manufacturing Extension Partnership is a network of more than 400 manufacturing extension centers and field offices located throughout the country. Started in 1988, today's network delivers services to manufacturers in all 50 states and Puerto Rico. The success of the program lies in leveraging the knowledge of a national system to meet the needs of local markets.

Smaller Manufacturers: Critical to the U.S. Economy

More than 385,000 small and mid-sized manufacturers make vital contributions to the economy. Over 98 percent of the nation's manufacturers are small to medium-sized, defined as having fewer than 500 employees. They supply more than 50 percent of the value added in U.S. manufacturing and employ over 12 million people. That accounts for 65 percent of the all U.S. manufacturing workers with high-skilled, high-wage jobs, paying an average 12 percent more than the average service industry.

Manufacturing Extension Partnership (MEP) centers are local resources serving their local markets. They exist as the result of a partnership among the federal government, state/local governments and industry to help local manufacturers. They are created through a competitive, merit based process where funding is contingent upon successful annual reviews of each center. MEP centers are supported by contributions from public and private organizations that match federal funding. For fiscal year 1999, the network of MEP centers served close to 25,000 manufacturers. The annualized return on the federal investment yielded \$1.7 billion in increased sales and \$250 million in savings for small and mid-sized manufacturers. This partnership also created or saved thousands of jobs.

While part of a national network, MEP centers are independent, non-profit organizations. They offer products and services that meet the specific needs of the region's local manufacturers. Each center works directly with area firms to provide expertise and services tailored to their most critical needs, ranging from productivity improvements to business practices, from eCommerce applications to environmental management. Solutions are offered through a combination of direct assistance from center staff and work with outside consultants. MEP centers are staffed by knowledgeable manufacturing engineers and business specialists who typically have years of practical experience gained from working on the manufacturing floor and/or managing plant operations. MEP center staff also know the local business community, the available local resources and can access national resources throughout the MEP network.

If NIST solely worked with MEP centers as independent service providers, the national impacts would not be as great. If MEP centers operated in isolation of their peers, the variety and effectiveness of services would not be as great. Most MEP centers are modest in size and operate with tight budgets. The knowledge of the marketplace, ability to develop or acquire current market solutions for small manufacturers are curtailed if each center operates independently. By fostering collaboration, by opening up the system to encourage resource sharing, the MEP program sees synergies emerging. MEP centers have started sharing subject matter experts creating regional coverage. MEP centers are adopting common products that can be marketed nationally. Recognizing the benefits of

building an interdependent system, NIST has worked for the past decade to build the infrastructure to realize a national system. These investments are bearing fruit based on the growth in customers served annually, impacts reported by customers, and name recognition of the program.

While most federal programs take no active role in the development of local service programs, NIST is unique in taking an active partnership role. NIST actively brokers opportunities between centers, i.e., convening product development groups to identify new offerings to improving manufacturing productivity. Also, unique among federally funded assistance programs, NIST is willing to divest from programs that do not perform according to its expectations.

NIST is using the Internet to create a knowledge-sharing forum. Over 1,000 field staff from across MEP centers participate in a technical discussion group. Any member can post technical challenges to a listserve. These postings and the subsequent responses are archived on MEP's extranet. This knowledge base is fully searchable, so the issues and responses have a useful life span beyond the current issue faced by an individual. To date over 6,000 posting and responses have occurred.

NIST has also built a virtual university -- training and mentoring opportunities are posted to the system's extranet where MEP center staff can find opportunities to further their professional development. By conferring with NIST on the content of the University offerings, the system is building a baseline of core competencies across the nation.

How Does the Manufacturing Extension Partnership Improve Efficiency and Effectiveness of the Parties Involved?

Providing Better Services

NIST enters into partnership with local nonprofit organizations through a competitive process. Seeking out current service providers, NIST works with state and local government authorities to identify where government funds can have the greatest impact. Once NIST enters into a partnership with a local non-profit organization, the effectiveness of the partnership is evaluated regularly using criteria derived from the Malcolm Baldrige National Quality Award. This evaluation process is unique among federal sponsorship programs. Also not typically seen in partnership programs is NIST MEP's commitment to a national advisory board. This board is unique in that local non-profit partners nominate the candidates. The national advisory board provides direct guidance and feedback to the NIST program.

But MEP is more than a series of agreements with local technical service providers. MEP is also a national system. Local programs contribute to the development of nationally sponsored products and services. While most federal programs develop a one-way relationship with local partners, MEP respects and listens to its partners synthesizing approaches that work for both parties. Input from working groups guides investment decisions for the types of products the program will feature nationally. Redundancies in product development, marketing, core competencies, and service delivery are minimized as local programs can collaborate in these areas. Through its active partnership with these local non-profit organizations, NIST has moved the national system from delivering short-term point solutions to providing enterprise-transforming strategies. Previous to this partnership, most of the non-profit organizations delivered technology information, training, and isolated point solutions. The partnership based on NIST's investment and the non-profits commitment to common strategic goals has evolved services to be more enterprise oriented and delivering real improvements to productivity and competitiveness.

Transferring Practices to Other Programs

The lessons learned from the partnership established between NIST and the MEP centers can be duplicated in other settings. The Manufacturing Extension Partnership is one of the first federal programs to fully invest its success in a partnership with local service providers. Going beyond simply passing out money, MEP is about creating a common vision, seeking a single path to success, and learning from each other. This program shows that national impacts can be achieved by investing in local capabilities. Federal involvement has been best served as a facilitator and mentor. Balancing local identity with national name recognition opens the doors to many whom otherwise may be leery of federal assistance programs. Federal programs can be active partners in extension programs.

NonProfit Task Force

Agency: **National Institute of Standards and Technology**
Technology Administration
Department of Commerce

Activity: **Malcolm Baldrige National Quality Program**

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Category: IV, V

Background

Signed into law in 1988, the Malcolm Baldrige National Quality Award was established to promote quality awareness, to recognize quality and business achievements of U.S. organizations, and to publicize these organizations' successful performance strategies. Now considered America's highest honor for excellence in organizational performance, the Baldrige Award is presented annually to U.S. organizations by the President of the United States. Awards are given in manufacturing, service, small business, education and health care.

Partnership Approach

While the award program is managed by the U.S. Department of Commerce's National Institute of Standards and Technology, it has proven to be a remarkably successful government and private-sector team effort that relies heavily on the active involvement of non-profit organizations. The annual government investment of about \$5 million is leveraged by a contribution of over \$100 million from private sector and state and local organizations. This amount includes more than \$20 million raised by the private Foundation for the Malcolm Baldrige National Quality Award to help launch and maintain the program. The Foundation is comprised of more than 125 companies and non-profit organizations.

The cooperative nature of this joint government/private-sector team is highlighted by the award's Board of Examiners. Each year, more than 400 experts from industry, government, education and health care volunteer hundreds of hours reviewing applications for the award, conducting site visits, and providing award applicants with written feedback. In addition, board members have given thousands of presentations on performance excellence and the Baldrige Award program.

The 37 award recipients also have taken seriously their charge to be advocates for quality and performance excellence. Their efforts to educate and inform other organizations on the benefits of using the Baldrige Award framework and criteria have far exceeded expectations. To date, the recipients have given more than 30,000 presentations reaching thousands of organizations.

Although the Baldrige National Quality Program for education and health care is still very new -- 1999 was the first year organizations in these sectors could apply -- many organizations in these two sectors are supporting the program and urging widespread adoption of the Baldrige performance excellence principles. For example, the non-profit National Education Goals Panel (NEGP) recently held a nationwide teleconference, "Creating a Framework for High Achieving Schools," to focus on the Baldrige criteria in education.

Gov. Tommy G. Thompson of Wisconsin and 2000 chair for the NEGP, said the Baldrige Criteria for education "...can provide educators with a framework and strategies for improving their schools and

helping all children to reach high standards.” At the teleconference, Bob Chase, president of the National Education Association, said, “The Baldrige process and what I call ‘new unionism’ are a quality match. Most crucially, NEA’s new unionism and the Baldrige process share the same bottom line, improving student achievement.”

Also, the National Alliance of Business and the American Productivity & Quality Center have formed the Baldrige in Education Initiative, a partnership of 26 business and education organizations dedicated to reforming the education system based on quality principles.

Many activities also are taking place in the health care sector to raise the Award’s visibility and prominence. For example, the Mayo Clinic is sponsoring a Baldrige in Health Care Summit this summer, and special sessions on the Baldrige Award are being planned for the Institute for Healthcare Improvement Conference this winter.

Program Impact

Since the first awards were presented in 1988, the Baldrige National Quality Program has grown in stature and impact. Today, the Baldrige program, the Baldrige criteria for performance excellence, and the Baldrige award recipients are imitated and admired worldwide. “The Baldrige public/private partnership has accomplished more than any other program in revitalizing the American economy,” said Barry Rogstad, president of the American Business Conference.

Following are some of the program’s highlights:

- More than 2 million copies of the Baldrige criteria for performance excellence have been distributed since 1988, and wide-scale reproduction by organizations and electronic access add to that number significantly.
- For the sixth year in a row, a hypothetical stock index, made up of publicly traded companies that have received the award, has outperformed the Standard & Poor’s 500. This year, the “Baldrige Index” has outperformed the S&P 500 by 4.8 to 1.
- State and local programs, most modeled after the Baldrige program, have grown from fewer than 10 in 1991 to 51 programs in 44 states. NIST works closely with these state programs providing information and holding an annual meeting to share best practices.
- Internationally, nearly 60 quality programs are operating. Most are modeled after the Baldrige, including the Japanese program.

North Carolina Rural Economic Development Center
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04-25-04385 FY 1998 \$75,000

The 85 counties served by the North Carolina Rural Economic Development Center needed a pilot effort to assist them advance their thinking and digital technology systems to innovate new 21st century economic development. The forces of the global economy are changing the economic structure and the resources needed to keep up. North Carolina's rural areas are still largely dependent on once prosperous labor intensive manufacturing, natural resources and agribusiness. With continued defense related downsizing and import competition more involved than ever, North Carolina's rural community governments business and educational leaders need a voice and forum for answering the challenges that will otherwise outdate their economic base. Many of the state's rural counties are extremely poor with low levels of education, public capital and infrastructure. Out-migration and low wage industry dependence further threaten citizen well being. Over half of the state's population is rural increasing only one third (2.5 %) of the state overall during the last census, and per capita income was only 73.6% of the National amount.

In Fiscal Year 1998, the Economic Development Administration awarded a grant of \$75,000 to North Carolina Rural Economic Development Center for a pilot effort to educate and assist rural communities advance their thinking and economic development planning through use of digital technology systems. This project consists of four components: Regional meetings for grassroots input; Local 21st Century Rural Think Tanks; Statewide Think Tank on Preparing North Carolina's Rural Workforce for the Digital Economy; and the North Carolina Summit on Rural Communities in the Digital Economy. The end product resulted in the publication "CLAIMING THE FUTURE". CLAIMING THE FUTURE is based on the belief that North Carolina's rural communities can flourish in the digital economy. The terms "digital economy," "new economy," and "information economy" are widely used to identify the era into which we all have been catapulted. The new economy is "digital" because it can transmit information, graphs, and photographs through digital networks via computers. When information is digitized and communicated through digital networks, a new world of possibilities opens up.

As Don Tapscott notes in The Digital Economy, we can begin to understand the effect of digitization on the metabolism of the economy by comparing postal mail and email. Not only is email faster and more convenient; it also allows new ways of human collaboration that can increase creativity and innovation. Similarly, digitization of information allows us to transform physical things into virtual things. For example, we can engage in distance teaming, shop at a virtual store such as Amazon.com, obtain government information from a virtual government office, and conduct e-commerce business, all by way of the Internet.

As we consider what the digital economy means to rural North Carolina, it is obvious that success requires that rural communities must have a strong technology infrastructure and that rural people must access and use that technology. This is fundamental to moving forward in the 21st century.

CLAIMING THE FUTURE is the product of a network of people who spent more than a year learning and thinking hard about the opportunities and challenges of the digital economy and what they mean for rural North Carolinians. This statewide network included 60 people with a breadth of experience and knowledge about rural North Carolina. They worked in teams to carry out this project. These groups heard directly from rural folks and from expert resource people. They studied the literature and spent many hours in dialogue. They focused more on the future than the past; but they took care to hold on to the good things from the past.

A valuable part of the process was a series of three 21st Century Local Think Tanks conducted in Caldwell, Wayne, and Vance counties and hosted by the community college in each county. These think tanks were composed of small groups who met regularly to explore new ways of preparing for the future. They also identified key issues and potential strategies, and they committed to working with their communities for a positive transition into the 21st century. The think tanks reaffirmed that rural people and communities have tremendous capacities to claim their futures.

As the project participants reflected on what they had learned from the project and what would make up a flourishing and humane 21st century rural community in North Carolina, they identified four essential dimensions: the Thriving Community, the Connected Community, the Learning Community, and the Participating Community. CLAIMING THE FUTURE is presented in four sections that reflect each of these dimensions.

Two threads run throughout CLAIMING THE FUTURE: people and technology. Each section focuses on the human element and the necessity for individuals and communities to collaborate, learn, change, provide leadership, and deal effectively with new realities. Each section also focuses on the need for technology infrastructure and access and their role in enabling rural people to set new directions and achieve new goals. It is important to remember that while technology is essential, it alone is not adequate. It is the people learning, working, using technology, and collaborating who build and sustain our rural communities.

The four sections of CLAIMING THE FUTURE identify and describe the key 21st century issues for North Carolina's rural communities. These issues indicate the directions in which communities must move to position themselves for success. Each issue has specific recommendations for action, followed by strategies for initiating that action. The strategies offer a menu of possibilities. Some may be right for a particular community, others may not. The goal is to give community leaders a wealth of ideas to draw from and to stimulate their imaginations to develop approaches of their own.

CLAIMING THE FUTURE is a handbook for rural communities. The focus is very much on local people, their concerns, needs, aspirations, and capabilities. There also are a number of recommendations for state and even federal action because in some areas, state and federal action is required to set the parameters within which communities can act. For example, resolving some technology infrastructure issues requires state and federal action, and some workforce development issues require state action.

We hope that the people of rural North Carolina will find this handbook useful and that they will share their ideas and experiences with each other and with us. We encourage community leaders, formal and informal, to make certain that state policymakers understand their thinking on what they should do to assist rural North Carolina. The Rural Center is committed to advancing the agenda in CLAIMING THE FUTURE and to working with individuals and organizations throughout the state to ensure that rural communities benefit from the immense opportunities offered by the digital economy.

Department of Commerce

Survey Questions for Federal Departments and Agencies

The Department of Commerce is primarily focused on business organizations which are for profit. However, we do work with nonprofits throughout the Department. Currently, Commerce has contracts worth \$35 million awarded to nonprofit organizations and educational institutions. In addition, in FY 1999, Commerce's financial assistance awards were more than \$152 million to nonprofits and over \$300 million to institutions of higher education.

The majority of the examples used to respond to this survey relate to the National Institute of Standards and Technology (NIST), the National Telecommunications and Information Administration (NTIA), and the International Trade Administration (ITA). Although most Commerce bureaus have some interaction with nonprofits, the bureaus identified above are most representative of how the Department works with the nonprofit community.

Introduction

A. Define your relationship to nonprofits - in what ways does your agency interact with nonprofit organizations.

Examples of some of the Department's ongoing efforts to reach out to nonprofits are:

- NIST enters into Cooperative Research and Development Agreements (CRADAs) with a range of organizations, including nonprofit organizations. A CRADA is a partnering tool that allows federal laboratories to work with U.S. industries, academia and other organizations on cooperative R&D projects. The CRADA provides flexibility in structuring project contributions, intellectual property rights, and in protecting proprietary information and CRADA research results. A CRADA is the means by which NIST can provide another party the option to negotiate a license for NIST inventions conceived during the collaboration. Virtually any organization may enter into a CRADA with NIST. According to statute (15 USC 3710a), "units of State or local government; industrial organizations, (including, but not limited to corporations, partnerships, consortia, limited partnerships, and industrial development organizations); or persons" may enter into CRADAs with NIST. Nonprofits also participate in consortia, both NIST-led and industry-led, with NIST participation.

NIST makes its facilities available for limited periods of time to domestic guest researchers to collaborate with NIST on research and development projects of mutual interest or to transfer NIST "know-how," methodologies, procedures, and best practices. Guest researchers may be sponsored by a nonprofit organization.

NIST's Contracts/Purchasing Groups issue some contracts and purchase orders for supplies and services to non-profit and not-for-profit organizations. Awardees

include educational institutions and Trade Groups. The Grants Group executes financial assistance awards (grants and cooperative agreements) to nonprofit organizations, some on a competitive basis, some as a result of unsolicited proposals. The Property Management Group donates surplus computers to non-profit organizations through the "Computers for Learning website" (under authority of Executive Order 12999).

Non-profits typically interact with NIST's Advanced Technology Program (ATP) in two ways: non-profits may serve as subcontractors to both single applicant and joint venture awards, and may participate as a joint-venture partner in joint ventures. The Malcolm Baldrige National Quality Program (BNQP) provides Baldrige Criteria and educational materials to many non-profit organizations. Several trade/professional organizations have industry award or improvement programs based on Baldrige. The non-profit, industry-led and funded Malcolm Baldrige Quality Award Foundation has raised an endowment now worth \$20 million, to support the Baldrige Award program. NIST's Manufacturing Extension Partnership (MEP) awards cooperative agreements to non-profit entities to establish and maintain centers across the country to provide services to smaller manufacturers including business best practices and technical expertise.

NIST works with numerous non-profit standards developing organizations. NIST staff participate in standards committees as technical experts in the development of consensus standards, to the benefit of both industry and government. NIST participation in both technical activities has become increasingly important with the passage of PL 104-113 which directs government agencies to participate in the development of voluntary consensus standards and to use such standards to the extent possible.

- NTIA's Public Telecommunications Facilities Program (PTFP) and Technology Opportunities Program (TOP) provide financial and technical assistance to non-profits. In addition, NTIA works jointly with nonprofits in sponsoring conferences, participates (including limited funding) in technical assistance seminars presented by nonprofits, depends on collaborative work with nonprofits for regional telecommunications discussions, and conducts outreach to nonprofits on public telecommunications and information technology issues.
- ITA's Market Development Cooperator Program (MDCP) is a competitive matching grants program administered through ITA's Trade Development unit. MDCP builds public/private partnerships by providing Federal assistance to non-profit export multipliers such as states, trade associations, chambers of commerce, world trade centers and other non-profit industry groups that are particularly effective in reaching small- and medium-size enterprises. MDCP awards help to underwrite the start up costs of exciting new export marketing ventures which these groups are often reluctant to undertake without Federal government support.

- Technology Administration's National Medal of Technology (NMT) Office works with the National Science and Technology Medals Foundation (Foundation) to increase public recognition of the NMT and to encourage the nomination of worthy individuals and candidates. The Foundation also encourages recognition of the National Medal of Science which is administered by the National Science Foundation.
- Office of the Secretary provides financial assistance through a Postsecondary Internship Program (PSI) to aid and promote experiential training activities which foster future employment the Federal Government. These non-profit organizations were selected through a competitive process which included non-profit organizations and educational institutions as eligible applicants.
- The National Technical Information Service (NTIS) in collaboration with the Government Printing Office (GPO) has developed a pilot project to provide free access to NTIS' collection of technical reports that have been electronically imaged. NTIS developed a fully automated document search, order and delivery system for the pilot project. The searchable database and image file contain approximately 3 years' worth of data. Currently 22 Federal Depository libraries have access to this pilot project. The ultimate goal is to provide free access to all 1,400 Federal Depository libraries.

Technical Assistance/Training

A. What types of technical assistance/training do you provide nonprofit organizations (e.g., management support)?

On a regular basis, Commerce provides individual advice and guidance to nonprofits who are recipients of financial assistance funding. We routinely provide clarification of policies and regulations. Examples are:

- NIST Contracts/Purchasing and Property Management groups provide assistance as requested/needed to comply with procurement, grants, or surplus property regulations including filling out forms and answering questions. The Baldrige National Quality Program provides Examiner training on the Baldrige Criteria to representatives of non-profit organizations, who review Baldrige applications and serve as "ambassadors" in their own communities. MEP provides a range of technical assistance/training to MEP Centers (nonprofit entities), including Tools and Training kits, as well as training in Knowledge Management, Marketing and Communications, and Center Business Management.
- NTIA's grant programs provide technical assistance to applicants on how to develop public telecommunications and information service capabilities in their

organizations. This assistance includes advice in the development of projects that will be part of an application for funding and the sharing of experiences of other nonprofits' projects funded by the program.

- ITA teams help to provide direction to the nonprofits' projects. The ITA teams are led by a specialist in the major industry to benefit from the project. Professionals from ITA's U.S. and Foreign Commercial Service assist nonprofits from their vantage point in Export Assistance Centers across the United States and from U.S. Embassies and Consulates abroad. ITA helps nonprofits with policy questions on access to foreign markets with analysts from its Market Access and Compliance unit.

B. Who provides the assistance? Provide some examples of technical assistance providers who your agency views as models for successful TA design and delivery. What are some of the characteristics that make these providers successful? What are the limits of these providers?

- NIST - For contracts, grants and property management, the technical assistance providers (TAs) include contract specialists, purchasing agents, grants specialist and property personnel. The TAs are successful because of their subject expertise and experience. For NIST MEP, technical assistance is provided by MEP headquarters staff, Certified Private Consultants, and MEP Center Staff.
- NTIA - The grant programs provide extensive technical assistance to prospective applicants, many of which are nonprofits. This assistance consists of general guidance by the staff as to how best the applicants might prepare their funding proposals. In the case of the TOP program, it also includes calling upon TOP grant recipients to share the experiences they have had with TOP-funded projects. In addition, both grant programs issue diverse publications and guidance booklets that provide help to all recipients, prospective applicants, and the general public. Moreover, NTIA's web sites for these programs offer a wealth of information to the public. This web-based assistance is singularly valuable in that it allows the public to have access to vital information in a direct and expeditious manner. The grant program web sites include grant recipient contact information. This and the experience-sharing activities noted above, taken together, allow nonprofits to be in touch with other nonprofits, to the great benefit of those organizations that might be less experienced with these sorts of telecommunications projects. Additionally, TOP and PTFP staff present technical assistance workshops at numerous conferences of relevance to the missions of the two grant programs. Nonprofits are represented at such conferences and attend the workshops. The TOP also sponsors 3-5 TOP-specific technical assistance workshops each year immediately before its application submission deadline, as well as an annual conference called Networks for People (NFP). Nonprofits participate in an important way in both the workshops and the NFP conference.

D. What types of technical assistance or training are not currently being provided but should be?

- NIST - Expansions are being made to improve training through MEP University and tools such as e-Business. NIST MEP responds to the market to meet the training needs of the centers.
- NTIA - The Administration has selected NTIA's PTFP program as the major federal conduit for funding dedicated to the extremely expensive conversion of public television stations to digital technologies. Because of limited resources, however, the program has been able to provide only very limited assistance to the stations for digital television planning. The President's FY 2001 Budget, if fully funded by the Congress, would provide adequate resources for the PTFP staff to offer greater assistance to public television stations for this purpose.

In addition, with current funding, NTIA is not able to provide nonprofits with financial assistance for technology planning, although our studies suggest that this is a major need among nonprofits.

D. If applicable, list other ways your agency improves the efficacy of the nonprofit organizations it works with?

- NTIA - Through their technical assistance efforts, the NTIA's TOP and PTFP grant programs help nonprofits achieve greater efficiencies in preparing competitive grant proposals. In addition, nonprofits that receive TOP or PTFP grant awards use these Federal monies to create more advanced and more efficient telecommunications and information systems. This, in turn, allows these nonprofit organizations to better serve the public by offering the diverse services associated with these technologies and systems.

Relationship With Nonprofits

A. What types of services do nonprofits that you partner with provide (health, human services)?

- NIST - Nonprofit partners provide a wide range of services, including basic and applied research in the scientific areas of NIST programs, economic research,

advisory and assistance services, studies/reports on scientific technical/scientific disciplines, education of youth, welfare parents, at-risk children and teens (recipients of donated NIST property), technical services and business best practices. Nonprofit standards developing organizations develop standards that specify products, processes or services which support industry and protect health, safety and the environment.

- NTIA - Awards grants to and works with organizations that provide services in the following areas—health, education and lifelong learning, economic and community development, human services, public safety, public broadcasting, and the arts.
- ITA - Services provided by the nonprofits that work with ITA in the MDCP could be characterized as follows: export promotion, economic development, industry promotion.

B. Are there any model relationships that are particularly effective in achieving the critical goals of your department/agency?

- NIST - The Baldrige National Quality Program works well because it is a private-public partnership. The partnership results in private sector volunteers serving as Examiners and sharing performance improvement information. The Malcolm Baldrige National Quality Award Foundation sponsors many of the Baldrige Program activities and documents. The MEP program serves as a model for partnering with state/local programs and the private sector.

Work with private sector standards developing organizations is another effective example of a public-private relationship which meets the needs of industry, government and the consumer by developing standards that are consensus based and timely.

- NTIA - During the PTFP program's review process, NTIA solicits advice from member associations and organizations that work with public broadcasting stations throughout the nation. This has enhanced the decision-making process for grants.
- ITA - The model relationship critical to our success is the team concept. As noted above, an ITA team is assembled to work with each nonprofit. That team partnership is critical to success.

C. Can you identify any significant obstacles that hinder more effective relationships between federal agencies and nonprofits?

- NIST - In the contracts area, non-profits' lack of knowledge of and familiarity

with the federal acquisition regulations are obstacles to their greater participation. In the property area, limited NIST resources (staff) make it difficult to do as much as we want to do, e.g. identification of equipment suitable for donation, working with potential recipients, preparation of equipment for donation

- NTIA - Occasionally, NTIA may have to forgo cooperative efforts with nonprofit organizations because of conflict of interest issues that may arise if they are competing for Agency funds.

Public Policy

A. Do you have a working relationship with nonprofits when it comes to developing public policy (e.g., regulatory and budgetary matters)?

- NIST - The MEP does have this type of working relationship with the MEP Centers, located throughout the United States. NIST's ATP does not have a formal working relationship, but does look to colleagues at the National Bureau of Economic Research to provide insights on the effects that ATP has on the economy. In only a very minor sense are their studies applicable to the development of public policy.

NIST's MOU with the American National Standards Institute (ANSI) recognizes the role of ANSI in promoting U.S. interests in international standards developing organizations and NIST's responsibility for coordination among Federal agencies. As a member of the ANSI Federation, NIST, along with other Federal agencies, ensure that public interests are met in the activities of the Federation. In many cases, standards developed by non-profit standards developing organizations may be used to supplement regulation, by defining appropriate test methods or protocols, or define specifications for procurements.

- NTIA - The bureau has successful working relationships with many nonprofits in developing public policy. NTIA develops and promulgates domestic and international telecommunications and information policy for the Executive Branch. Nonprofit input as these policies are discussed is very useful.

NTIA's PTFP program has been working with the public broadcasting community, the Corporation for Public Broadcasting, and OMB in planning for public television's transition to digital broadcasting. Although primarily in response to the legislative and regulatory mandate, this planning has required cooperation and policy decisions (Budget Initiatives and Funding Legislation) that impact public broadcasting's ability to meet the mandate.

NTIA's TOP program was conceived as part of the Administration's 1993 National Information Infrastructure initiative to demonstrate the benefits of

advanced telecommunications and information service for the public. NTIA's work with nonprofits through the TOP program has helped to shape and define public policy issues such as connecting all schools and libraries to the Internet and addressing the Digital Divide.

B. If so, please provide some examples of collaborative activities and describe what worked well and why you think it worked well.

- NIST - The independent MEP National Advisory Board provides expertise from the private sector.
- NTIA - The agency meets with nonprofits on a wide range of telecommunications and information issues, including implementation of the Telecommunications Act of 1996, universal service, broadcasting and cable, wireless services, e-commerce and the Internet, minority telecommunications matters, and digital divide issues. For example, on issues related to reforming telephone charges and Americans' telephone bills, we meet with nonprofit consumer groups to exchange information. On issues relating to children's access to harmful material on the Internet, we meet with nonprofit children's advocacy groups to exchange information. On the issue of the digital divide, we work closely with many nonprofit groups to define the needs of different communities, identify solutions, and facilitate partnerships to address communities' needs. NTIA has also worked with nonprofits as co-sponsors of major conferences, such as "Connecting All Americans," which we co-sponsored with the Public Utility Law Project of New York, as well as an Internet content summit, which we co-sponsored with "*EC2-The Annenberg Incubator Project*," a nonprofit group at the University of Southern California. We can strengthen our relationships with the nonprofits through greater outreach and offering more opportunities to partner with them.

NTIA has co-sponsored a number of conferences and forum with nonprofits to bring more attention to these public policy issues and to discuss ways to address them. NTIA's partnering with nonprofits for these events has helped to share limited resources available in the public sector, and it brings a broader perspective to the debate.

C. If not, what are the barriers to developing a working relationship with nonprofits on public policy matters?

Not applicable.

D. What do you think can be done to hurdle the barriers or strengthen the relationships with nonprofits when developing public policy?

Not applicable.

Foundations

A. Do you have a working relationship with foundations or other private donors?

- NIST - The bureau works with the Malcolm Baldrige National Quality Award Foundation.
- NTIA - The bureau has successful working relationships with many foundations and has, on occasion, worked successfully with private donors.

B. If so, please provide some examples of collaborative activities and describe what worked well and why you think it worked well.

- NTIA - The bureau has worked closely with the Benton Foundation, particularly on the issues of digital divide and public interest obligations of broadcasters. NTIA has frequently co-sponsored conferences with foundations. The foundations have often incurred much of the expense of the conference, while the agency has provided expertise. We can strengthen our relationships with the nonprofits through greater outreach and offering more opportunities to partner with them.

Most recently, NTIA's TOP program has worked with the AOL Foundation to provide advice and assistance in their launch of a web site to assist nonprofits and public organizations in seeking assistance for technology projects. The site was announced around the dates of the TOP program's annual conference, and it was demonstrated to the participants. The cooperation help to provide visibility for both the new site and the TOP program.

C. If not, what are the barriers to developing a working relationship with foundations and other donors?

Not applicable.

D. What do you think can be done to hurdle these barriers or strengthen relationships with foundations and other donors?

- NIST - Continuous and ongoing communication would improve relations with foundations.

Resources

A. What resources do you provide to the nonprofit community (e.g., grants, in-kind services-if possible give amounts)?

- NIST - The ATP provides financial resources to the National Bureau of Economic Research to undertake economic evaluation studies. NIST Grants provides financial assistance awards (grants and cooperative agreements). NIST's Property Management Group provides equipment, mostly IT (computers and peripherals). NIST's MEP enters into cooperative agreements with MEP Centers ranging from \$100,000 to \$5.5 million, and also provides in-house expertise in business management.

In the 2000 NIST budget, Congress directed NIST to provide a \$500,000 grant to the American National Standards Institute to support its international standards activities because of the importance of these activities to U.S. industry and the need to ensure sound U.S. representation in international standards development activities.

- NTIA - In addition to providing access to NTIA's telecommunications expertise, NTIA provides direct grants to the nonprofit community. In 1999, NTIA's TOP program awarded \$17.6 million to nonprofit and public organizations. NTIA's PTFP program awarded \$21.7 million to nonprofit and public organizations. In 2000, approximately \$12.5 million is available through TOP and \$26 million is available through PTFP.
- ITA - MDCP provides financial assistance and export promotion assistance in the form of partnership with ITA professionals.

B. How can nonprofits find out about the resources that you make available to them?

- NIST - Information as to the availability of funding resources under the NIST Grants Program can be found in Federal Register notices, the Commerce Business Daily, annual scientific/technical publications/journals, NIST Operating Unit websites, the Catalog of Federal Domestic Assistance, NIST Unsolicited Proposals Information Package. Nonprofits can advertise for equipment that they need by posting a technology plan on the "Computers for Learning" Website. MEP issues regular Federal Register announcements of solicitation.
- NTIA - The bureau maintains mailing lists (currently total about 30,000 organizations.) These organizations are informed about funding opportunities and other events sponsored by NTIA. For information, contact:

Public Telecommunications Facilities Program
U.S. Department of Commerce
Room 4625
1401 Constitution Avenue NW
Washington, DC 20230
202-482-5802

Technology Opportunities Program
U.S. Department of Commerce
Room 4096
1401 Constitution Avenue NW
Washington, DC 20230
202-482-2048

NTIA also prints information about its programs in the Catalog of Federal

Domestic Assistance and the Federal Register. In addition, many industry publications print articles on the programs when funding availability is announced, and NTIA maintains current information about all agency programs on its web site.

- ITA - The bureau has a website, conducts outreach trips and makes presentations to diverse audiences.

C. Do you provide any support services to help nonprofits comply with cost principles and administrative requirements (e.g., Circular A-122, A-133)? If so, what are these?

- NIST - The bureau provides copies of OMB Circular A-122 and 15 CFR Part 14 (implements OMB A-110) via mail to the nonprofit organizations with every new financial assistance award. The Grants specialist performs a detailed cost analysis for each budget submitted. If questionable costs are identified, the Specialist will contact the organization to resolve the issues. The Specialist and the Grants Officer also provide interpretation of regulations to nonprofit organizations. MEP provides support services through Center Business Management.
- NTIA - The bureau provides guideline booklets to assist grant applicants in preparing applications and recipients in administering grants. In addition, PTFP and TOP program staff are available to assist these organizations to the extent that resources are available.
- ITA - Public meetings are held during our competition period each year to field questions on application preparation. In addition, orientation meetings are also held for all the winners where they meet the financial aid officials who can help them understand the requirements.

F. What steps is the department/agency taking to comply with the new Federal Financial Assistance management Improvement Act, particularly in regards to streamlining grant applications and reporting requirements?

The Department is reviewing its cross-cutting requirements and looking for ways to streamline for the benefit of all our recipients. The Office of the Chief Information Officer established an Electronic Grants Affinity Group. This group has developed a Department-wide inventory of electronic grants processes and capabilities and has developed a business proposal and statement of work to further streamline grants processing. The Department has joined other Federal agencies in the Interagency Electronic Grants Committee, the Federal Commons, and will participate in the grants payment system mandated by the CFO Council.

- NIST - The Grants Group has indicated an interest in becoming a member of the

Federal Demonstration Partnership.

- NTIA - The bureau is making efforts to reduce the information burden on the public and to receive and send information electronically. NTIA's grant programs periodically review their procedures and information collection requirements. Over the past four years, the PTFP program has been able to significantly reduce the information it requires from applicants and grant recipients. The TOP program has implemented an on-line paperless performance reporting system that is being used by grant recipients. In addition to paper material, both PTFP and TOP also provide information to the public in electronic form through the Agency's web site. The programs are currently exploring a way to develop the electronic receipt of applications. Limited financial resources are a significant obstacle to fully complying with the Act by the specified deadline.
- ITA - The bureau puts its Application Kit on the Internet.

Communication

A. How do you reach nonprofits to inform them of departmental/agency information? Do you have any form of regular communication? If so, what form does it take?

The Department makes wide use of the *Federal Register* and the *Commerce Business Daily* as a means to inform the public and post notices concerning financial assistance and contracts. In addition, the Department regularly updates and keeps current the information reported in the Catalog of Federal Domestic Assistance.

- NIST - Through Commerce Business Daily, the Federal Register, meetings and workshops, the NIST Website, Computers for Learning Website, phone and E-mail. NIST's MEP operates "Source for Centers" (information specifically for MEP Centers), and communicates via E-mail and quarterly meetings.
- NTIA - The bureau maintains close contact with many groups in the nonprofit community. Notices, press releases, etc. are widely distributed to this community through participation in the Benton Foundation's listserv, "Up for Grabs." Grant program announcements and other agency notices are also printed in the Federal Register.

In addition, NTIA informs all organizations on its mailing list of funding availability and agency-sponsored events. NTIA's TOP program also mails a quarterly newsletter on Agency, program, and industry activities. All NTIA information is also posted on its web site and available to these organizations at

any time.

B. Does your web site provide information specifically for nonprofits to use? If so, what are some examples of how your web site responds to nonprofit needs? Does your department/agency participate in the Nonprofit Gateway <<http://www.nonprofit.gov>>? If so, what types of resources does it take to keep information current?

- NIST - Non-profits interested in participating in the NIST mission will find the NIST website and its components very useful. In addition, through ATP's alliance network, we provide information to both Universities and Non-profits. NIST's MEP provides information through discussion groups, list serves, and working groups. No NIST programs participate in the non-profit gateway at the present time.
- NTIA - Grant programs for nonprofit entities are prominently featured on NTIA's website. NTIA provides the sole Department of Commerce entry on the Nonprofit Gateway website (<http://www.ntia.doc.gov/ntiahome/gateway/nonprofit/gateway.htm>)

All information provided through NTIA's grant programs are primarily for nonprofit and public organizations. NTIA's grant programs provide a wealth of information that will assist nonprofits in using technology to better serve the public. For example, NTIA's TOP program posts case studies and evaluation material on TOP grant projects, which help other nonprofits in determining what works in the provision of telecommunications and information services.

D. What changes would you suggest to improve communications with nonprofits?

- NIST - The bureau does an effective job of making its mission known to all organizations. However, non-profit organizations might be able to assist NIST organizational units in tailoring and focusing the NIST message.
- NTIA - Adding and updating links from other nonprofit resource sites and directories will help improve communications.
- ITA - Increase communication with nonprofits through member organizations such as the American Society of Association Executives.

Competition

A. To what extent does the department/agency require nonprofit participation in the delivery of services?

- NIST - Nonprofits are not *required* to participate in the delivery of most NIST products or services. If a Nonprofit receives an award or accepts financial assistance, they agree to comply with regulatory requirements and submit performance (technical) reports and financial reports at specified times and in the required formats. However, for NIST MEP, nonprofit participation in the delivery of services is required by statute.
- NTIA - Grants are solely for nonprofit and public organizations. Contracting is handled through another Department of Commerce office that services NTIA.

B. Please provide examples of contracts/grants/services that our agency formerly provided through nonprofit contractors/grantees but that are now provided by for-profit grantees/contractors. Why did this change occur?

Not applicable.