

DRAFT

PARTNERSHIPS FOR A STRONGER CIVIL SOCIETY

A Report of the President's
Interagency Task Force
on Nonprofits and Government

November 2000

- Senate give cards on various
senators for HRC
- Copy columns on individuals
for her to sign

"Americans make great and real sacrifices to the public welfare. They hardly ever fail to lend faithful support to one another."

--Alexis de Tocqueville

PREFACE

In January of 1993, we arrived in Washington anxious to implement a new vision for America on the cusp of the 21st century – strong and confident, prosperous and caring; the undisputed world leader, ready to compete in the digital age and the global economy. The first and most immediate challenge was the economy. In 1993, the deficit was \$290 billion and rising. Today, we are anticipating a surplus of at least \$230 billion. Fiscal discipline has led to the creation of 22 million new jobs and poverty rates that have dropped to historic lows.

Our second important challenge was to shape a new model for the federal government, one that neither made government responsible for meeting all of society's needs, nor one that took a hands-off approach, leaving charitable organizations alone to address the challenges faced in so many communities. Instead, we sought a third way – a smaller government, committed to giving people the tools and the conditions they need to make the most of their own lives, that works in partnership with its citizens and lives within its means.

For this kind of government to work, we must have a strong civil society, with a thriving network of national and community-based nonprofit organizations that can marshal the resources of the American people to meet the challenges before us. We had this in mind when, in October 1999, the First Lady and I hosted the first-ever White House Conference on Philanthropy. There I named an Interagency Task Force on

Nonprofits and Government to examine one important facet of the third way: partnerships between the federal government and nonprofit organizations. I charged members of the task force to identify the best examples of these private-public partnerships and evaluate the ways in which they could be improved and replicated.

Although I had championed this new way of working with the private sector, even I was surprised at the number and breadth of these partnerships. In thousands of instances, large and small, government agencies are working with national, state, community and faith-based nonprofit organizations, and in the process, are redefining the role of government in the 21st century. From AmeriCorps to the Welfare to Work Partnership, from environmental protection to mass immunization programs, nonprofit partnerships are affecting the lives of citizens from Hawaii to Juneau, San Francisco to South Carolina.

The role that nonprofit partnerships play cannot be overstated: They make government work better and are in turn strengthened through their relationships with federal agencies. As a result, they are an essential part of our safety net for citizens in need, help foster a community where neighbors can gather and depend on one another, ensure that the arts and humanities flourish, and when all else fails, nourish and protect the youngest and most vulnerable among us. In these ways, and many more, they strengthen and sustain our civil society.

I want to thank the First Lady and her staff, as well as the staff of the Council of Economic Advisers, the Domestic Policy Council, and the National Economic Council who have worked so hard on this project. Together with representatives of 12 federal

agencies, they have identified exemplary partnerships as well as the best practices that we hope will lead others anxious to follow their example. Their work is a gift to the future.

-- William Jefferson Clinton

"Only through the creation of civil society, which depends greatly on volunteerism and philanthropic works, can any society really understand what it means to be a democracy, and then that democracy can be rooted in very, very strong soil."

First Lady Hillary Rodham Clinton
White House Conference on Philanthropy
October 22, 1999

FOREWORD by Hillary Rodham Clinton

Over the course of the nearly eight years my husband has been President, I've been privileged to represent our country in many of the world's newest democracies, places where people are just beginning to understand the responsibilities and benefits of freedom. Everywhere I go, people ask me, "How has the United States been able to make its democracy work for so many years?" I tell them about our traditions of citizen service and philanthropy. I tell them that our democracy thrives not just because of our free elections and our free markets, but because in that space between government and the economy – in our civil society – our citizens come together to help each other, to lend a hand in times of trouble, to support nonprofit organizations, and to determine how each one of us can do more to contribute to the broader good.

Our democracy thrives because of people like Myrian Bodner, a Kentucky homemaker who raised a quarter of a million dollars in relief supplies to help her native Nicaragua recover from Hurricane Mitch. Our democracy thrives because of Rev. Ann Pearson, who used her small inheritance to give each of her parishioners \$10 to donate to a worthy cause. She found that the money grew as enthusiastic donors brought new opportunities and ideas for community service into the church and requested support for additional giving. Our democracy thrives because of people like Osceola McCarty. Ms. McCarty spent a lifetime washing, starching and ironing other people's clothes. She lived

simply and frugally, and four years ago, decided to use her \$150,000 life savings to endow a scholarship fund at a nearby university. "I'm giving it away so that the children won't have to work so hard like I did," she says.

To honor heroes like these and highlight the American tradition of giving, the President and I hosted the first-ever White House Conference on Philanthropy in October of 1999. Giving has always been an important tradition in this country, and never has there been a better time to encourage and support this ethic. We are living in a period of unprecedented prosperity, a time when the new economy has produced new wealth and the baby boom generation stands poised to inherit at least \$12 trillion from the World War II generation. Last year, donations to charitable causes reached a new high, totaling over \$190 billion. Individuals accounted for 85 percent of that amount, up a third since 1995. As a percent of our gross domestic product, total giving exceeded 2 percent last year, the highest level since 1971.

Imagine what we could do if each individual increased charitable giving by just 1 percent of his or her income: We could offer child care to more than 6 million children, deliver more than 250 million more meals to the home-bound elderly, and guarantee Head Start to every low-income preschooler in America. We could provide shelter to 4 million people, save all the rare books in our libraries, and still have more than enough money left over to create the equivalent of a Ford Foundation every year.

The White House Conference on Philanthropy was designed not only to honor and explore the phenomenon of giving in this country, but also to set in motion an examination of public-private philanthropic partnerships. Some of the most effective projects I have been involved with as First Lady have involved nonprofit partners, from

the Millennium Council's Save America's Treasures initiative conducted with the National Trust for Historic Preservation, to Vital Voices, which enabled the State Department to leverage the resources of nongovernmental organizations in support of women around the world. These and other partnerships were examined by the Interagency Task Force on Nonprofits and Government, and are discussed in this report.

I want to thank all the individuals and groups who made the first White House Conference on Philanthropy such a success, as well as the Task Force members who have helped us shape the inventory of effective practices and recommendations that will be a guide for future generations of government workers and nonprofit advocates looking for creative and practical ways to work together. I especially want to thank Ellen Lovell, Malcolm Richardson, and the staff of the White House Millennium Council; Melanne Verveer, Shirley Sagawa, Mary Ellen McGuire, Carol Beach, and Matthew Nelson from the Office of the First Lady; Bruce Reed, Eric Gould, and Julie Bosland from the White House Domestic Policy Council; Gene Sperling from the National Economic Council; and Kathryn Shaw, Kathleen McGarry, Chad Stone, Andrew Feldman and Audrey Choi from the Council of Economic Advisers. Their efforts have helped to make the federal government a better ally of the nonprofit sector and, in doing so, strengthened our civil society.

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I. INTRODUCTION

By: Melanne Verveer, Assistant to the President and Chief of Staff to the First Lady;
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Domestic Policy Council; and Gene Sperling, Assistant to the President for Economic
Policy and Director of the National Economic Council
Co-chairs, Interagency Task Force on Government and Nonprofits

A new spirit of service and civic activism is taking hold in communities across America. From 1993 to 1998, the number of 501(c)(3) organizations increased from 575,000 to more than 730,000, and giving and volunteering are at an all-time high. Nonprofit organizations transform these contributions of money and time into food, clothing, health care, and other forms of help for those in need; environmental protection; education; art; and other activities, goods, and services that improve the lives of all Americans. Encompassing more than one and a half million organizations with operating expenditures in excess of \$600 billion, the nonprofit sector is an integral component of our national life. The Clinton-Gore Administration has responded – and contributed – to the strength and growth of the nonprofit sector by challenging federal agencies to find new ways to work together with nonprofits to achieve common goals.

Nonprofit organizations are vital partners of the federal government. Nonprofits actually provide many of the services that the government offers, with one study¹ estimating that, in 1997, “more than 30 percent of all federal spending in areas of concern to nonprofits was channeled through nonprofits for delivery of services.” That translates to some \$554 billion in government resources for nonprofit work on education, health, social welfare, income assistance, culture and the environment. At the same time, nonprofits benefit not

¹ Abramson, Alan, Lester Salamon, and Eugene Steuerle, *The Nonprofit Sector and the Federal Budget: Recent History and Future Directions*. Nonprofit Sector Research Fund, The Aspen Institute, 1999.

only from direct federal funding but also from \$143.7 billion in donations from individuals encouraged by tax deductions for charitable giving (including \$218 million in giving from federal workers through the Combined Federal Campaign, the largest workplace giving initiative in the world), and access to the federal government's significant resources of information and technical assistance.

In creating the Interagency Task Force on Nonprofits and Government, the President issued an Executive Memorandum (Appendix B) directing the Task Force to examine current partnerships between the federal government and the nonprofit sector and evaluate ways that these partnerships could be improved to help both government and nonprofits better fulfill their missions. Specifically, the Task Force was charged with three tasks: (1) to develop a public inventory of "best practices" in existing collaborations between federal agency programs and nonprofit organizations; (2) to evaluate data and research trends pertaining to nonprofits and philanthropy; and, (3) to develop further policy responses.

This document represents the culmination of this Task Force's efforts to achieve all three objectives. It includes a wealth of examples of successful public-nonprofit partnerships and policy recommendations (objectives 1 and 3). Objective two was met by the Council of Economic Advisers' Report, "Philanthropy in the American Economy," which included an examination of the factors that affect giving and an investigation of trends that are likely to affect future giving; the Executive Summary of this report can be found in Appendix C. Moreover, several tax policy initiatives to foster philanthropic giving were included in the President's budget, helping to achieve objective 3; these can be found in Appendix D.

In January, staff from the Domestic Policy Council, the Millennium Council and the Office of the First Lady surveyed federal agencies on the extent of, types of, and barriers

impeding relationships with the nonprofit sector. The responses yielded dozens of examples of how this administration has broken new ground in the creation of partnerships. (The questionnaire used by staff to survey agencies can be found at Appendix E.) The team asked representatives from each agency to submit four nonprofit relationships or new approaches for working with nonprofit organizations for inclusion in a report. Once nominations were submitted, White House and agency staff met to judge each submission on the following criteria: innovation, ease of replication, and impact. Through this process, staff members were able to glean a set of “effective practices,” develop a list of recommendations for other groups, and uncover some of the barriers to successful partnering.

Staff from White House staff met with representatives of the nonprofit community to solicit their input. The nonprofit representatives commended the work of some agencies for improvements they had undertaken in working with the sector and were generally supportive of the direction of the Task Force. The representatives also expressed concerns about issues related to excessive paperwork, conflicting regulations or processes, micromanagement of grants and contracts, and access to information. White House staff asked the organizations to survey their members for additional feedback; this request resulted in a survey by Independent Sector of its membership, as well as a response by the President of the Council on Foundations.

Finally, in early August, the members of the Task Force met to hear the details of the best submissions and to explore other examples to include in this report. Quickly, though, the discussion took an unexpected turn: As we called on the agency representatives to discuss their partnerships, there was a palpable shift in tone. It may have begun when Timothy Wu, a White House Fellow in the Department of Health and Human Services, described the

contribution of nonprofit partners to the success of the National Immunization Program. Or maybe the growing excitement began when Father Joseph Hacala from the Department of Housing and Urban Development told the group that he was about to fly to South Dakota for the “ground blessing” of a new youth center on the Pine Ridge Reservation that the President had called for during his visit to the reservation as part of his New Markets Tour. Father Hacala explained that this ceremony, expressing of the hopes and dreams of Native American youth, also symbolized the Administration’s commitment to authentic empowerment – a commitment to working in partnership with communities to provide opportunity and hope across America. One by one, as the other agency officials described their partnerships, participants began to ask questions and to take extensive notes. We knew that virtually every agency represented in the room could boast of at least one successful partnership, but we had not foreseen the extent to which agencies operated in isolation and were eager for more information about new ways to partner with nonprofits.

This report fulfills the President’s mandate as set out in the Executive Memorandum – to collect a public inventory of effective practices, develop a set of detailed recommendations, and identify barriers to successful collaboration. While the report is primarily focused on how government approaches these relationships and can do more to initiate or be receptive to nonprofit partnerships, we hope that it will prove useful to both government and nonprofit organizations and will encourage the development of new and innovative activities. Chapter 2 provides models of how federal agencies have joined with local networks to mobilize around shared goals. Chapter 3 shows how federal agencies have been able to access new populations and new perspectives by reaching out to a broader spectrum of nonprofits. Chapter 4 looks at ways federal agencies have been able to leverage resources through

partnerships with nonprofits. Chapter 5 discusses approaches to share information. Chapter 6 includes federal efforts to improve the effectiveness of nonprofit organizations and the responsiveness of government. The final section of the report, Chapter 7, discusses effective practices for developing successful partnerships, identifies barriers to collaboration, and presents policy recommendations for the future.

The work of the Task Force makes clear that during the last eight years, federal agencies have increasingly developed innovative and effective partnerships with nonprofit organizations that have helped them address their most pressing challenges. We hope that this report will assist future administrations in forging these relationships and enhancing the vitality of the civil society.

II. WORKING TOWARD SHARED GOALS

From immunizing our children and adults to protecting our environment, one way for the federal government to achieve its goals is to forge stronger and more efficient working relationships with the growing nonprofit sector. By developing mutually beneficial relationships with nonprofit groups, including shared decision making and goals, a federal agency can reach larger numbers of constituents and improve the quality of the services offered.

Thanks in part to this administration's enthusiastic endorsement of collaborative relationships, agencies have taken their joint endeavors with nonprofit groups beyond the traditional grantor-grantee model – they are doing more than defining a program and writing a check, handing off the work and reporting obligations to the nonprofit. Recognizing that nonprofits may, for example, be able to identify problems, mobilize fresh thinking and energy, and promote social change at the community level, agencies are increasingly capitalizing on opportunities to collaborate with nonprofit groups, devising and carrying out strategies that help them work toward and achieve common goals.

In the last eight years, federal agencies have developed new partnerships with nonprofits that are directed at achieving specific shared goals that could not be accomplished by either the agency or nonprofit organization on its own. { The examples of such partnerships described in this section demonstrate how federal leadership and resources, combined with the ability of nonprofits to mobilize grassroots action, can lead to better outcomes than either the government or nonprofits could achieve alone.

} - Some's repetitive

The National Immunization Program

Vaccines are one of the greatest achievements of biomedical science and public health. Yet, despite remarkable progress, the US vaccine-delivery system faces several challenges in implementing increasingly complex vaccination schedules. An estimated 11,000 children are born in this country each day – each child requiring 19-23 doses of vaccine by the age of 18 months in order to be protected against 11 diseases.

In 1993, the Clinton-Gore Administration launched the National Immunization Program's (NIP) Childhood Immunization Initiative, and called on the Department of Health and Human Services (HHS) to provide leadership for the planning, coordination and conduct of immunization programs nationwide. Based at the Centers for Disease Control and Prevention (CDC), the NIP offers an excellent example of a federal-nonprofit partnership – or in this case, a series of partnerships. The NIP's goals for the years 1996 and 2000 were: 1) at least 90 percent of all 2-year-olds would receive each of the initial and most critical doses of vaccines, as well as the recommended series; 2) vaccine-preventable childhood diseases would be eliminated or reduced; and, 3) a system would be put in place to make sure that these goals would continue to be met in the future. Once these goals were met, they were replaced with new 2010 targets.

While the NIP had the expertise and a national mandate to improve immunization rates, those at the helm recognized that grassroots children's health organizations and nonprofit coalitions would be more efficient at building awareness of the importance of childhood immunizations, educating parents about the benefits and risks associated with

immunization, facilitating access to health care providers, and engaging private provider, corporate and foundation partners for support.

One such local group is the Colorado Children's Immunization Coalition (CCIC), a statewide public/private partnership that is dedicated to fully immunizing Colorado children two years of age and younger. NIP provided training and technical assistance to CCIC, whose member organizations work together to enhance childhood immunization using proven interventions. In addition, NIP has worked with the Colorado Department of Public Health and Environment to develop an immunization registry throughout Colorado, and launched a statewide public awareness campaign – called “Five Visits Before Age Two” – working closely with several funding partners, including Colorado's four professional sports franchises.

The partners cite two factors contributing to their success: First they share a clear and common goal, i.e., improving the immunization rates of children. Second, they are working to achieve both depth and breadth in their public service advertising activities. NIP has shared the lessons learned during its partnership with CCIC with other childhood immunization programs across the country, spreading the word and encouraging the creation of similar projects in other parts of the country.

The Food Recovery and Gleaning Initiative and Community Food Security Initiative

In November of 1996, President Clinton signed an Executive Memorandum directing all federal agencies – with ^{the} U.S. Department of Agriculture (USDA) taking the lead – to work in partnership with nonprofit anti-hunger groups to increase the “recovery and gleaning” of excess food for distribution to the hungry. In September of 1997, Vice President Gore

convened the first-ever National Summit on Food Recovery and Gleaning, the goal of which was to generate national attention for the issue, catalyze new public-private partnerships, and announce new federal projects. In the years since the summit, significant progress has been made toward creating a structure that, with the help of nonprofit groups, will continue to distribute food to hungry Americans.

The USDA Farm Service Agency played a critical role in bringing farmers with surplus food together with food banks and other groups whose mission is to feed the hungry. USDA provided technical assistance and raised awareness about gleaning efforts. Through this initiative, USDA has helped grassroots food recovery projects distribute over 13 million pounds of excess food to nonprofit anti-hunger groups nationwide.

In addition, the Department has issued over 20,000 copies of a Citizens' Guide to Food Recovery and Gleaning, a how-to manual on starting and expanding nonprofit recovery efforts; produced a guide for National Restaurant Association members on how to donate excess food to nonprofit groups safely; and brokered a partnership between the technology firm, Hewlett Packard, and America's Second Harvest to create a website that links food producers with the America's Second Harvest food bank network.

Based on the success of the Gleaning and Food Recovery Initiative, in 1999 USDA launched a broader Community Food Security Initiative, which works on several fronts to help grassroots nonprofit groups fight hunger, improve nutrition, strengthen local food systems, and help families move from poverty to self-sufficiency. Through this initiative, USDA employees reached out to help anti-hunger organizations develop relationships with potential funders (both governmental and nongovernmental); create a "one-stop shop" to improve coordination between existing USDA programs and nonprofit groups; expand

technical assistance to build long-term local infrastructure; and educate the public about food insecurity and innovative community and nonprofit approaches.

Through the Community Food Security Initiative, for instance, USDA has built a partnership with Share Our Strength (SOS) to expand Operation Frontline, a program that engages volunteer chefs to teach hands-on nutrition education classes, in which USDA provides thousands of cookbooks for program graduates, as well as technical assistance for the program on accessing appropriate federal and state funding. USDA has also worked successfully with World Hunger Year (WHY), a nonprofit organization focused on fighting international and domestic hunger, to publicize and distribute WHY's "Replication Manuals" highlighting effective grassroots hunger and anti-poverty programs in the United States. In addition, WHY and USDA have co-sponsored regional technical assistance workshops throughout the country to connect nonprofit hunger and poverty groups with the resources and expertise of federal agencies. By working closely with nonprofit organizations in a variety of ways, the Agriculture Department used its expertise, broad reach, access to food producers, and other "assets" to improve its effectiveness in an area central to its purpose. It has achieved tremendous success in building innovative public/private partnerships at the grass-roots level with community and faith-based organizations, national nonprofit organizations, and state, tribal, and local governments to help reduce hunger, improve nutrition, strengthen local food systems, and help Americans move from welfare to work.

Chesapeake Bay Cleanup

With the signing in 1983 of the first Chesapeake Bay Agreement, the Environmental Protection Agency (EPA) launched the Chesapeake Bay Program – a unique regional

partnership that has been directing and conducting the restoration of the Chesapeake Bay.

Program partners include the Environmental Protection Agency, the states of Maryland, Pennsylvania and Virginia, as well as the District of Columbia, the Chesapeake Bay Commission (a tri-state legislative body) and several citizen advisory groups and nonprofits – primarily the Chesapeake Bay Foundation and the Alliance for the Chesapeake Bay.

The Bay Program continues to operate under subsequent Agreements, and on June 28, 2000, amid national media attention and in front of 600 citizens on the shores of the Chesapeake Bay in Rose Haven, Maryland, federal, state and local officials unveiled the newly signed *Chesapeake 2000* agreement. The momentous day was the culmination of an intensive year and a half-long process by the Chesapeake Bay Program to develop a blueprint to take the program into the 21st Century. The process included a public outreach and participation component, which garnered input from over 2,000 stakeholders and members of the public over the course of a year. This extensive outreach led to strong public support for a comprehensive agreement that will guide the Bay Program for the next decade and beyond.

Chesapeake 2000 contains very real and measurable numerical goals that are focused on desired outcomes. The media paid unprecedented attention to the signing ceremony and subsequent work on this project due to the groundbreaking aspects of the agreement. For example, *Chesapeake 2000* directly addresses the issues of sprawl and livability that have become significant national concerns, by including commitments by the Bay Program partners to reduce the rate of sprawl development of forests and farms by 30% by 2012 and to permanently preserve 20% of the Bay watershed by 2010. These are real commitments that have not been made anywhere else in the nation. Some other groundbreaking commitments include:

- removing the Bay and its tidal tributaries from the Impaired Waters List by 2010;
- striving for zero release of toxic chemicals and phasing out mixing zones by 2010;
- no net loss of existing wetlands, and a net gain of 25,000 acres by 2010;
- tenfold increase in oysters by 2010, and the establishment of Baywide crab harvest numbers in 2001;
- enhanced environmental education including an outdoor Bay or stream experience for ALL students in the watershed beginning with today's 8th graders; and
- increasing public access points to the Bay by 30% by 2010 and increase water trails by 500 miles by 2005.

In this multi-party alliance, the role of the federal agency – the EPA – is to provide leadership, through its Chesapeake Bay Program Office in Annapolis, Maryland, along with administrative, technical, financial and other information assistance. The nonprofit partners, including the Chesapeake Bay Foundation and the Chesapeake Bay Alliance, play different roles that utilize their outreach capacity, volunteer networks, and extensive education programs to advance the shared goal of cleaning up the Bay. They are involved in a range of restoration-related efforts, including educating citizens on flood control and stream-bank erosion and teaching innovative monitoring procedures, training a corps of citizens to provide physical assistance to farmers in planting riparian buffers, and installing fencing to keep livestock out of critical sites.

Other initiatives, such as Businesses for the Bay, have provided partnerships between the business community and the Chesapeake Bay Program to voluntarily reduce toxic waste being released to the water or ^{into} the air. Larger companies who are members of Businesses for the Bay have mentoring programs for smaller businesses ⁱⁿ how to decrease their waste stream. In 1999 alone, members of Businesses for the Bay reduced releases by 773 million

pounds. There is success on several fronts, but an onrushing tide of population growth, landscape changes and increased vehicle travel within the Bay watershed, means that much more remains to be done.

?? Left hanging

The Children Exposed to Violence Initiative

In December of 1998, President Clinton launched the Children Exposed to Violence Initiative (CEVI), funded primarily by direct grants from the Department of Justice (DOJ). The Initiative has expanded into a full multi-agency, multi-disciplinary effort designed to reduce child maltreatment across the country. Based on a strong commitment to this effort by the agency leadership, this partnership has led to the proliferation of dramatically successful models of prevention and intervention on behalf of children who have experienced or witnessed violence.

CEVI is designed to coordinate and expand upon DOJ's policies and programs that are aimed at helping children who are exposed to violence. CEVI has five objectives: 1) justice system reform; 2) legislative reform; 3) program support and development; 4) public awareness and community outreach; and 5) a parenting initiative.

DOJ offers direct grants to promising local programs, such as New Haven's Child Development-Community Policing project. For instance, through an extraordinary multidisciplinary intervention program, the Yale Child Study Center has the New Haven Police Department, area schools, and state child protective services collaborate to provide immediate mental health services to child victims and witnesses of violence. In New Haven, experts in treating traumatized children and families respond with law enforcement officers at every crime scene where children are involved and in need. Police officers train the child

Is this Conn?

development specialists; the mental health providers train the law enforcement; and children are the winners.

Among the many projects funded by CEVI is a monograph called "Breaking the Cycle of Violence: Recommendations to Improve the Criminal Justice Response to Child Victims and Witnesses." The monograph describes in detail many of the strategies that communities can adopt to protect child victims and witnesses of violence. DOJ also worked with the Children's Mental Health Alliance (CMHA) to develop "Through my Eyes," an award-winning video on children exposed to violence. *→ of where (national?)*

Recognizing that communities could learn from one another's experiences, in June of 1999, DOJ, HHS and several nonprofit partners, including CMHA and the I Am Your Child (IAYC) Foundation, convened Safe from the Start: The National Summit on Children Exposed to Violence. This summit brought together experts in law enforcement, child development, medicine, mental health, domestic violence, education, and the media to identify model prevention, intervention and accountability practices, and develop a National Action Plan to address the needs of child crime victims and witnesses. *→ what successes?*

After the ~~success of~~ the National Summit, DOJ challenged state and local leaders to convene similar statewide or regional summits to implement the strategies in the National Action Plan and initiate or support local collaborations, like the New Haven model. The IAYC Foundation ^{*in its commitment*} ~~committed~~ to ~~convening~~ ^{*committing*} six additional summits throughout California, and a dozen other states, from Massachusetts to Illinois to Oregon, staged successful follow-up summits, ~~taking~~ ^{*which has helped to spread*} the spirit of collaboration to communities across America.

Conclusion

Scores of other examples of successful partnerships show the benefits of federal agencies providing national leadership in concert with local mobilization to accomplish shared goals. For instance, in May 1997, Vice President Gore created the Welfare-to-Work Coalition to Sustain Success, which brings together national civic, service, and faith-based groups who, in partnership with public agencies and employers, help former welfare recipients succeed in the workforce. ^{spell out → fix} (DOJ's Operation Weed and Seed has mobilized a network of local groups to devise strategies to "weed out" violent crime and drug abuse and "seed" neighborhood improvements. ^{Additionally,} ~~And~~ the national effort to enroll uninsured, low-income children in the State Children's Health Insurance Program (SCHIP) ^("see page?") has yielded several model partnerships that have helped provide health coverage to over 2 million children. ^(nationwide?) Launched ADD by HHS and the National Governor's Association in February 1999, the impact of the Insure Kids Now! Campaign and toll-free national hotline grew exponentially as a variety of nonprofit networks helped spread the word through flyers, newsletters and door-to-door canvassing. The 5 Goals 4 Kids program, which brings together HHS, DOJ, and the Department of Education (ED) with nonprofit partners like the United Way, has also mobilized communities to promote SCHIP enrollment.

These and other examples demonstrate how federal agencies and nonprofit organizations that share goals and work together can maximize their effectiveness. In some cases, the federal agency has provided funding for the partnership; in others, they use their technical expertise and leadership to catalyze action. Nonprofit organizations bring their own knowledge and networks to the task. There is no one model, but there are common practices

that can be replicated to stretch resources further, meet common goals and solve common problems. As the nonprofit sector grows in size and importance, there will be even greater opportunity to forge partnerships that marry the resources and leadership of the federal government with the vast on-the-ground capabilities of tens of thousands of nonprofit groups, businesses and citizens – all addressing pressing public problems and all working toward common solutions.

III. REACHING OUT TO A BROADER SPECTRUM OF NONPROFITS

Some nonprofits – particularly the larger, well-established organizations that receive significant federal funding – traditionally work closely with federal agencies. But others, because of their lack of connections, limited resources, size, and other barriers, do not. Nonetheless, these less well-represented organizations are important partners to federal agencies and important advocates for their constituencies. For this reason, the Clinton-Gore Administration has made it a priority to invite the participation of a broader spectrum of nonprofits through a variety of mechanisms.

Working with faith-based organizations

Historically, federal agencies have approached partnerships with faith-based organizations very cautiously, due to the constitutional separation of church and State. However, because of the importance of faith-based organizations to many communities across America, the Clinton-Gore Administration has explored new ways to build close working relationships with religious organizations, while respecting constitutional requirements. *limitations* For example, this year there were some 6,000 AmeriCorps members serving with faith-based organizations and thousands of religious organizations help^{ed} get emergency food from USDA to the hungry through food banks, food pantries, and hot meals programs. Moreover, under the welfare reform ^{of 1996} law, states have the authority to provide welfare funding to faith-based organizations to provide mentoring and other supports *as people move from welfare to work.* In Fall 1999, HHS hosted a national conference to help strengthen partnerships between the

faith community and state and local agencies around the design and implementation of programs to promote self-sufficiency. *(Add: Here are a few examples?)*

The Center for Community and Interfaith Partnerships

One particularly visible and successful example of a federal agency reaching out to faith-based organizations is HUD's Center for Community and Interfaith Partnerships. Established in 1997, the Center is the first office in a federal agency specifically created to address the needs of community and faith-based organizations that participate or are interested in federal grant programs. The Center fulfills its mission in several ways: First, it acts as a clearinghouse, providing information about HUD programs available to fund community-building efforts, publicizing best practices in implementing HUD programs, and performing education and outreach targeted at nonprofits that either have never received grant assistance or are interested in expanding their activities. Second, the Center acts as a troubleshooter, assisting nonprofit groups in navigating the HUD system, resolving problems, and responding to community and faith-based group inquiries and concerns. Third, the Center serves as an advocate within the department for community and faith-based groups – ensuring that their interests are considered when HUD policies and programs are being developed.

Furthermore, the Center^{was} is designed to ensure that community and faith-based groups are included in initiatives, outreach and educational activities conducted by HUD and its specific program areas. *Sounds repetitive*

The Strategic Approaches to Community Safety Initiative

Another partnership that taps into faith-based and community-based groups at a local level is called the Strategic Approaches to Community Safety Initiative (Strategic Approaches). Partners include United States Attorneys, local law enforcement, and community and faith-based organizations whose goal is to reduce crime. The Middle District of North Carolina, which includes Winston-Salem and High Point, N.C., has established a particularly promising relationship with clergy and other community leaders called Operation Reach.

→ Operation Reach involves home visits where police officers, probation officers, clergy, and community leaders go on probationer home visits together. Together the team of clergy and police stand ^{and} ~~delivers~~ ^(message on what?) a stern message to probationers, while offering the services of the community to these individuals. All available evidence suggests that this method is working — not only are members of the community safer, but police officers are also safer in the company of members of the clergy than they would be alone.

Outreach to Small Grassroots Organizations

Grassroots groups, like faith-based organizations, have not always found it easy to gain access to federal resources and information. However, these smaller, community-based organizations often enjoy the trust of low-income communities and underserved populations, such as women and minority communities. For this reason, federal agencies deploy a variety of strategies to support and develop the capacity of grassroots programs that help bring federally supported services to those who most need it.

EPA's Technical Assistance Grants

One approach taken by federal agencies is to provide technical assistance to targeted community groups. Cleanup of hazardous waste sites is a complicated process in which few local people can participate without the aid of experts. To assure that local residents can participate in the cleanup process, EPA makes Technical Assistance Grants (TAG) available to qualified local nonprofits. Most TAG funds are used to hire independent technical advisors to help communities interpret, understand, and comment on site-related decisions. The types of support an advisor can provide include helping groups review site assessment/investigation data, participating in public meetings to clarify information about conditions, and visiting site locations during cleanup to observe and provide technical updates to the community. In this way, EPA's program gives nonprofit groups, organizations and coalitions the power to determine the future of their own neighborhoods. To date, EPA has awarded approximately 235 grants valued at more than \$18 million. Numerical information only speaks to part of the program's results, however. Without question the most important results are those the program generates within communities. As one TAG organization put it:

The funding awarded to Aberdeen Proving Ground Superfund Citizens Coalition (APGSCC) through the US EPA TAG program has enabled our group to effectively serve as a resource in the community through which citizens can take part in and learn about many human health and environmental issues related to the hazardous chemicals present at Aberdeen Proving Ground.

Financial Services Education Coalition

As the Treasury Department embarked on a congressionally-mandated conversion from issuing checks to making electronic funds transfers (EFT), there was widespread recognition that many individuals who receive federal benefits, wages, salaries or retirement

or what?
of these

payments lack a bank account or a basic understanding of the benefits of receiving payments electronically. Low-income federal check recipients were especially likely to lack basic financial skills that would enable them to make informed choices. To promote financial literacy, the Treasury Department joined together with other government agencies, national organizations, consumer groups, and financial trade associations to form the Financial Services Education Coalition, which published a comprehensive guide for community educators called, "Helping People in Your Community Understand Basic Financial Services."

In addition, the Treasury Department has developed a community outreach initiative to share information with individual federal check recipients, either directly or through the organizations that are in touch with them. Regional managers provide train-the-trainer sessions around the country to ensure that people who work with recipients on a regular basis, whether social workers or community activists, understand the options of receiving federal payment electronically through direct deposit into a traditional bank account ~~or~~ into a new, low-cost ~~new~~ Electronic Transfer account at federally insured institutions, or to continue receiving their payment by check. In many regions of the country, Treasury has issued mini-grants to community-based organizations, faith-based groups and nonprofit social service agencies to conduct these sessions.

The campaign also coordinates meetings to bring banks and credit unions together with community organizations to encourage dialogue and strategic partnerships between service providers for the "underbanked" federal check recipients and local financial institutions.

Women Business Centers

Recognizing that women historically have been underrepresented in the business community, the Small Business Administration (SBA) funded nonprofit organizations to serve as Women Business Centers (WBCs) to provide extensive training to women who own small business^{es}. Each center provides women with assistance and/or training in finance, management, marketing, procurement and the Internet, while addressing specialized topics such as home-based businesses, corporate executive downsizing and welfare-to-work. WBCs work extensively with chambers of commerce, civic organizations, and economic development groups to offer services in all communities, including rural and economically depressed areas. All provide individual business counseling and access to the SBA's programs and services.

ACCION Texas

Not very clear what the role of Comm. is here!

Recognizing that community-based initiatives are often better able to deliver services to underserved communities, the Department of Commerce^(DOC) invested in needed infrastructure to help ACCION Texas provide entrepreneurial support to a largely Hispanic community.

ACCION Texas is a nonprofit community development program that offers small loans – sometimes known as “microcredit” – to individuals who are starting or own a very small scale business in an economically depressed community in San Antonio, Texas. In May 2000, ~~the~~ ^{DOC's} Economic Development Administration awarded a \$500,000 grant to ACCION Texas to purchase and rehabilitate a building that will house the statewide headquarters of ACCION, a storefront microcredit lending office and a regional center for economic development. In its new location, this facility will deliver small loans and ongoing technical assistance to

entrepreneurs in the heart of impoverished communities. ACCION Texas not only helps microentrepreneurs strengthen their businesses, it helps them create additional employment and contribute to the economic revitalization of their communities. Typical ACCION borrowers include small family-owned storefronts and home-based businesses. The majority of ACCION Texas borrowers are low-income, Hispanic women.

Conclusion

Without special efforts to reach beyond the well-funded organizations with Washington representatives and staff dedicated to influencing policy and obtaining federal grants, federal agencies might well neglect the communities that most need services and can provide access to target communities. By working closely with intermediary organizations and coalitions of small grassroots organizations, streamlining the grant-making process, creating an office or designating an individual to serve as a nonprofit liaison, providing technical assistance to organizations that serve hard-to-reach constituencies, or setting aside resources for underserved groups, federal agencies improve their ability to assist previously under-served communities and can benefit from the experience of grassroots organizations.

IV. LEVERAGING RESOURCES

For maximum effectiveness, partnerships may need to involve not just the federal agency and nonprofit organization, but also businesses, state and local government agencies, or foundations. In some cases, resources are needed to achieve shared goals that are not available through either the federal government or nonprofits, such as marketing expertise and media access. In others, private sector funders may find that their resources go further if they work closely with agency program staff to create synergies among the different funding streams. In still others, the federal agency may use its visibility or expertise to catalyze action by private sector funders in specific areas.

Joint Sponsorship of Events or Projects

An increasingly common form of partnership is joint sponsorship of events or projects. In 1997, for example, the Corporation for National Service (CNS) joined forces with the nonprofit Points of Light Foundation, created during the Bush Administration, to organize the Presidents' Summit for America's Future. All the living Presidents, with Nancy Reagan representing her husband, gathered in Philadelphia to urge every American to increase the nation's commitment to its young people – a commitment that has since been captured in "Five Promises" for youth -- caring adults, safe places, healthy start, marketable skills, and opportunities to serve – now promoted by the new nonprofit, America's Promise.

*Does
CNS have a
continued role?*

Save America's Treasures

One of the centerpieces of President and Mrs. Clinton Millennium Program is Save America's Treasures, a ^{still?} new national preservation program organized by the White House Millennium Council in partnership with the National Park Service and the National Trust for Historic Preservation. The Millennium Council was created in 1997 to invite all America's to mark this historic time in meaningful ways: to "Honor the Past and Imagine the Future," as the millennium motto states.

President and Mrs. Clinton wanted to find ways to celebrate our culture and history and to make sure that a future generation of Americans understood the many peoples and stories that have shaped our nation. They were aware that great national treasures, such as the Star-Spangled Banner, the Declaration of Independence, the United States Constitution and many historic sites were at risk of deterioration. After consulting with the National Park Service and a number of nonprofit preservation organizations, the Millennium Council realized that the preservation challenge was widespread and affected many artifacts, documents, monuments, art objects and historic structures across the country. To save our historic legacy would be a gift to the future that could be made for the millennium, and like all successful preservation initiatives, it needed leadership and partners. The President proposed, and Congress approved some \$95 million over three fiscal years in new federal funds to the National Park Service for a national grants program. Each federal Save America's Treasures grant ^{was to have been} ~~must be~~ matched by the same amount in state or private funds, and the successful applicants were either nonprofits or federal agencies caring for collections and sites of national significance and educational value. Projects as diverse as Ebenezer Baptist Church

in Atlanta, Mesa Verde National Park, Saving the Silent film preservation and Ellis Island were supported.

At the same time, the Millennium Council consulted with and gained the cooperation of the National Trust for Historic Preservation -- the oldest and largest preservation nonprofit in the country. The Trust was convinced that once people knew about the important aspects of our heritage that were at risk, they would want to help save them. The Trust organized the Millennium Committee to Save America's Treasures, a group of about 100 citizens, some of whom were new to preservation efforts. Mrs. Clinton served as the honorary Chair of the group which ^{was} co-chaired by Richard Moe, the Trust's president, and by another prestigious member, ^{Susan Eisenhower}. That group began learning about sites and objects that needed immediate support, and, by October, 2000, they contributed and raised almost \$60 million in private funds for conservation projects such as George Washington's Revolutionary War tents, the Louis Armstrong House and Archives, the M'Clintock House at the Women's Rights National Park, the Harriet Tubman Home and many more. The Trust also contributed a website, with support from AT&T, and produced educational material for teachers and schools with Time-Warner. The Trust recognized all the sites that received public or private funding, plus others of regional significance by naming 700 of them "Official Save America's Treasures sites." ^{Don't}

To kick off this partnership program, President and Mrs. Clinton stood before the fragile Star-Spangled Banner at the National Museum of American History, ^{before} the flag went to its special conservation laboratory at the museum. Beside them stood Ralph Lauren, whose company Polo Ralph Lauren had donated \$10 million to save the flag, and Rebecca Rimel, president of the Pew Charitable Trust, which gave \$5 million. The flag also received a

federal Save America's Treasures grant. This was the first of some 45 Treasures events for the Clintons, Vice President Gore and Richard Moe.

So far, the program has funded over 220 sites and collections with public and private funds, and has greatly raised public awareness of the importance and condition of our heritage. Given these results, Save America's Treasures has a high probability of continuing into 2001 and beyond.

Vital Voices

In the foreign policy arena, the State Department's Vital Voices Democracy Initiative shows that partnerships can cross international boundaries to make a lasting and positive difference in the lives of foreign citizens as well as Americans. Launched in 1997 to amplify and support the voices of emerging women leaders around the world, Vital Voices built on the Plan of Action passed by the delegates to the United Nations Fourth World Conference on Women. Thanks to the leadership of the First Lady and the Secretary of State, women's rights have taken their place as part of the mainstream of American foreign policy.

Vital Voices relies heavily on donated in-kind training, support and expertise from nonprofit organizations, and has leveraged corporate support from a host of national and international businesses. Organizations such as Discovery Communications, McKinsey & Co., the World Bank and Georgetown University have partnered with Vital Voices to, among other activities, host technology training sessions, fund website development, coordinate research symposia and engage additional private and public sector partners.

One example of the way in which Vital Voices has worked with nonprofit partners is the week-long Vital Voices Leadership, Advocacy and Communication training session for

women in Russia and the Balkans that took place in May 2000. The nonprofit National Democratic Institute for International Affairs (NDI) hosted one of the major training sessions called Strategic Planning for Making a Difference in Politics. This session focused on leadership development, communication and approaches to building constituencies to help women from emerging democracies become involved in the political process.

Through efforts like this one, Vital Voices continues to create unprecedented partnerships and has unleashed a growing global movement of people who support women building strong democracies.

“Friends of” and Other Dedicated Nonprofit Organizations

Across the country, numerous nonprofit organizations provide services closely linked to the functions of government programs. For instance, the National Peace Corps Association (formerly the National Council of Returned Peace Corps Volunteers), a 501(c)(3), was incorporated in 1983 as the national alumni association for the people who have served as volunteers and staff in the Peace Corps. It includes among its goals a mission to educate the public about other countries and cultures, support the network of alumni, promote domestic and international community service, advance policies and programs consistent with the Peace Corps experience, and ensure the continued success of the Program. Other agencies and programs with similarly dedicated nonprofit partners include AmeriCorps (AmeriCorps Alums), the National Park Service (the National Park Foundation), the Art in Embassies Program (Friends of Art and Preservation in Embassies), Head Start (the National Head Start Association), and most recently, the National Endowment for the Humanities (the National Trust for the Humanities).

US Coast Guard Auxiliary

Another example of a dedicated nonprofit partner is the US Coast Guard Auxiliary, the civilian volunteer arm of the Department of Transportation's United States Coast Guard that assists in promoting boating safety awareness, and protecting boaters on the water. Over the course of 61 years of service, Auxiliary members have saved thousands of lives. And, since the enactment of the Coast Guard Authorization Act of 1996, their role in non-traditional missions, such as marine environmental protection, recruiting, and public affairs, has grown substantially. In addition to their traditional role in water safety, through the Sea Partners program, volunteer Auxiliary members spend thousands of hours educating the public about environmental issues, the prevention of pollution, possible waterway dangers and threats to life. Its 35,000 volunteers perform voluntary safety checks on thousands of commercial fishing boats, ensure compliance with federal safety regulations and give direct assistance to Coast Guard rescue missions. A recent study showed that each dollar invested in the auxiliary returns about four dollars in prevention and response services. In addition to its economic value, the Auxiliary gives the boating community a sense of purpose and pride in being "self-regulated."

Partnerships with Private Sector Funders

A small but growing number of foundations have found that their funds go further or have a greater impact if they work in tandem with other funders, including federal agencies. As Council on Foundations President and CEO Dorothy Ridings notes:

Beyond the goal of sharing information, agencies and foundations could also explore ways in which they can work together from the outset to design and implement programs. For example, federal agencies could benefit from the lessons learned from experimental programs funded by foundations. In turn successful programs that federal agencies implement might help prompt foundations to support and build upon similar efforts. Such coordination may give more legitimacy to both public and private efforts, avoid duplication of resources, help fill service gaps and better achieve policy goals.²

Ridings offered several current examples of foundation work with agencies, including the Packard Foundation's work with the Department of the Interior on land use issues and with the State Department on programs in developing countries; the Enterprise Foundation's partnership with HUD on community development and housing issues; the Robert Wood Johnson Foundation's work with the HHS on establishing immunization monitoring systems; and the W. K. Kellogg Foundation's coordination with CNS on service learning issues.

The President's 21st Century Community Learning Centers Program

One notable partnership between an agency and a foundation is the collaboration between the Department of Education and the Charles Stewart Mott Foundation over the past three years to support community-based afterschool programs funded through the President's 21st Century Community Learning Centers grant program. ED administers the program and supplies funds to local communities through a competitive grant process. The Mott Foundation provides funds for training, technical assistance, program evaluation, and public will.

For example, ED has worked closely with the Mott Foundation to ensure that all school districts can prepare high-quality applications. By simply providing technical

² Letter to Shirley Sagawa, Deputy Assistant to the President and Deputy Chief of Staff to the First Lady, March 10, 2000.

assistance on what constitutes a quality program, how to collaborate, and how to accurately complete applications for afterschool funding, the Mott Foundation has strengthened the pool of recipients significantly since its inception. The average standardized score for grant applications has gone up from 72 in 1998 to almost 80 in 2000.

ED and the Mott Foundation also co-created the Afterschool Alliance, a coalition devoted to raising awareness and expanding resources for afterschool programs. The vision of the Afterschool Alliance, consisting of such notable partners as JC Penney, the Advertising Council, the Entertainment Industry Foundation, and the Creative Artists Agency Foundation, is to ensure that every child in America has access to quality afterschool programs by the year 2010. Toward this end, the Afterschool Alliance has secured millions of dollars in direct and in-kind contributions to spur the growth, improve the quality and work toward the sustainability of afterschool programs.

Over the next seven years, the Mott Foundation has committed almost \$100 million to continue their training and technical assistance efforts, as well as identify best practices, evaluate current programs, tap into public will for afterschool programming, and promote access and equity. The Afterschool Alliance will continue to provide technical assistance in every state; to track national attitudes on afterschool programs through surveys and research; and to conduct a public education campaign. Not surprisingly, in validation of the initiative's success, the majority of education legislation passed last year included requirements for local or state level collaborations.

The National Community Development Initiative

The National Community Development Initiative (NCDI) was created in the early 1990s when the Rockefeller Foundation found that there was significant public, philanthropic and corporate interest in developing a collaborative mechanism for financial and technical support to nonprofit community development corporations. NCDI now combines resources from 15 major national corporations and foundations, HUD, and local public and private organizations to offer grants and low-interest loans for locally driven efforts to improve distressed inner city neighborhoods. With these resources, community-based nonprofit groups build houses, develop health and child care centers and other neighborhood facilities, create jobs and business opportunities, and help residents gain an economic stake and voice in their communities.

Core funders of the initiative are providing a total of \$103 million – an amount that, when coupled with financial resources committed by over 250 local partners (including state and local governments, local foundations, banks and corporations) is expected to generate more than \$2 billion for community revitalization. This initiative demonstrates how large federal and nonprofit funders can improve the quality of life at the neighborhood level by supporting local community-and faith-based organizations.

Catalyzing Private Sector Action

➔ The ability of federal agencies to stimulate activities by private sector organizations makes possible the achievement of goals that could not be met by a federal agency on its own. With this in mind, many agencies have challenged the private sector to use its resources to address

important priorities, from arts education to improving technology in schools. Two partnerships described below, the Youth Opportunity Movement and the Welfare to Work Partnership, have been exceptionally successful in mobilizing the business sector to expand access to skills, supports and opportunities to become gainfully employed for vulnerable youth and parents seeking to move off of welfare.

Youth Opportunity Movement

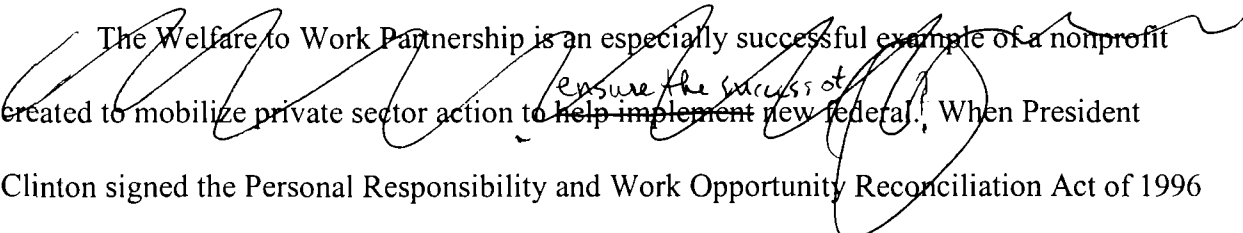
The Department of Labor's (DOL) Youth Opportunity (YO!) Movement is an excellent example of how a federal agency can stimulate private action – both for-profit and nonprofit – to complement government efforts. Launched in 1998, the YO! Movement is a partnership-building network that helps communities access all of their resources to help at-risk youth. The role of the Department is to create a ground swell of support for the employment and social needs of out-of-school youth by bringing these issues to the public arena. Through the YO! Movement, corporations provide jobs, internships, apprenticeships and mentoring opportunities; foundations provide funding to local programs for capacity-building, technical assistance, leadership development and research; and celebrities volunteer time to promote the movement through public service announcements and public appearances.

In February 2000, DOL awarded \$223 million in Youth Opportunity Grants to help 36 communities forge local partnerships to attack unemployment of out-of-school youth. These local partnerships bring together everyone from church pastors to corporate CEOs, teachers to cops, sports stars to elected officials. Together they provide a range of supports and opportunities (such as skills training, counseling, mentoring, and job placement) to young people in targeted high unemployment areas. Both through these grants and through the

broader effort to catalyze private action, the YO! Movement helps young people empower themselves and contribute to their communities by getting employment skills needed to compete in the 21st century economy.

One additional collaboration that has come out of this initiative is the YO! Leadership Institute operated by the National Center for Strategic and Nonprofit Planning (NPCL). Jointly funded by DOL and the Charles Stewart Mott, Ford and Rockefeller Foundations, NPCL recently convened its first training session for 400 individuals who work with youth. NPCL, a nonprofit based in Washington, DC, is able to build a curriculum that effectively meets the needs of local youth workers through an approach that combines training, mentoring and job shadowing.

The Welfare to Work Partnership

The Welfare to Work Partnership is an especially successful example of a nonprofit created to mobilize private sector action to ~~help implement new federal~~ ^{ensure the success of}. When President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (more commonly referred to as the Welfare Reform Act), he understood that the successful transition of millions of Americans from welfare to work would require a national mobilization of private-sector employers. Five founding companies created the Welfare to Work Partnership in response, and in the ensuing four years, more than 20,000 additional companies signed on, pledging to hire welfare recipients without displacing existing workers. Through foundation, corporate and government grants, the Partnership provides information and technical assistance to companies nationwide, encouraging them to hire, retain and promote welfare to work employees. Since the founding of the Partnership, member

companies have hired an estimated 1.1 million former welfare recipients, who earn, on average, \$7.80 an hour or, if salaried, \$19,641 a year. The majority of participating companies say that their welfare to work hires stay on the job as long or longer than other new hires, which translates into a more stable workforce and a stronger bottom line.

The Department of Labor has worked closely with the Partnership to incorporate employer views into the development and implementation of federal welfare policy and to promote employer participation in the national dialogue on the successes and challenges of moving people from welfare-to-work. For instance, DOL and the Partnership co-sponsored a three-day conference called Welfare to Work Partnerships - One America held in August 1999, which represented a unique opportunity for businesses, communities and government leaders to learn from one another's experiences and inspire one another to do more.

Fostering Charitable Giving in the Federal Workplace

The Combined Federal Campaign

As the largest workplace giving program in the world, the Combined Federal Campaign (CFC) allows federal employees to support national and local nonprofits. CFC contributions are an important source of general financial support for thousands of nonprofits. Besides enabling the delivery of needed services, CFC contributions also help to leverage contributions from other sources, including private sector employee donor programs and other state and local government employee workplace giving campaigns.

The Office of Personnel Management (OPM) oversees the CFC and serves as the main source of information on this fundraising program for thousands of federal donors and

participating charities. The campaign is conducted in all federal agencies for 6 weeks every fall. In 1999, almost 1.5 federal employees, including postal workers and employees from the Executive Branch and the military, gave nearly \$218 million (largely through payroll deduction) to over 40,000 nonprofit organizations worldwide through CFC. The charities supported through the CFC range from nascent community groups to large, well-known charities.

Partnerships with nonprofit organizations are a core part of the CFC structure. In each of the 370 CFC areas throughout the country, local and national nonprofit organizations collaborate closely with committees of volunteer federal employees to design marketing strategies for the campaign and to process the receipt and distribution of federal employee contributions to the charities they choose.

CFC also directly involves participating nonprofit organization leaders in the design of new policies and programs that are shaping the future of the Combined Federal Campaign. For example, nonprofits are lending their expertise in web-based philanthropy to new efforts to use technology to integrate the participation of millions of federal retirees in the CFC and bring new efficiencies to giving in the federal workplace through the use automated giving. ??

These partnerships are promoting greater direct giving from federal employees to local and national nonprofits while helping nonprofit organizations use these contributions to leverage financial resources from other sources.

Conclusion

Through close partnerships, federal agencies and nonprofits have been able to leverage additional resources and mobilize private sector actors towards a common goal. Nonprofit

partners can play an important role in raising funds for joint initiatives, engaging volunteers, and reaching out to businesses and foundations. At the same time, federal leadership and programs, like the CFC, can raise the visibility of issues and organizations, as well as critical operating funds, to allow nonprofits to leverage outside resources.

V. SHARING INFORMATION

Nonprofit leaders say that, when working with the government, access to information is a priority – from data that is available on the nonprofit sector itself, to information on best practices and opportunities for funding. At the same time, many federal agency officials report that they are dependent on nonprofit networks to disseminate information to specific constituency groups. Partnerships are one effective approach to improving the flow of information in both directions; use of information technology is another.

Uses of the Internet

More than a dozen federal agencies – from ~~the ED~~ and SBA to the Department of Energy and the General Services Administration – offer funding, services, or information pertinent to nonprofit organizations. For nonprofits unfamiliar with the structure of the federal government, navigating these agencies to identify useful resources can be a challenge. The Nonprofit Gateway – www.nonprofit.gov – was built in 1997 to serve as a central starting point to help nonprofit organizations access online federal information and services. Specialized, issue-specific sites also have been developed, such as www.afterschool.gov, to connect information-seekers to federal resources that support children and youth during out-of-school hours.

EDSITEment

Another issue-specific site, EDSITEment – “The Best of the Humanities on the Internet” -- is a portal site on the Internet created by the National Endowment for the Humanities in partnership with the nonprofit Council of the Great City Schools and the MCI Worldcom Foundation. EDSITEment (found at EDSITEment.neh.gov) links teachers and students to humanities-based websites inside and outside of government that meet rigorous standards of excellence and educational utility. Customized learning guides demonstrate how to use the site as an instructional tool. Primarily designed for teachers, it can also be used by students, parents, and the public. The site currently averages over 26,000 hits per day, and perhaps more significantly, a recent survey of users indicated that nearly 7,000 users had used the site more than once. EDSITEment continues to receive favorable reviews from educational journals and websites, and the number of user sessions has increased each academic year.

In addition to using the Internet’s full potential to share information, the EDSITEment project also has leveraged significant private resources, including \$1.7 million from the MCI WorldCom Foundation. Energized by the success of EDSITEment, the MCI Worldcom Foundation has used it as a model for structuring six additional sites in other areas of the curriculum, enlisting several major nonprofit groups in the process: geography (The National Geographic Society), sciences (American Association for the Advancement of Science), economics (National Council on Economic Education), mathematics (National Council of Teachers of Mathematics), and the arts (the John F. Kennedy Center for the Performing Arts).

Strategies To Disseminate Information Through Nonprofit Networks

Partnership for Family Involvement in Education

Some agencies have found it useful to build networks of nonprofits and others with common interests as a means to disseminate information and link like-minded organizations with one another. For example, the Partnership for Family Involvement in Education was created in 1994 to promote and foster partnerships and communication among schools, parent organizations, faith-based groups, community nonprofits, and employers. Its goal is to spread the message that entire communities should be involved in education and that all types of groups can make valuable contributions to help increase family involvement in a child's schooling. To encourage such support and to bring groups together, the Partnership convenes meetings, directs research, develops partnership guides, hosts teleconferences, and provides a newsletter, website and extended technical assistance to communities and community groups interested in advocating for education. The goal is to have partners connect with each other, pool resources and ideas, share their best practices and be recognized for their efforts.

National Spatial Data Infrastructure

Federal agencies also can play an important role in consolidating information from a variety of federal and nonfederal sources to make it easier for users to access. The National Spatial Data Infrastructure (NSDI) is an excellent example of a partnership that includes multiple nonprofits working in concert with government and industry to build an electronic infrastructure bringing together all the national geographic databases on the Web. The United

States Geological Survey provides ongoing staff and funding support to the data coordination activities of the Federal Geographic Data Committee (FGDC), an interagency committee that promotes the coordinated use, sharing, and dissemination of geospatial data (such as environmental, population, and social statistics). One of FGDC's primary goals is to develop an easily accessible 'national' resource of this information – the NSDI. Governments at all levels, businesses, and other public and private sector institutions are universally recognizing the value of place-based information in managing complex natural and social environments. Geographic information is part of almost all government and business processes, but in the past has been collected to serve limited purposes and has not been shared or integrated across organizational boundaries. No one agency or organization can or should build all of its geographic data alone. The NSDI is providing the ability for users to find, get and use geographic information they need to address issues of concern to their communities.

Recognizing that a variety of constituencies have a stake in building the NSDI, FGDC has established relationships with industry, local governments, and non-governmental organizations such as the National Association of Counties, the National States Geographic Information Council, and the Open Geographic Information Systems (GIS) Consortium to create and review the infrastructure. Among their activities, cooperating groups participate in several FDGC activities including: promotion of FGDC-endorsed standards for geospatial data transfer, content, collection, and quality control; standards development, review and implementation; and participation in the National Geospatial Data Clearinghouse and the National Geospatial Data Framework. Working with a large variety of groups not only provides access to an expanded geospatial data community, it also fosters increased

communication and collaboration among public and private sector organizations who collect and utilize geospatial data.

National Campaign to Prevent Teen Pregnancy

In President Clinton's 1995 State of the Union, he challenged parents and leaders across the country to come together in a national effort to reduce teen pregnancy. The National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was founded in February 1996 in response to this call to action. Supported almost entirely by private donations, this nonpartisan organization is independent of the government, but works collaboratively with HHS and other federal agencies that deal with young people, to disseminate information to youth, parents and communities.

In October 1999, the National Campaign and HHS jointly released "Get Organized: A Guide to Preventing Teen Pregnancy." This guide stresses the importance of long-term, localized approaches to teen pregnancy prevention, with careful evaluation to document results and aid in program improvement. The guide shares strategies on how to conduct community needs assessments, raise funds for prevention programs, craft a prevention message and move forward in the face of conflict. In addition, it offers proven approaches to engaging and effective ways to involve teen boys and young men, parents, the faith community, businesses and health professionals. Both HHS and the Campaign have publicized this guide and it has been widely disseminated, both in print and through the HHS website.

A similar collaboration between the National Campaign to Prevent Teen Pregnancy, the Office of National Drug Control Policy, the Campaign for Tobacco-Free Kids, the

National Campaign Against Youth Violence, the U.S. Department of Education, and the U.S. Department of Health and Human Services, undertaken at the request of the White House, produced a guide for parents of teenagers to help them discourage high-risk behaviors and promote positive youth development. The guide was released at the White House Conference on Teenagers in May 2000. The Campaign has also engaged private sector media partners and advertising agencies to develop and disseminate messages aimed at teenagers and their parents.

Conclusion

Public-private partnerships are serving as an effective way for agencies and nonprofit organizations to exchange or disseminate information. New technology can only increase the possibilities for improvements in this area. Not only can collaborative websites consolidate access to federal resources in one place or post information from a variety of sources on a specific topic – the interactive nature of the Internet also makes it possible for users to connect with one another (as on the planned Vital Voices site) and post their own information (as can be done on the ^{as is planned for the upcoming} National Partnership for Family Involvement in Education site). These types of websites call for even greater cooperation between nonprofits and government to get relevant information from both sectors to end-users through a single, easily accessible site.

what is it?

VI. IMPROVING THE EFFECTIVENESS OF NONPROFIT ORGANIZATIONS

Federal dollars make up a significant portion of the overall budgets of many nonprofits. Unfortunately, however, the complexity of federal regulations, inconsistent applications and policies among different federal programs, and excessive paperwork may make the receipt of federal funding a mixed blessing. Some have argued that federal practices and policies actually undermine the effectiveness of many nonprofit organizations, as they are forced to allocate excessive resources to complying with federal rules.

The Clinton-Gore Administration has made it a priority to reverse this problem, seeking to create a government that removes stumbling blocks for nonprofits and affirmatively helps build up nonprofit capacity. Highlighted below are examples of federal initiatives to simplify government regulations and procedures, provide training and technical assistance, use government contractors to help nonprofits build capacity, facilitate local collaboration, and provide needed financial and human resources to bolster nonprofit efforts.

Simplifying government regulations and procedures

Vice President Gore's Reinventing Government program made reducing paperwork and unnecessary regulations a priority, resulting in significant improvements in many agencies. This not only makes it easier for nonprofits who are already receiving government funds, but also helps smaller, community-based organizations navigate funding applications and manage reporting requirements.

HUD Super NOFA

HUD, for example, consolidated the applications of 40 of its programs into a Super Notice of Funding Availability (SuperNOFA), a uniform application process for all HUD grants that explains awards and their criteria in plain language and allows communities to view HUD programs as a menu of options. As part of the SuperNOFA process, HUD also has expanded how it communicates with potential applicants about the grants and the application process by providing on-line application training on the HUD website 24 hours a day.

Targeted training and technical assistance

Federal regulations and goals are intended to foster effective practices and promote positive results. To help nonprofit organizations receiving federal funds to achieve these standards and become more effective organizations, most federal agencies provide some form of technical assistance or training.

EPA and the American Hospital Association

For example, in 1998, the EPA negotiated a Memorandum of Understanding (MOU) with the American Hospital Association (AHA) to reduce the use of mercury in hospitals. Hospitals are America's fourth largest producers of mercury waste and produce about 1 percent of the nation's solid waste stream. The MOU assists AHA's member hospitals, including nonprofits, to go beyond basic compliance with waste management regulations, calling for the elimination of mercury use in the healthcare field where possible and a 50 percent reduction in waste volume by the year 2010. To help the AHA implement the memorandum, an Environmental Leadership Council, including representatives of the

healthcare sector and a coalition of more than 100 grassroots nonprofits, was established to assist and advise in implementation. Vital to the implementation of the agreement has been the creation of a comprehensive “how to” model - available through AHA's Website - that provides hospitals with technical information on how to accomplish the reductions called for in the MOU.

Developing the overall effectiveness of organizations and leaders

Few federal resources have been available to provide services – comparable to services through SBA – to help nonprofits become more effective organizations. Some agencies, however, have developed initiatives that address this objective of developing the overall effectiveness of nonprofit organizations and leaders. For example, leadership training that goes beyond field-specific knowledge is offered to Head Start Fellows, Corporation for National Service grantees, and conservation professionals (describe below).

or
description

Conservation Leadership Network

Conservation professionals receive leadership training through the Conservation Leadership Network, the result of a long-term partnership between the U.S. Fish and Wildlife Service and the Conservation Fund. The Network’s goal is to expand the knowledge and skills of conservation professionals; enhance relationships among the nonprofit, corporate and governmental segments of the conservation community; and to broaden the American conservation movement’s base. At the National Conservation Training Center, located in Sheperdstown, West Virginia, the Network offers educational and relationship-building opportunities for governmental and non-governmental professionals to train conservation

professionals. Desired outcomes include: 1) possession of core skills relating to organizational management and leadership; 2) awareness of new conservation theories, approaches and technological applications; 3) application of theory and practice to current conservation issues; and 4) the ability to work across disciplinary and sector boundaries to build consensus among stakeholders. Through these outcomes, the Conservation Leadership Network is working to increase the capacity of nonprofits through training and outreach.

Using government contracting authority to build capacity

South Florida Goodwill

Some federal agencies use their authority to contract with nonprofit service providers as a way to help these organizations establish a track record or new capacity that will enable them to expand their client base. For example, the South Florida Goodwill currently engages in several business partnerships with the federal government providing both services (i.e. janitorial) and goods (i.e. uniforms) to the Department of Defense. From these experiences, Goodwill has been able to leverage additional contract opportunities with the private sector (i.e. assembling the advertising section of *The Miami Herald*). Through its work with the federal government, Goodwill is proving that it has a qualified, trained and prepared workforce. In turn, Goodwill graduates emerge as skilled, reliable workers who continue to receive support and guidance even after finding a job with follow-up services for both employee and employer. As a result, Goodwill is leading the charge in South Florida to help unemployed or underemployed individuals embark on new careers. In 1999, they placed 1,518 individuals in competitive jobs. Of these, 515 were welfare recipients and 1,003 were people with disabilities.

Helping nonprofits work together

National Donations Management Strategy

Enabling organizations to work together more effectively is another way the federal government can increase the capacity of the nonprofit sector. For example, in 1993, the Federal Emergency Management Agency (FEMA) collaborated with several nonprofit disaster organizations to develop a National Donations Management Strategy to introduce a level of coordination and control over the large flow of goods and services donated in response to disasters. The National Donations Management Strategy stresses that the full capacity of voluntary agencies should be used to manage donations; that financial contributions to voluntary agencies are preferred; that management of donations requires a united, cooperative partnership between government and the voluntary sector; and that information management is essential. In the year 2000, a typical disaster operation has consisted of a State Donations Coordinator working with a Donations Coordination Team, a Multi-Agency Warehouse, and a Donations Coordination Center equipped with a public Information Hotline. Implementation of such strategies have led to better service to the general public, better service to the disaster-affected community, and an expanded level of capacity within voluntary agencies to manage disaster donations.

Continuum of Care

In response to an Executive Order on May 19, 1993 in which President Clinton called for the creation of a federal plan to break the cycle of homelessness, HUD held 18 forums with thousands of individuals and non-profits to determine the best way to tackle this

challenge. One of the key messages that the Department heard was the need for a more collaborative approach to addressing homelessness at the local level. Based on this feedback, HUD's Continuum of Care initiative creates incentives for local groups to work together to develop comprehensive, long-term approaches to moving people who are homeless into permanent housing and self-sufficiency by giving preference to funding applications that evidence a more inclusive process of planning and implementation. In communities around the country, this has yielded a process that brings people together – local and state governments, nonprofits, the business community, homeless individuals and advocates for the homeless, including special populations such as youth or persons with mental health issues – to determine the most effective strategies to deal with this complex issue.

Before the Continuum of Care was launched, individual organizations applied directly to HUD and the Department funded the top applications without fully weighing how they complemented the other applications. This led to duplication in some areas and gaps in others. The problem of homelessness cannot be solved with piecemeal solutions; therefore, the Continuum of Care has promoted the development of more cohesive local planning, has prompted large grantees to collaborate with smaller nonprofits, and has created a more efficient and effective system that targets federal funding to successful community initiatives.

Financial and human resources for nonprofit organizations

The Community Development Financial Institutions Fund

Government agencies may also serve as investors in certain nonprofit financial institutions, strengthening their capacity to serve low-income communities. Initiated under

the Clinton-Gore Administration, the Community Development Financial Institutions (CDFI) Fund is a government corporation within the Department of Treasury that works to promote access to capital and foster local economic growth by directly investing in CDFIs and providing incentives to traditional banks to increase their lending, investment and services to CDFIs and within underserved markets. CDFIs include community development banks, credit unions, loan funds, venture capital funds, and multi-bank community development corporations. Over 80 percent of all CDFIs are nonprofit institutions. CDFIs typically work in low-income communities, providing a wide range of services and financial products, such as mortgage loans to first time homebuyers, loans and investments to start or expand small businesses and microenterprises, loans to rehabilitate single family and multi-family housing or build community centers, and savings and checking accounts for low-income households.

CDFIs benefit from Treasury's CDFI Fund in three primary ways: 1) providing equity investments, grants, loans or deposits to enhance the financial strength of the CDFI and help them leverage additional resources; 2) funding intermediary organizations that pass the funding on to CDFIs and that provide intensive financial and technical assistance; and 3) technical assistance to build the capacity of "start-up", young and small financial institutions, through computer system upgrades, streamlining policies and procedures, evaluating loan products and developing new ones, and training staff in operations essential to the success of the organization. Since its inception, the CDFI Fund has provided approximately \$215 million through these three mechanisms to bolster the efforts of primarily nonprofit community development financial institutions nationwide. The President proposed expanding the CDFI Fund as part of his New Markets Initiative.

AmeriCorps

Finally, President Clinton's AmeriCorps program offers an often overlooked resource: the people power and skills provided by AmeriCorps members, who are usually young adults willing to work full-time for a year with minimal compensation to address the educational, environmental, public safety, and other human needs of communities.

AmeriCorps is often described as the domestic Peace Corps. Through this program, nonprofit organizations apply to the Corporation for National Service (CNS) or a governor-appointed state commission to be an AmeriCorps sponsor. If selected through a competitive process, they may hire, train, and supervise these individuals, who will receive a \$4,725 education award at the end of their service term. Since President Clinton launched the program in 1993, more than 200,000 AmeriCorps members **[CHK – radio address said nearly 150,000]** have served in hundreds of organizations, including nonprofits, local and state government entities, Indian tribes, institutions of higher education, faith-based groups, and local school and police districts.

AmeriCorps partnerships have led to the establishment of initiatives to tutor children, rehabilitate public schools, build homes, provide emergency assistance to disaster victims, and address other quality of life issues for low-income families. Through one successful partnership, ED and CNS have developed the America Reads program, a nationwide campaign that seeks to help all children learn to read well and independently by the end of the third grade. more than 10,000 AmeriCorps members and over 26,000 other college students have tutored nearly 1,000,000 children over the last several years through this program. A major independent evaluation of this effort found that the tutored students made significant

gains in reading, starting the year significantly below many of their peers and ending close to national averages.³

In another effort to support nonprofits by mobilizing volunteers, CNS has also given nearly \$1.5 million in grants to support service projects nationwide on the Martin Luther King Day of Service, celebrated annually across the country to honor Dr. King's birthday and memory. AmeriCorps members bring together community leaders and millions of volunteers for service projects ranging from feeding the homeless to painting classrooms to registering students for library cards.

Beyond providing direct service, AmeriCorps members work to secure the future of their projects by training volunteers within the community to take over once they leave and helping to secure private funding. One particularly successful technical assistance effort has been Project Star, through which AmeriCorps sponsors are trained to develop goals and objectives that will enable them to track their progress and measure results. CNS also offers grant money and technical assistance to service organizations to improve or expand their operations, including fundraising and leadership training. In addition, CNS has formed partnerships with businesses that provide corporate matching grants to fund local service projects. Companies with specific areas of expertise provide AmeriCorps members with the training and other resources they need to develop better service projects, including providing health care and meals for homeless families, housing for low-income residents, mentoring for at-risk students and technological improvements for schools.

AmeriCorps offers a new model for federal efforts to strengthen the nonprofit sector by combining resources and training that supports the existing goals of the nonprofit sponsors

³ *AmeriCorps Tutoring and Student Reading Achievement*, Abt Associates Inc., Cambridge, MA, October 2000.

and strengthens them as organizations, not just as grantees. As a 1999 evaluation of the program noted, “The institution building that resulted from organizations’ involvement in AmeriCorps has had a profound and potentially long-term impact on America’s communities. Sponsoring organizations developed new community consortia and links with other community organizations as they created new solutions to community problems.”⁴

Conclusion

These innovations recognize that as we look to the nonprofit sector to work hand-in-hand with government to provide this nation with needed services, government can assist nonprofits by reducing unnecessary paperwork, building capacity and providing critical resources to help nonprofits develop. These models demonstrate the promise of future efforts by federal agencies to strengthen their nonprofit partners and grantees.

⁴ *An Evaluation of AmeriCorps*, Aguirre International, San Mateo, CA, May 1999.

VII. CONCLUSIONS OF THE TASK FORCE ON NONPROFITS AND GOVERNMENT

Over the last eight years there has been a sea change in the federal government's approach to working with the nonprofit sector, due, in large part, to President Clinton's core philosophy regarding the importance of a strong civil society to democracy. As he said in his 1997 State of the Union address, "We must be committed to a new kind of government -- not to solve all our problems for us, but to give our people -- all our people -- the tools they need to make the most of their own lives." Consistent with this vision, the Clinton-Gore Administration has pursued a close working relationship with the private sector in virtually every priority area -- from AmeriCorps and welfare reform to food security and environmental protection.

Practices of successful partnerships

The examples outlined in this report and the other specific partnerships analyzed by the Task Force suggest that forging these relationships take work. We found that successful partnerships often shared the following characteristics:

- **The agency head was supportive of partnerships as an approach to achieving the agency's goals.**

Not only were the heads of most agencies surveyed supportive of partnerships as an approach to achieving agency goals, they were in many cases responsible for initiating and highlighting these partnerships. Several of the most visible partnerships evolved as special projects of the agency head, including Treasury's BusinessLINC (large business-to-small business mentoring fostered by intermediary organizations) and National Partnership for Financial Empowerment (promoting financial literacy); the Presidents' Summit for America's

Future, led by CNS; and the National Summit on Community Food Security, organized by USDA.

- **Partnerships are an intentional way of doing business rather than an afterthought.**

By creating mechanisms for early, frequent and meaningful nonprofit-agency interaction, partnerships are more likely to become part of the regular operations of an agency, rather than an afterthought or add-on. HUD was among the agencies most praised by nonprofit organizations for making it a priority to build strong relationships with nonprofit organizations. From the earliest days of the Administration, senior officials at HUD held regular meetings with nonprofit leaders, and later the Department developed a new office to institutionalize clear channels of communication. Similarly CNS created an Office of Public Liaison when the agency was formed in 1994. The staff in this Office is dedicated to building partnerships with the private sector, and has developed workshops across the country to reach out to nonprofit organizations and educate them about new legislation and funding opportunities.

- **The organization and agency had a shared goal.**

Partnerships of all sorts require a shared goal to succeed, and the strongest federal–nonprofit relationships we examined included clear, focused, common goals, such as increasing childhood immunization rates or improving the environmental health of Chesapeake Bay. In many cases, agencies and nonprofit organizations had a wide variety of missions but shared a common purpose that cemented the partnership. Without this common purpose, partnerships may have limited impact, emphasize process over outcome, and

consume resources of both partners that might have been better spent on other efforts. In fact, Independent Sector's survey of nonprofits identified "a common goal and vision" as the most important factor in a successful collaboration (cited by 63 percent of respondents).

- **The agency approached the relationship as a true partnership with both sides contributing.**

In effective partnerships, both parties are contributors and beneficiaries. Federal agencies may possess data and information, funds, regulatory and policymaking authority, the ability to convene, and communications systems, but more and more agencies are recognizing the important assets that nonprofit organizations bring to the table. Nonprofits may have expertise; communication networks; data and information; strong advocacy networks; members or affiliates; and access to the press – all resources that may be useful when working toward a shared goal. For example, when the White House Millennium Council and the National Park Service sought to implement a program to "Save America's Treasures" by focusing public attention on national historic, natural and cultural sites in need of preservation efforts, it found an ideal partner in the National Trust for Historic Preservation. The Trust offered expertise in preservation, a strong reputation based on half a century of work, a willingness to add to its communications and fundraising operations. These resources complemented the government's ability to raise public awareness, provide federal funding for preservation projects, manage the national parks and other federal cultural institutions where many "treasures" are located, and tap the knowledge of the National Endowment for the Arts and the Humanities and the Institute of Museum and Library Services.

- **The agency dedicated staff resources to building and sustaining the partnership.**

Effective partnerships are often time consuming, requiring the engagement of staff at several levels. A partnership may be initiated by almost any part of an agency – the office of the agency head, the public liaison, and program leaders are the most common initiators of a relationship. Senior staff, with the authority to commit the agency, must approve the partnership concept, as well as the specifics of the partnership arrangement once it has been negotiated. The details of the partnership arrangement and day-to-day management of the relationship should involve the agency staff responsible for the function the partnership supports. For example, the Office of Public Liaison in the Treasury Department serves as a central point of contact for nonprofit organizations, while many programmatic offices work with nonprofit organizations within their issue area, such as community development.

Two important success factors identified by Independent Sector result from this staff function: “effective communication” (cited by 58 percent of respondents) and “trust and confidence” (cited by 57 percent). These factors are related: trust and confidence is built, in part, by good communications: notifying partners of new developments, checking in regularly, and listening to their concerns. The Council on Foundations, which reported views on how foundations and federal agencies can work together, stressed the importance of regular communication on ideas of mutual concern.

Given the staff resources required to maintain strong relationships, agencies should limit the number of major partners they expect to work with intensively. Where there is a desire on the part of agencies to engage small, grassroots organizations in an effort, the agencies should consider seeking out umbrella organizations or coalitions as principal partners. For example, the Centers for Disease Control and Prevention (CDC) found that

working with a coalition such as the Colorado Children's Immunization Coalition (CCIC) enabled it to reach many more grassroots groups than CDC would have on its own.

- **The nonprofit organizations involved possessed or were provided adequate resources to support the partnership.**

Partnerships often can leverage or catalyze private sector activity, or make government grants go further. But they are not an effective strategy for shifting responsibility for the functions once supported by government funds to the nonprofit sector without the provision of additional resources. In the partnerships we reviewed, the nonprofit organizations involved generally either received government dollars to carry out their responsibilities or already had funding from other sources.

In general, nonprofit organizations must see some benefit from the relationship in order to participate fully in a government partnership. This benefit need not always be financial. In fact, some of the most successful partnerships we reviewed did not primarily involve a transfer of federal funds. Rather, nonprofit organizations benefited from the technical expertise of an agency (as in the case of EPA's Chesapeake Bay Program), improved efficiency and effectiveness (as in the case of FEMA's National Donations Management Strategy), public awareness (as in the case of the Campaign to Prevent Teen Pregnancy), or better access to information (as in the case of the National Spatial Data Infrastructure). Nonprofit organizations also stressed that the ability of federal agencies to convene organizations on "neutral ground," or create incentives for them to work together, made it possible for them to coordinate their efforts with a broader range of groups working on similar issues.

BARRIERS

The Task Force's survey also surfaced numerous barriers to working more closely with nonprofit organizations. These included:

- **Staffing Limitations**

Partnerships take time to develop. Many of the partnerships we surveyed took more than a year to come to fruition. Faced with multiple priorities, agency staff experienced difficulty managing labor-intensive partnerships over the long term. In addition, sustainability of partnerships became an issue in some agencies when key personnel left the agency or nonprofit organization, or were promoted or reassigned. Partnerships often involve a sense of personal trust, and an individual's long experience with a project often enables it to function more smoothly. Agencies can help guard against the risks created by staff turnover by involving a number of staff in the project, creating a structure for managing relationships with the nonprofit sector, and ensuring that all partnerships have the support of senior management.

- **Legal issues**

Many agencies raised concerns about legal limitations, including confusion about what was and was not permissible. While some legal rules have obvious implications for agencies' work with nonprofits (such as prohibitions against soliciting gifts), other rules are less obvious (such as conflict of interest and procurement rules). The need to comply with these requirements – and the fact that many partnerships break new ground not clearly covered by

existing legal frameworks – demands that in some cases, lawyers must be brought in early on to help structure the partnership. In some cases, nonprofit organizations also raised concerns that federal agencies were unwilling or unable to sign contracts formalizing arrangements. Finally, unless the agency had an entrepreneurial culture, staff in some cases believed they should not pursue partnerships unless specifically directed to do so. Future administrations should consider providing clearer guidance to agencies on these matters.

- **Lack of Access To Information**

Nonprofit organizations that were surveyed often cited lack of access to information as a problem in working with federal agencies. Their concerns ranged from being unaware of notices of available funding or having difficulty getting data for research projects, to the agencies' failure to keep their own Web sites up to date or notify nonprofits of policy changes that affect them. Independent Sector reported that most organizations responding to its survey found out about federal resources by contacting federal agencies, rather than the other way around, and nine out of ten reported using the Internet to get information on federal agencies, although only one out of four had used The Nonprofit Gateway (www.nonprofit.gov). This suggests that some agencies could be more aggressive in providing information to the nonprofit sector and should consider increasing their use of technology to make information available. It also suggests that more could be done to publicize the nonprofit gateway and to keep it up to date.

- **Unclear Points Of Entry**

While some agencies designate nonprofit liaisons, not all do. A common complaint was lack of clarity about access – whom should nonprofits contact for purposes ranging from potential partnerships to presenting policy input. While some organizations advocate that agencies establish offices similar to those designated for intergovernmental relations, others raise concerns that such a structure would not provide access to program and other staff. We recommend that all agencies establish a formal access point for nonprofit organizations, and that staff charged with this responsibility serve as facilitators – reaching out to other nonprofit organizations to understand their needs, seeking out information within the agency that would be of use to nonprofits, introducing nonprofit staff to appropriate program and other agency staff, monitoring these relationships, and keeping agency leaders informed of nonprofit concerns. These formal access points should be publicized, including through the nonprofit gateway, and nonprofit liaison staff should meet regularly in an interagency council to share information and best practices.

- **Limited Opportunities For Involvement In Policy Development**

Some nonprofits that provided feedback to the Task Force were interested in greater opportunities to be involved in policy development. These organizations sought informal channels – such as roundtable discussions hosted by senior policy staff -- to share ideas and provide feedback. While some organizations are routinely involved on an informal basis with the agencies most closely connected to their work, others seek greater access, consistent with the law. In areas not involving regulation, where legal restrictions are clearly spelled out in the law, agencies might well conduct more outreach to the nonprofit sector. For example, in planning recent White House conferences on philanthropy, child care, and teenagers, staff

held multiple “focus groups” of nonprofit leaders and other experts to gain their views of what the conferences should accomplish, how the programs should be structured, who should be invited to speak, and who should attend.

- **Need To Continue Reinventing Government Effort**

Independent Sector’s survey found that eight out of ten respondents felt that “in recent years, federal grant applications and reporting requirements have become more streamlined,” a development due in large part to efforts of the National Partnership for Reinventing Government. However, some called for further work in this area, including:

- Rethinking the reimbursement system for dispensing grant funds;
- Shortening the approval process for products supported through grants or contracts;
- Reducing the reporting paperwork required of grantees;
- Allowing online reporting, applications, and tax filings;
- Simplifying the application processes (such as an effort led by OMB to develop a streamlined single application for all federal programs);
- Creating a single point of contact that will help organizations navigate the agency;
- Reducing the number of clearances involved in any agency action;
- Ensuring more consistent policy interpretations among staff;
- Providing better access to relevant information and improved two-way communication;

- Standardizing and expediting application, reporting, and cost-reimbursement procedures; and
- Improving interagency coordination and communication.

FUTURE POLICY DIRECTIONS

In addition to the above recommendations, the Task Force believes that if the federal government continues to elevate the role of the nonprofit sector in addressing critical needs, greater attention should be given to the overall health of the sector. The White House Conference on Philanthropy, by underscoring the importance of individual giving, served this purpose, as have efforts by several agencies to provide training and technical assistance that support nonprofits as organizations, rather than focusing solely on specific issues. Nonetheless, despite the extensive interaction between the sectors, the federal government could do more to help improve overall organizational effectiveness and provide leadership development opportunities for nonprofit organizations.

We therefore recommend the following:

- **The federal government explore whether any programs currently assisting small business should be open to nonprofit organizations as well;**
- **A study should be undertaken of possible additional assistance to nonprofit organizations that could be facilitated by the federal government;**
- **Different structures for housing this function must be explored, such as tasking an existing agency with the responsibility. In particular, attention should be paid to the**

sector's technology needs, including access to equipment and training, before the organizational "digital divide" leaves many nonprofit organizations behind.

- We also recommend the expansion of programs now directed at supporting the nonprofit sector, such as AmeriCorps and HUD's Center for Community and Interfaith Partnerships. Those agencies whose interaction with nonprofits is primarily in the form of grants and contracts should explore how they might strengthen the capacities of the organizations they support.
- Finally, we strongly recommend that future administrations charge each agency with designating an active and accessible nonprofit liaison, encourage agencies to develop private sector partnerships, and clarify the legal framework governing these relationships.
- Agency liaisons should not be the sole point of contact, but rather, one point of contact where nonprofit organizations can go for information on how to navigate the agency and what assistance is available. Liaisons should be high level employees, with access to the agency head and the ability to work with all parts of the agency. Liaisons from each agency should meet with each other periodically to compare experiences, consider best practices, and share information. Finally, the names and contact information for nonprofit liaisons should be available on agency Web sites and from the agency's central operator, agency head, and public liaison offices.

CONCLUSION

Over the last eight years, nonprofit organizations have played an important role in many of the major programs and policy implementation efforts of this Administration. New ground has been broken in developing these mutually beneficial relationships, and has resulted in improved service provision, better information flow, increased resources for priority initiatives, and expanded outreach to hard-to-reach communities. With this groundwork, and a better understanding of barriers and opportunities presented by these partnerships, future administrations can look to nonprofit relationships as a major strategy toward important goals.

APPENDIX A: Members of the Interagency Task Force on Nonprofits and

Government

Co-Chairs:

The Assistant to the President for Domestic Policy
The Assistant to the President for Economic Policy
The Assistant to the President and Chief of Staff to the First Lady

Task Force Members:

Secretary of the Treasury
Attorney General
Secretary of the Interior
Secretary of Agriculture
Secretary of Commerce
Secretary of Labor
Secretary of Health and Human Services
Secretary of Housing and Urban Development
Secretary of Transportation
Secretary of Education
Administrator of the Small Business Administration
Chief Executive Officer of the Corporation for National and Community
Service
Chairman, National Endowment for the Humanities

[What should we do about additional participating agencies?]

APPENDIX B: Executive Memorandum

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 22, 1999

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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APPENDIX C: Council of Economic Advisers, *Philanthropy in the American Economy* – Executive Summary

As a follow-up to the 1999 White House Conference on Philanthropy, this report provides an economic analysis of philanthropic behavior in the United States. It discusses trends in giving over the past several decades and highlights the economic explanations behind the observed increase in donations. The report also discusses possible future directions for philanthropy and how even greater giving might be encouraged. Among its main findings are:

- *Charitable giving reached a record high in 1999.* In 1999 Americans donated over \$190 billion. This represents an increase of 41 percent since 1995. Furthermore, giving has increased sharply as a fraction of the Gross Domestic Product, rising from 1.7 percent of GDP in 1995 to 2.1 percent in 1999.
- *Growth in the income and wealth of the population explains much of this trend.* Average net worth for the sample of families we analyze grew by an estimated 28 percent between 1992 and 1998 and average income increased by 15 percent over the same period. Both income and wealth are strongly positively related to the probability and amount of giving.
- *Individual giving accounts for the largest fraction of all charitable giving.* In 1998, 70 percent of American households made a charitable contribution and individual giving accounted for 85 percent of all donations. Although the largest fraction of giving is attributable to individuals, the fastest growing component of philanthropic activity was giving by foundations, which rose by 72 percent from 1995 to 1999.
- *The elderly are more generous donors than any other age group.* Controlling for differences in income and wealth, those aged 65 and over are approximately 25 percent more likely to make a charitable contribution than younger individuals, and when they do give, they give \$500-\$600 more per year on average. Furthermore, because these calculations do not include charitable bequests, the true difference in the total amounts given by the elderly and the non-elderly is likely to be even larger.
- *Single women are more likely to give than single men.* When differences in economic resources are accounted for, single women are significantly more likely to make charitable contributions than are single men. Within the population of unmarried women, women who have never been married are more likely to give than widowed or divorced women.
- *African Americans are more likely to give than whites.* After accounting for differences in income, wealth, and education, African Americans are more likely to make charitable contributions than whites, and on average give approximately the same amount as white Americans. Other evidence suggests that minorities are under-used resources with respect to philanthropic giving.
- *The New Economy has brought changes in the methods of giving.* The Internet has affected philanthropy as it has so many aspects of American life. Internet sites now provide

information about charitable organizations, help match donors with causes, and provide a convenient way to make contributions. Lessons learned from the venture capital sector are also being applied to philanthropy. Although still in their infancy, these developments have the potential to increase the amount of giving and to improve the efficiency with which grants are used by the recipients.

- *The aging of the baby boomers is good news for philanthropy.* Because both older Americans and those with greater wealth give more, the aging of the baby boomers and the wealth of that cohort point to the likelihood of a dramatic growth in giving, perhaps increasing by several hundred percent over the next couple of decades.

- *The Administration's tax policies will likely also lead to increases in giving.* Both economic theory and empirical studies indicate that Americans respond to financial incentives to give. Through the tax deductibility of charitable contributions, both *inter vivos* gifts and bequests are increased in number and size. Recent proposals to extend the deductibility of donations to those who do not itemize on their income tax returns, and to simplify other aspects of the tax code, will likely result in further increases in giving. Evidence suggests that eliminating the estate tax will decrease charitable bequests.

APPENDIX D: Summary of President Clinton's Proposed Tax Incentives to Promote Philanthropy for All Americans

In his 2000 State of the Union Address, President Clinton unveiled a package of new Tax proposals to encourage philanthropy. First, he proposed allowing nonitemizers to take a tax deduction for charitable giving. Second, he proposed new rules to make it easier for charitable foundations to make gifts in times of need. Third, he proposed making it easier for individuals to donate appreciated assets like securities and real property.

- **Enabling Nonitemizers to Take a Tax Deduction for Charitable Contributions.** Currently, 70 percent of taxpayers do not itemize and as a result, they cannot get the tax incentive for charitable giving that higher-income itemizers can claim. The President's budget would allow these taxpayers to claim a 50 percent deduction for charitable contributions above \$500 a year when fully phased in. This proposal would boost contributions to charitable organizations, particularly community and faith-based groups, and improve tax fairness by giving nonitemizers the same opportunity to deduct contributions as itemizers.
- **Making it Easier for Foundations to Give in Times of Need.** The President's budget would allow more funds to reach those in need by simplifying and reducing the excise tax on foundations. Foundations currently face a two-tier excise tax: first, a 1 percent tax on investment income; second, an additional 1 percent tax for foundations that do not maintain their rate of giving over a five-year average. This mechanism is unduly complicated and can reduce giving in certain cases, since boosting gifts in times of need exposes foundations to higher taxes if, after the need has passed, their rate of giving drops back to earlier levels. The President's proposal would eliminate the two-tier system and set the excise tax rate at 1.25 percent. The result of this simplification would be to remove a disincentive to foundation giving and to make available more gifts to community organizations in times of need.
- **Allow Greater Contributions of Appreciated Property to Charities.** The President's 2000 budget proposed making it easier for individuals to donate appreciated assets like stocks, art and real estate. Under existing law, individuals donating appreciated assets can take a tax deduction that is limited to 30 percent of adjusted gross income (AGI); for gifts made to private foundations, the deduction is capped at an even more stringent 20 percent AGI. These multiple limitations are complex and can place burdens on individuals who choose to give substantial portions of their incomes to charity. The President's budget would simplify and ease these limitations by increasing the AGI limit on appreciated property from 30 to 50 percent, and the limit for donations of appreciated property to private foundations from 20 to 30 percent. This change would create greater incentives for such gifts.

APPENDIX E: Agency Questionnaire

Survey Questions for Federal Departments and Agencies

Introduction

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

Technical Assistance/Training

- A. What types of technical assistance/training do you provide nonprofit organizations (e.g., management support)?
- 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?
- C. What types of technical assistance or training are not currently being provided but should be?
- D. If applicable, list other ways your agency improves the efficacy of the nonprofit organizations it works with?

Relationship With Nonprofits

- A. What types of services do nonprofits that you partner with provide (health, human services)?
- B. Are there any model relationships that are particularly effective in achieving the critical goals of your department/agency?
- C. Can you identify any significant obstacles that hinder more effective relationships between federal agencies and nonprofits?

Public Policy

- A. Do you have a working relationship with nonprofits when it comes to developing public policy (e.g., regulatory and budgetary matters)?
- B. If so, please provide some examples of collaborative activities and describe what worked well and why you think it worked well.
- C. If not, what are the barriers to developing a working relationship with nonprofits on public policy matters?
- D. What do you think can be done to hurdle the barriers or strengthen the relationships with nonprofits when developing public policy?

Foundations

- A. Do you have a working relationship with foundations or other private donors?
- B. If so, please provide some examples of collaborative activities and describe what worked well and why you think it worked well.
- C. If not, what are the barriers to developing a working relationship with foundations and other donors?

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

Resources

- A. What resources do you provide to the nonprofit community (e.g., grants, in-kind services- if possible give amounts)?
- B. How can nonprofits find out about the resources that you make available to them?
- C. Do you provide any support services to help nonprofits comply with cost principles and administrative requirements (e.g., Circular A-122, Circular A-133)? If so, what are these?
- D. 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?

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

Competition

- D. To what extent does the department/agency require nonprofit participation in the delivery of services?
- E. Please provide examples of contracts/grants/services that your agency formerly provided through nonprofit contractors/grantees but that are now provided by for-profit grantees/contractors. Why did this change occur?

DRAFT

Partnerships for a Stronger Civil Society

A Report of the President's
Interagency Task Force
on Nonprofits and Government

November 2000

“Americans make great and real sacrifices to the public welfare. They hardly ever fail to lend faithful support to one another.”

--Alexis de Tocqueville

Preface

In January of 1993, we arrived in Washington anxious to implement a new vision for America on the cusp of the 21st century – strong and confident, prosperous and caring; the undisputed world leader, ready to compete in the digital age and the global economy. The first and most immediate challenge was the economy. In 1993, the deficit was \$290 billion and rising. Today, we are anticipating a surplus of at least \$230 billion. Fiscal discipline has led to the creation of 22 million new jobs and poverty rates that have dropped to historic lows.

Our second important challenge was to shape a new model for the federal government, one that neither made government responsible for meeting all of society's needs, nor one that took a hands-off approach, leaving charitable organizations alone to address the challenges faced in so many communities. Instead, we sought a third way – a smaller government, committed to giving people the tools and the conditions they need to make the most of their own lives, that works in partnership with its citizens and lives within its means.

For this kind of government to work, we must have a strong civil society, with a thriving network of national and community-based nonprofit organizations that can marshal the resources of the American people to meet the challenges before us. We had this in mind when, in October 1999, the First Lady and I hosted the first-ever White

House Conference on Philanthropy. There I named an Interagency Task Force on Nonprofits and Government to examine one important facet of the third way: partnerships between the federal government and nonprofit organizations. I charged members of the task force to identify the best examples of these private-public partnerships and evaluate the ways in which they could be improved and replicated.

Although I had championed this new way of working with the private sector, even I was surprised at the number and breadth of these partnerships. In thousands of instances, large and small, government agencies are working with national, state, community and faith-based nonprofit organizations, and in the process, are redefining the role of government in the 21st century. From AmeriCorps to the Welfare to Work Partnership, from environmental protection to mass immunization programs, nonprofit partnerships are affecting the lives of citizens from Hawaii to Juneau, San Francisco to South Carolina.

The role that nonprofit partnerships play cannot be overstated: They make government work better and are in turn strengthened through their relationships with federal agencies. As a result, they are an essential part of our safety net for citizens in need, help foster a community where neighbors can gather and depend on one another, ensure that the arts and humanities flourish, and when all else fails, nourish and protect the youngest and most vulnerable among us. In these ways, and many more, they strengthen and sustain our civil society.

I want to thank the First Lady and her staff, as well as the staff of the Council of Economic Advisers, the Domestic Policy Council, and the National Economic Council

who have worked so hard on this project. Together with representatives of 12¹⁹ federal agencies, they have identified exemplary partnerships as well as the best practices that we hope will lead others anxious to follow their example. Their work is a gift to the future.

-- William Jefferson Clinton

"Only through the creation of civil society, which depends greatly on volunteerism and philanthropic works, can any society really understand what it means to be a democracy, and then that democracy can be rooted in very, very strong soil."

First Lady Hillary Rodham Clinton
White House Conference on Philanthropy
October 22, 1999

FOREWORD by Hillary Rodham Clinton

Over the course of the nearly eight years my husband has been President, I've been privileged to represent our country in many of the world's newest democracies, places where people are just beginning to understand the responsibilities and benefits of freedom. Everywhere I go, people ask me, "How has the United States been able to make its democracy work for so many years?" I tell them about our traditions of citizen service and philanthropy. I tell them that our democracy thrives not just because of our free elections and our free markets, but because in that space between government and the economy – in our civil society – our citizens come together to help each other, to lend a hand in times of trouble, to support nonprofit organizations, and to determine how each one of us can do more to contribute to the broader good.

Our democracy thrives because of people like Myrian Bodner, a Kentucky homemaker who raised a quarter of a million dollars in relief supplies to help her native Nicaragua recover from Hurricane Mitch. Our democracy thrives because of Rev. Ann Pearson, who used her small inheritance to give each of her parishioners \$10 to donate to a worthy cause. She found that the money grew as enthusiastic donors brought new opportunities and ideas for community service into the church and requested support for

additional giving. Our democracy thrives because of people like Osceola McCarty. Ms. McCarty spent a lifetime washing, starching and ironing other people's clothes. She lived simply and frugally, and four years ago, decided to use her \$150,000 life savings to endow a scholarship fund at a nearby university. "I'm giving it away so that the children won't have to work so hard like I did," she says.

To honor heroes like these and highlight the American tradition of giving, the President and I hosted the first-ever White House Conference on Philanthropy in October of 1999. Giving has always been an important tradition in this country, and never has there been a better time to encourage and support this ethic. We are living in a period of unprecedented prosperity, a time when the new economy has produced new wealth and the baby boom generation stands poised to inherit at least \$12 trillion from the World War II generation. Last year, donations to charitable causes reached a new high, totaling over \$190 billion. Individuals accounted for 85 percent of that amount, up a third since 1995. As a percent of our gross domestic product, total giving exceeded 2 percent last year, the highest level since 1971.

Imagine what we could do if each ^{family} individual increased charitable giving by just 1 percent ^{there} of his or her income: We could offer child care to more than 6 million children, deliver more than 250 million more meals to the home-bound elderly, and guarantee Head Start to every low-income preschooler in America. We could provide shelter to 4 million people, save all the rare books in our libraries, and still have more than enough money left over to create the equivalent of a Ford Foundation every year.

The White House Conference on Philanthropy was designed not only to honor

and explore the phenomenon of giving in this country, but also to set in motion an examination of public-private philanthropic partnerships. Some of the most effective projects I have been involved with as First Lady have involved nonprofit partners, from the Millennium Council's Save America's Treasures initiative conducted with the National Trust for Historic Preservation, to Vital Voices, which enabled the State Department to leverage the resources of nongovernmental organizations in support of women around the world. These and other partnerships were examined by the Interagency Task Force on Nonprofits and Government, and are discussed in this report.

I want to thank all the individuals and groups who made the first White House Conference on Philanthropy such a success, as well as the Task Force members who have helped us shape the inventory of effective practices and recommendations that will be a guide for future generations of government workers and nonprofit advocates looking for creative and practical ways to work together. I especially want to thank Ellen Lovell, Malcolm Richardson, and the staff of the White House Millennium Council; Melanne Verveer, Shirley Sagawa, Mary Ellen McGuire, Carol Beach, and Matthew Nelson from the Office of the First Lady; Bruce Reed, Eric Gould, and Julie Bosland from the White House Domestic Policy Council; Gene Sperling from the National Economic Council; and Kathryn Shaw, Kathleen McGarry, Chad Stone, Andrew Feldman and Audrey Choi from the Council of Economic Advisers. Their efforts have helped to make the federal government a better ally of the nonprofit sector and, in doing so, strengthened our civil society.

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I. Introduction

By: Melanne Verveer, Assistant to the President and Chief of Staff to the First Lady; Bruce Reed, Assistant to the President for Domestic Policy and Director of the Domestic Policy Council; and Gene Sperling, Assistant to the President for Economic Policy and Director of the National Economic Council
Co-chairs, Interagency Task Force on Government and Nonprofits

A new spirit of service and civic activism is taking hold in communities across America. From 1993 to 1998, the number of 501(c)(3) organizations increased from 575,000 to more than 730,000, and giving and volunteering are at an all-time high. Nonprofit organizations transform these contributions of money and time into food, clothing, health care, and other forms of help for those in need; environmental protection; education; art; and other activities, goods, and services that improve the lives of all Americans. Encompassing more than one and a half million organizations with operating expenditures in excess of \$600 billion, the nonprofit sector is an integral component of our national life. The Clinton-Gore Administration has responded – and contributed – to the strength and growth of the nonprofit sector by challenging federal agencies to find new ways to work together with nonprofits to achieve common goals.

Nonprofit organizations are vital partners of the federal government. Nonprofits actually provide many of the services that the government offers, with one study estimating that, in 1997, “more than 30 percent of all federal spending in areas of concern to nonprofits was channeled through nonprofits for delivery of services.” That translates to some \$554 billion in government resources for nonprofit work on education, health, social welfare,

Abramson, Alan, Lester Salamon, and Eugene Steuerle, *The Nonprofit Sector and the Federal Budget: Recent History and Future Directions*. Nonprofit Sector Research Fund, The Aspen Institute, 1999.

income assistance, culture and the environment. At the same time, nonprofits benefit not only from direct federal funding but also from \$143.7 billion in donations from individuals encouraged by tax deductions for charitable giving (including \$218 million in giving from federal workers through the Combined Federal Campaign, the largest workplace giving initiative in the world), and access to the federal government's significant resources of information and technical assistance.

In creating the Interagency Task Force on Nonprofits and Government, the President issued an Executive Memorandum (Appendix B) directing the Task Force to examine current partnerships between the federal government and the nonprofit sector and evaluate ways that these partnerships could be improved to help both government and nonprofits better fulfill their missions. Specifically, the Task Force was charged with three tasks: (1) to develop a public inventory of "best practices" in existing collaborations between federal agency programs and nonprofit organizations; (2) to evaluate data and research trends pertaining to nonprofits and philanthropy; and, (3) to develop further policy responses.

This document represents the culmination of this Task Force's efforts to achieve all three objectives. It includes a wealth of examples of successful public-nonprofit partnerships and policy recommendations for federal agencies (objectives 1 and 3). Objective two was met by the Council of Economic Advisers' Report, "Philanthropy in the American Economy," which included an examination of the factors that affect giving and an investigation of trends that are likely to affect future giving; the Executive Summary of this report can be found in Appendix C. Moreover, several tax policy initiatives to foster philanthropic giving were included in the President's budget, helping to achieve objective 3; these can be found in

Appendix D.

In January, staff from the Domestic Policy Council, the Millennium Council and the Office of the First Lady surveyed federal agencies on the extent of, types of, and barriers impeding relationships with the nonprofit sector. The responses yielded dozens of examples of how this administration has broken new ground in the creation of partnerships. (The questionnaire used by staff to survey agencies can be found at Appendix E.) The team asked representatives from each agency to submit four nonprofit relationships or new approaches for working with nonprofit organizations for inclusion in a report. Once nominations were submitted, White House and agency staff met to judge each submission on the following criteria: innovation, ease of replication, and impact. Through this process, staff members were able to glean a set of “effective practices,” develop a list of recommendations for other groups, and uncover some of the barriers to successful partnering.

Staff from White House staff met with representatives of the nonprofit community to solicit their input. The nonprofit representatives commended the work of some agencies for improvements they had undertaken in working with the sector and were generally supportive of the direction of the Task Force. The representatives also expressed concerns about issues related to excessive paperwork, conflicting regulations or processes, micromanagement of grants and contracts, and access to information. White House staff asked the organizations to survey their members for additional feedback; this request resulted in a survey by Independent Sector of its membership, as well as a response by the President of the Council on Foundations.

Finally, in early August, the members of the Task Force met to hear the details of the

best submissions and to explore other examples to include in this report. Quickly, though, the discussion took an unexpected turn: As we called on the agency representatives to discuss their partnerships, there was a palpable shift in tone. It may have begun when Timothy Wu, a White House Fellow in the Department of Health and Human Services, described the contribution of nonprofit partners to the success of the National Immunization Program. Or maybe the growing excitement began when Father Joseph Hacala from the Department of Housing and Urban Development told the group that he was about to fly to South Dakota for the “ground blessing” of a new youth center on the Pine Ridge Reservation that the President had called for during his visit to the reservation as part of his New Markets Tour. Father Hacala explained that this ceremony, expressing the hopes and dreams of Native American youth, also symbolized the Administration’s commitment to authentic empowerment – a commitment to working in partnership with communities to provide opportunity and hope across America. One by one, as the other agency officials described their partnerships, participants began to ask questions and to take extensive notes. We knew that virtually every agency represented in the room could boast of at least one successful partnership, but we had not foreseen the extent to which agencies operated in isolation and were eager for more information about new ways to partner with nonprofits.

This report fulfills the President’s mandate as set out in the Executive Memorandum – to collect a public inventory of effective practices, develop a set of detailed recommendations, and identify barriers to successful collaboration. While the report is primarily focused on how government approaches these relationships and can do more to initiate or be receptive to nonprofit partnerships, we hope that it will prove useful to both government and nonprofit

organizations and will encourage the development of new and innovative activities. Chapter 2 provides models of how federal agencies have joined with local networks to mobilize around shared goals. Chapter 3 shows how federal agencies have been able to access new populations and new perspectives by reaching out to a broader spectrum of nonprofits. Chapter 4 looks at ways federal agencies have been able to leverage resources through partnerships with nonprofits. Chapter 5 discusses approaches to share information. Chapter 6 includes federal efforts to improve the effectiveness of nonprofit organizations and the responsiveness of government. The final section of the report, Chapter 7, discusses effective practices for developing successful partnerships, identifies barriers to collaboration, and presents policy recommendations for the future.

The work of the Task Force makes clear that during the last eight years, federal agencies have increasingly developed innovative and effective partnerships with nonprofit organizations that have helped them address their most pressing challenges. We hope that this report will assist future administrations in forging these relationships and enhancing the vitality of the civil society.

II. Working toward Shared Goals

From immunizing our children and adults to protecting our environment, one way for the federal government to achieve its goals is to forge stronger and more efficient working relationships with the growing nonprofit sector. By developing mutually beneficial relationships with nonprofit groups, including shared decision making and goals, a federal agency can reach larger numbers of constituents and improve the quality of the services offered.

Thanks in part to this administration's enthusiastic endorsement of collaborative relationships, agencies have taken their joint endeavors with nonprofit groups beyond the traditional grantor-grantee model – they are doing more than defining a program and writing a check, handing off the work and reporting obligations to the nonprofit. Recognizing that nonprofits may, for example, be able to identify problems, mobilize fresh thinking and energy, and promote social change at the community level, agencies are increasingly capitalizing on opportunities to collaborate with nonprofit groups, devising and carrying out strategies that help them work toward and achieve common goals.

The examples of such partnerships described in this section demonstrate how federal leadership and resources, combined with the ability of nonprofits to mobilize grassroots action, can lead to better outcomes than either the government or nonprofits could achieve alone.

The National Immunization Program

Vaccines are one of the greatest achievements of biomedical science and public health. Yet, despite remarkable progress, the US vaccine-delivery system faces several challenges in implementing increasingly complex vaccination schedules. An estimated 11,000 children are born in this country each day – each child requiring 19-23 doses of vaccine by the age of 18 months in order to be protected against 11 diseases.

In 1993, the Clinton-Gore Administration launched the National Immunization Program's (NIP) Childhood Immunization Initiative, and called on the Department of Health and Human Services (HHS) to provide leadership for the planning, coordination and conduct of immunization programs nationwide. Based at the Centers for Disease Control and Prevention (CDC), the NIP offers an excellent example of a federal-nonprofit partnership – or in this case, a series of partnerships. The NIP's goals for the years 1996 and 2000 were: 1) at least 90 percent of all 2-year-olds would receive each of the initial and most critical doses of vaccines, as well as the recommended series; 2) vaccine-preventable childhood diseases would be eliminated or reduced; and, 3) a system would be put in place to make sure that these goals would continue to be met in the future. Once these goals were met, they were replaced with new 2010 targets.

While the NIP had the expertise and a national mandate to improve immunization rates, those at the helm recognized that grassroots children's health organizations and nonprofit coalitions would be more efficient at building awareness of the importance of childhood immunizations, educating parents about the benefits and risks associated with immunization, facilitating access to health care providers, and engaging private provider,

corporate and foundation partners for support.

One such local group is the Colorado Children's Immunization Coalition (CCIC), a statewide public/private partnership that is dedicated to fully immunizing Colorado children two years of age and younger. NIP provided training and technical assistance to CCIC, whose member organizations work together to enhance childhood immunization using proven interventions. In addition, NIP has worked with the Colorado Department of Public Health and Environment to develop an immunization registry throughout Colorado, and launched a statewide public awareness campaign – called “Five Visits Before Age Two” – working closely with several funding partners, including Colorado's four professional sports franchises.

The partners cite two factors contributing to their success: First they share a clear and common goal, i.e., improving the immunization rates of children. Second, they are working to achieve both depth and breadth in their public service advertising activities. NIP has shared the lessons learned during its partnership with CCIC with other childhood immunization programs across the country, spreading the word and encouraging the creation of similar projects in other parts of the country.

The Food Recovery and Gleaning Initiative and Community Food Security Initiative

In November of 1996, President Clinton signed an Executive Memorandum directing all federal agencies – with the United States Department of Agriculture (USDA) taking the lead – to work in partnership with nonprofit anti-hunger groups to increase the “recovery and gleaning” of excess food for distribution to the hungry. In September of 1997, Vice President

Gore convened the first-ever National Summit on Food Recovery and Gleaning, the goal of which was to generate national attention for the issue, catalyze new public-private partnerships, and announce new federal projects. In the years since the summit, significant progress has been made toward creating a structure that, with the help of nonprofit groups, will continue to distribute food to hungry Americans.

The USDA Farm Service Agency played a critical role in bringing farmers with surplus food together with food banks and other groups whose mission is to feed the hungry. USDA provided technical assistance and raised awareness about gleaning efforts. Through this initiative, USDA has helped grassroots food recovery projects distribute over 13 million pounds of excess food to nonprofit anti-hunger groups nationwide.

In addition, the Department has issued over 20,000 copies of a Citizens' Guide to Food Recovery and Gleaning, a how-to manual on starting and expanding nonprofit recovery efforts; produced a guide for National Restaurant Association members on how to donate excess food to nonprofit groups safely; and brokered a partnership between the technology firm, Hewlett Packard, and America's Second Harvest, to create a website that links food producers with the America's Second Harvest food bank network.

Based on the success of the Gleaning and Food Recovery Initiative, in 1999 USDA launched a broader Community Food Security Initiative, which works on several fronts to help grassroots nonprofit groups fight hunger, improve nutrition, strengthen local food systems, and help families move from poverty to self-sufficiency. Through this initiative, USDA employees reached out to help anti-hunger organizations develop relationships with potential funders (both governmental and nongovernmental); create a "one-stop shop" to

improve coordination between existing USDA programs and nonprofit groups; expand technical assistance to build long-term local infrastructure; and educate the public about food insecurity and innovative community and nonprofit approaches.

Through the Community Food Security Initiative, for instance, USDA has built a partnership with Share Our Strength (SOS) to expand Operation Frontline, a program that engages volunteer chefs to teach hands-on nutrition education classes, in which USDA provides thousands of cookbooks for program graduates, as well as technical assistance for the program on accessing appropriate federal and state funding. USDA has also worked successfully with World Hunger Year (WHY), a nonprofit organization focused on fighting international and domestic hunger, to publicize and distribute WHY's "Replication Manuals" highlighting effective grassroots hunger and anti-poverty programs in the United States. In addition, WHY and USDA have co-sponsored regional technical assistance workshops throughout the country to connect nonprofit hunger and poverty groups with the resources and expertise of federal agencies. By working closely with nonprofit organizations in a variety of ways, the Agriculture Department used its expertise, broad reach, access to food producers, and other "assets" to improve its effectiveness in an area central to its purpose. It has achieved tremendous success in building innovative public/private partnerships at the grass-roots level with community and faith-based organizations, national nonprofit organizations, and state, tribal, and local governments to help reduce hunger, improve nutrition, strengthen local food systems, and help Americans move from welfare to work.

Chesapeake Bay Cleanup

With the signing in 1983 of the first Chesapeake Bay Agreement, the Environmental Protection Agency (EPA) launched the Chesapeake Bay Program – a unique regional partnership that has been directing and conducting the restoration of the Chesapeake Bay. Program partners include the Environmental Protection Agency, the states of Maryland, Pennsylvania and Virginia, as well as the District of Columbia, the Chesapeake Bay Commission (a tri-state legislative body) and several citizen advisory groups and nonprofits – primarily the Chesapeake Bay Foundation and the Alliance for the Chesapeake Bay.

The Bay Program continues to operate under subsequent Agreements, and on June 28, 2000, amid national media attention and in front of 600 citizens on the shores of the Chesapeake Bay in Rose Haven, Maryland, federal, state and local officials unveiled the newly signed *Chesapeake 2000* agreement. The momentous day was the culmination of an intensive year and a half-long process by the Chesapeake Bay Program to develop a blueprint to take the program into the 21st Century. The process included a public outreach and participation component, which garnered input from over 2,000 stakeholders and members of the public over the course of a year. This extensive outreach led to strong public support for a comprehensive agreement that will guide the Bay Program for the next decade and beyond.

Chesapeake 2000 contains very real and measurable numerical goals that are focused on desired outcomes. The media paid unprecedented attention to the signing ceremony and subsequent work on this project due to the groundbreaking aspects of the agreement. For example, *Chesapeake 2000* directly addresses the issues of sprawl and livability that have become significant national concerns, by including commitments by the Bay Program partners to reduce the rate at which sprawl and development are destroying forests and farms by 30%

by 2012 and to permanently preserve 20% of the Bay watershed by 2010. These are real commitments that have not been made anywhere else in the nation. Some other groundbreaking commitments include:

- removing the Bay and its tidal tributaries from the Impaired Waters List by 2010;
- striving for zero release of toxic chemicals and phasing out mixing zones by 2010;
- no net loss of existing wetlands, and a net gain of 25,000 acres by 2010;
- tenfold increase in oysters by 2010, and the establishment of Baywide crab harvest numbers in 2001;
- enhanced environmental education including an outdoor Bay or stream experience for ALL students in the watershed beginning with today's 8th graders; and
- increasing public access points to the Bay by 30% by 2010 and increase water trails by 500 miles by 2005.

In this multi-party alliance, the role of the federal agency – the EPA – is to provide leadership, through its Chesapeake Bay Program Office in Annapolis, Maryland, along with administrative, technical, financial and other information assistance. The nonprofit partners, including the Chesapeake Bay Foundation and the Chesapeake Bay Alliance, play different roles that utilize their outreach capacity, volunteer networks, and extensive education programs to advance the shared goal of cleaning up the Bay. They are involved in a range of restoration-related efforts, including educating citizens on flood control and stream-bank erosion and teaching innovative monitoring procedures, training a corps of citizens to provide physical assistance to farmers in planting riparian buffers, and installing fencing to keep livestock out of critical sites.

Other initiatives, such as Businesses for the Bay, have provided partnerships between the business community and the Chesapeake Bay Program to voluntarily reduce toxic waste being released into the water or into the air. Larger companies who are members of Businesses for the Bay have mentoring programs for smaller businesses on how to decrease their waste stream. In 1999 alone, members of Businesses for the Bay reduced releases by 773 million pounds. There is success on several fronts, but an onrushing tide of population growth, landscape changes and increased vehicle travel within the Bay watershed, means that much more remains to be done.

The Children Exposed to Violence Initiative

In December of 1998, President Clinton launched the Children Exposed to Violence Initiative (CEVI), funded primarily by direct grants from the Department of Justice (DOJ). The Initiative has expanded into a full multi-agency, multi-disciplinary effort designed to reduce child maltreatment across the country. Based on a strong commitment to this effort by the agency leadership, this partnership has led to the proliferation of dramatically successful models of prevention and intervention on behalf of children who have experienced or witnessed violence.

CEVI is designed to coordinate and expand upon DOJ's policies and programs that are aimed at helping children who are exposed to violence. CEVI has five objectives: 1) justice system reform; 2) legislative reform; 3) program support and development; 4) public awareness and community outreach; and 5) a parenting initiative.

DOJ offers direct grants to promising local programs such as New Haven

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Connecticut's Child Development-Community Policing project. Through an extraordinary multidisciplinary intervention program, the Yale University Child Study Center ^{facilitates a collaboration among} has the New Haven Police Department, area schools, and Connecticut State child protective services collaborate to provide immediate mental health services to child victims and witnesses of violence. In New Haven, experts in treating traumatized children and families respond with law enforcement officers at every crime scene where children are involved and in need. Police officers train the child development specialists; the mental health providers train the law enforcement; and children are the winners.

Act - no partnership [Among the many projects funded by CEVI is a monograph called "Breaking the Cycle of Violence: Recommendations to Improve the Criminal Justice Response to Child Victims and Witnesses." The monograph describes in detail many of the strategies that communities can adopt to protect child victims and witnesses of violence. DOJ also worked with the Children's Mental Health Alliance (CMHA) to develop "Through my Eyes," an award-winning video on children exposed to violence. *This could be expanded*]

Recognizing that communities could learn from one another's experiences, in June of 1999, DOJ, HHS and several nonprofit partners, including CMHA and the I Am Your Child (IAYC) Foundation, convened Safe from the Start: The National Summit on Children Exposed to Violence. This summit brought together experts in law enforcement, child development, medicine, mental health, domestic violence, education, and the media to identify model prevention, intervention and accountability practices, and develop a National Action Plan to address the needs of child crime victims and witnesses.

After the National Summit, DOJ challenged state and local leaders to convene similar

statewide or regional summits to implement the strategies in the National Action Plan and initiate or support local collaborations, like the New Haven model. The IAYC Foundation, in its commitment to convene six additional summits throughout California, and a dozen other states, from Massachusetts to Illinois to Oregon, staged successful follow-up summits, which helped to spread the spirit of collaboration to communities across America.

Conclusion

Scores of other examples of successful partnerships show the benefits of federal agencies providing national leadership in concert with local mobilization to accomplish shared goals. For instance, in May 1997, Vice President Gore created the Welfare-to-Work Coalition to Sustain Success, which brings together national civic, service, and faith-based groups, who, in partnership with public agencies and employers, help former welfare recipients succeed in the workforce. DOJ's Weed and Seed has mobilized a network of local groups to devise strategies to "weed out" violent crime and drug abuse and "seed" neighborhood improvements. Additionally, the national effort to enroll uninsured, low-income children in the State Children's Health Insurance Program (SCHIP) has yielded several model partnerships that have helped provide health coverage to over 2 million children nationwide. Launched by HHS and the National Governor's Association in February 1999, the impact of the Insure Kids Now! Campaign and toll-free national hotline grew exponentially as a variety of nonprofit networks helped spread the word through flyers, newsletters and door-to-door canvassing. The 5 Goals 4 Kids program, which brings together HHS, DOJ, and the Department of Education (ED) with nonprofit partners like the United

Way, has also mobilized communities to promote SCHIP enrollment.

These and other examples demonstrate how federal agencies and nonprofit organizations that share goals and work together can maximize their effectiveness. In some cases, the federal agency has provided funding for the partnership; in others, they use their technical expertise and leadership to catalyze action. Nonprofit organizations bring their own knowledge and networks to the task. There is no one model, but there are common practices that can be replicated to stretch resources further, meet common goals and solve common problems. As the nonprofit sector grows in size and importance, there will be even greater opportunity to forge partnerships that marry the resources and leadership of the federal government with the vast on-the-ground capabilities of tens of thousands of nonprofit groups, businesses and citizens – all addressing pressing public problems and all working toward common solutions.

III. Reaching **OUT TO** a Broader Spectrum of Nonprofits

Some nonprofits – particularly the larger, well-established organizations that receive significant federal funding – traditionally work closely with federal agencies. But others, because of their lack of connections, limited resources, size, and other barriers, do not. Nonetheless, these less well-represented organizations are important partners to federal agencies and important advocates for their constituencies. For this reason, the Clinton-Gore Administration has made it a priority to invite the participation of a broader spectrum of nonprofits through a variety of mechanisms.

Working with faith-based organizations

Historically, federal agencies have approached partnerships with faith-based organizations very cautiously, due to the constitutional separation of church and State. However, because of the importance of faith-based organizations to many communities across America, the Clinton-Gore Administration has explored new ways to build close working relationships with religious organizations, while respecting constitutional limitations. For example, this year ~~there were some~~ ^{approximately} 6,000 AmeriCorps members serving ~~ed~~ with faith-based organizations and thousands of religious organizations helped get emergency food from USDA to the hungry through food banks, food pantries, and hot meals programs. Moreover, under the welfare reform act of 1996, states have the authority to provide welfare funding to faith-based organizations to provide mentoring and other supports as people move from welfare to work. In the Fall of 1999, HHS hosted a national conference to help strengthen

partnerships between the faith community and state and local agencies around the design and implementation of programs to promote self-sufficiency.

The Center for Community and Interfaith Partnerships

One particularly visible and successful example of a federal agency reaching out to faith-based organizations is HUD's Center for Community and Interfaith Partnerships. Established in 1997, the Center is the first office in a federal agency specifically created to address the needs of community and faith-based organizations that participate or are interested in federal grant programs. The Center fulfills its mission in several ways: First, it acts as a clearinghouse, providing information about HUD programs available to fund community-building efforts, publicizing best practices in implementing HUD programs, and performing education and outreach targeted at nonprofits that either have never received grant assistance or are interested in expanding their activities. Second, the Center acts as a troubleshooter, assisting nonprofit groups in navigating the HUD system, resolving problems, and responding to community and faith-based group inquiries and concerns. Third, the Center serves as an advocate within the department for community and faith-based groups – ensuring that their interests are considered when HUD policies and programs are being developed. Furthermore, the Center was designed to ensure that community and faith-based groups are included in initiatives, outreach and educational activities conducted by HUD and its specific program areas.

The Strategic Approaches to Community Safety Initiative

Another partnership that taps into faith-based and community-based groups at a local level is called the Strategic Approaches to Community Safety Initiative (Strategic Approaches). Partners include United States Attorneys, local law enforcement, and community and faith-based organizations whose goal is to reduce crime. The Middle District of North Carolina, which includes Winston-Salem and High Point, N.C., has established a particularly promising relationship with clergy and other community leaders called Operation Reach.

Operation Reach involves home visits where police officers, probation officers, clergy, and community leaders go on probationer home visits together. Together the team of clergy and police stand and deliver a stern message to probationers, while offering the services of the community to these individuals. All available evidence suggests that this method is working — not only are members of the community safer, but police officers are also safer in the company of members of the clergy than they would be alone.

Outreach to Small Grassroots Organizations

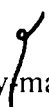
Grassroots groups, like faith-based organizations, have not always found it easy to gain access to federal resources and information. However, these smaller, community-based organizations often enjoy the trust of low-income communities and underserved populations, such as women and minority communities. For this reason, federal agencies deploy a variety of strategies to support and develop the capacity of grassroots programs that help bring federally supported services to those who most need it.

EPA's Technical Assistance Grants

One approach taken by federal agencies is to provide technical assistance to targeted community groups. Cleanup of hazardous waste sites is a complicated process in which few local people can participate without the aid of experts. To assure that local residents can participate in the cleanup process, EPA makes Technical Assistance Grants (TAG) available to qualified local nonprofits. Most TAG funds are used to hire independent technical advisors to help communities interpret, understand, and comment on site-related decisions. The types of support an advisor can provide include helping groups review site assessment/investigation data, participating in public meetings to clarify information about conditions, and visiting site locations during cleanup to observe and provide technical updates to the community. In this way, EPA's program gives nonprofit groups, organizations and coalitions the power to determine the future of their own neighborhoods. To date, EPA has awarded approximately 235 grants valued at more than \$18 million. Numerical information only speaks to part of the program's results, however. Without question the most important results are those the program generates within communities. As one TAG organization put it:

The funding awarded to Aberdeen Proving Ground Superfund Citizens Coalition (APGSCC) through the US EPA TAG program has enabled our group to effectively serve as a resource in the community through which citizens can take part in and learn about many human health and environmental issues related to the hazardous chemicals present at Aberdeen Proving Ground.

Financial Services Education Coalition

As the Treasury Department embarked on a congressionally  mandated conversion from issuing checks to making electronic funds transfers (EFT), there was widespread

recognition that many individuals who receive federal benefits, wages, salaries or retirement payments lack a bank account or a basic understanding of the benefits of receiving payments electronically. Low-income federal check recipients were especially likely to lack basic financial skills that would enable them to make informed choices. To promote financial literacy, the Treasury Department joined together with other government agencies, national organizations, consumer groups, and financial trade associations to form the Financial Services Education Coalition, which published a comprehensive guide for community educators called, "Helping People in Your Community Understand Basic Financial Services."

In addition, the Treasury Department has developed a community outreach initiative to share information with individual federal check recipients, either directly or through the organizations that are in touch with them. Regional managers provide train-the-trainer sessions around the country to ensure that people who work with recipients on a regular basis, whether social workers or community activists, understand the options of receiving federal payment electronically through direct deposit into a traditional bank account, into a new, low-cost Electronic Transfer account at federally insured institutions, or to continue receiving their payment by check. In many regions of the country, Treasury has issued mini-grants to community-based organizations, faith-based groups and nonprofit social service agencies to conduct these sessions.

The campaign also coordinates meetings to bring banks and credit unions together with community organizations to encourage dialogue and strategic partnerships between service providers for the "underbanked" federal check recipients and local financial institutions.

Women Business Centers

Recognizing that women historically have been underrepresented in the business community, the Small Business Administration (SBA) funded nonprofit organizations to serve as Women Business Centers (WBCs) to provide extensive training to women who own small businesses. Each center provides women with assistance and/or training in finance, management, marketing, procurement and the Internet, while addressing specialized topics such as home-based businesses, corporate executive downsizing and welfare-to-work. WBCs work extensively with chambers of commerce, civic organizations, and economic development groups to offer services in all communities, including rural and economically depressed areas. All provide individual business counseling and access to the SBA's programs and services.

ACCION Texas

Recognizing that community-based initiatives are often better able to deliver services to underserved communities, the Department of Commerce (DOC) invested in needed infrastructure to help ACCION Texas provide entrepreneurial support to a largely Hispanic community. ACCION Texas is a nonprofit community development program that offers small loans – sometimes known as “microcredit” – to individuals who are starting or own a very small scale business in an economically depressed community in San Antonio, Texas. In May 2000, DOC's Economic Development Administration awarded a \$500,000 grant to ACCION Texas to purchase and rehabilitate a building that will house the statewide

headquarters of ACCION, a storefront microcredit lending office and a regional center for economic development. In its new location, this facility will deliver small loans and ongoing technical assistance to entrepreneurs in the heart of impoverished communities. ACCION Texas not only helps microentrepreneurs strengthen their businesses, it helps them create additional employment and contribute to the economic revitalization of their communities. Typical ACCION borrowers include small family-owned storefronts and home-based businesses. The majority of ACCION Texas borrowers are low-income, Hispanic women.

Conclusion

Without special efforts to reach beyond the well-funded organizations with Washington representatives and staff dedicated to influencing policy and obtaining federal grants, federal agencies might well neglect the communities that most need services and can provide access to target communities. By working closely with intermediary organizations and coalitions of small grassroots organizations, streamlining the grant-making process, creating an office or designating an individual to serve as a nonprofit liaison, providing technical assistance to organizations that serve hard-to-reach constituencies, or setting aside resources for underserved groups, federal agencies improve their ability to assist previously under-served communities and can benefit from the experience of grassroots organizations.

IV. Leveraging Resources

For maximum effectiveness, partnerships may need to involve not just the federal agency and nonprofit organization, but also businesses, state and local government agencies, or foundations. In some cases, resources are needed to achieve shared goals that are not available through either the federal government or nonprofits, such as marketing expertise and media access. In others, private sector funders may find that their resources go further if they work closely with agency program staff to create synergies among the different funding streams. In others still, the federal agency may use its visibility or expertise to catalyze action by private sector funders in specific areas.

Joint Sponsorship of Events or Projects

An increasingly common form of partnership is joint sponsorship of events or projects. For example, in 1997, the Corporation for National Service (CNS) joined forces with the national nonprofit Points of Light Foundation, created during the Bush Administration, to organize the Presidents' Summit for America's Future. All the living Presidents, with Nancy Reagan representing her husband, gathered in Philadelphia to urge every American to increase the nation's commitment to its young people – a commitment that has since been captured in "Five Promises" for youth -- caring adults, safe places, healthy start, marketable skills, and opportunities to serve – now promoted by the new nonprofit, America's Promise. *other*

examples include the ^{Oct 2000} E-Philanthropy conference, ~~held in Oct 2000~~, cosponsored by the 21st Millennium Council, Independent Sector and other nonprofit & for-profit organizations; the

Save America's Treasures

~~Another~~ *An excellent example of a jointly sponsored initiative is*
One of the centerpieces of President and Mrs. Clinton's Millennium Program ^{is} ~~to~~ Save America's Treasures, a new national preservation program organized by the White House Millennium Council in partnership with the National Park Service and the National Trust for Historic Preservation. The Millennium Council was created in 1997 to invite all Americans ^{ns} to mark this historic time in meaningful ways: to "Honor the Past and Imagine the Future," as the millennium motto states.

~~President and Mrs. Clinton wanted to find ways to celebrate our culture and history and to make sure that a future generation of Americans understood the many peoples and stories that have shaped our nation. They were aware that great national treasures, such as the~~

~~Star-Spangled Banner, the Declaration of Independence, the United States Constitution and many historic sites were at risk of deterioration.~~ After consulting with the National Park

Service and a number of nonprofit preservation organizations, the Millennium Council

realized that ~~the~~ ^{the} preservation challenge was widespread and affected many artifacts,

documents, monuments, art objects and historic structures across the country, ^{and their regional} ~~To save our~~

~~historic legacy would be a gift to the future that could be made for the millennium, and like all~~

~~successful preservation initiatives, it needed~~ ^{to and this effort,} leadership and partners. The President proposed,

and Congress approved ~~some~~ ^{some} \$95 million over three fiscal years in new federal funds to the

National Park Service for a national grants program. Each federal Save America's Treasures

grant ^{had to} ~~must~~ be matched by the same amount in state or private funds, and the successful

applicants were either nonprofits or federal agencies caring for collections and sites of

national significance and educational value. Projects as diverse as Ebenezer Baptist Church in

Atlanta, Mesa Verde National Park, Saving the Silent film preservation and Ellis Island were supported.

At the same time, the Millennium Council consulted with and gained the cooperation of the National Trust for Historic Preservation -- the oldest and largest preservation nonprofit in the country. The Trust was convinced that once people knew about the important aspects of our heritage that were at risk, they would want to help save them. The Trust organized the Millennium Committee to Save America's Treasures, a group of about 100 citizens, some of whom were new to preservation efforts. Mrs. Clinton served as the honorary Chair of the group which is co-chaired by Richard Moe, the Trust's president, and by ~~another prestigious member~~, Susan Eisenhower. That group began learning about sites and objects that needed immediate support, and, by October, 2000, they contributed and raised almost \$60 million in private funds for conservation projects such as George Washington's Revolutionary War tents, the Louis Armstrong House and Archives, the M'Clintock House at the Women's Rights National Park, the Harriet Tubman Home and many more. The Trust also contributed a website, with support from AT&T, and produced educational material for teachers and schools with Time-Warner. The Trust recognized all the sites that received public or private funding, plus others of regional significance by naming 700 of them "Official Save America's Treasures sites."

To kick off this partnership program, President and Mrs. Clinton stood before the fragile Star-Spangled Banner at the National Museum of American History, before the flag went to its special conservation laboratory at the museum. Beside them stood Ralph Lauren, whose company Polo Ralph Lauren had donated \$10 million to save the flag, and Rebecca

Rimel, president of the Pew Charitable Trust, which gave \$5 million. The flag also received a federal Save America's Treasures grant. This was the first of some 45 Treasures events for the Clintons, Vice President Gore and Richard Moe.

~~To date~~
~~So far~~, the program has funded over 220 sites and collections with public and private funds, and has greatly raised public awareness of the importance and condition of our

heritage. ~~Given these results, Save America's Treasures has a high probability of continuing~~

~~into 2001 and beyond.~~

Vital Voices

In the foreign policy arena, the State Department's Vital Voices Democracy Initiative shows that partnerships can cross international boundaries to make a lasting and positive difference in the lives of foreign citizens as well as Americans. Launched in 1997 to amplify and support the voices of emerging women leaders around the world, Vital Voices built on the Plan of Action passed by the delegates to the United Nations Fourth World Conference on Women. Thanks to the leadership of the First Lady and the Secretary of State, women's rights have taken their place as part of the mainstream of American foreign policy.

Vital Voices relies heavily on donated in-kind training, support and expertise from nonprofit organizations, and has leveraged corporate support from a host of national and international businesses. Organizations such as Discovery Communications, McKinsey & Co., the World Bank and Georgetown University have partnered with Vital Voices to, among other activities, host technology training sessions, fund website development, coordinate research symposia and engage additional private and public sector partners.

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One example of the way in which Vital Voices has worked with nonprofit partners is the week-long Vital Voices Leadership, Advocacy and Communication training session for women in Russia and the Balkans that took place in May 2000. The nonprofit National Democratic Institute for International Affairs (NDI) hosted one of the major training sessions called Strategic Planning for Making a Difference in Politics. This session focused on leadership development, communication and approaches to building constituencies to help women from emerging democracies become involved in the political process.

Through efforts like this one, Vital Voices continues to create unprecedented partnerships and has unleashed a growing global movement of people who support women building strong democracies.

“Friends of” and Other Dedicated Nonprofit Organizations

Across the country, numerous nonprofit organizations provide services closely linked to the functions of government programs. For instance, the National Peace Corps Association (formerly the National Council of Returned Peace Corps Volunteers), a 501(c)(3), was incorporated in 1983 as the national alumni association for the people who have served as volunteers and staff in the Peace Corps. It includes among its goals a mission to educate the public about other countries and cultures, support the network of alumni, promote domestic and international community service, advance policies and programs consistent with the Peace Corps experience, and ensure the continued success of the Program. Other agencies and programs with similarly dedicated nonprofit partners include AmeriCorps (AmeriCorps

Alums), the National Park Service (the National Park Foundation), the Art in Embassies Program (Friends of Art and Preservation in Embassies), Head Start (the National Head Start Association), and most recently, the National Endowment for the Humanities (the National Trust for the Humanities).

US Coast Guard Auxiliary

Another example of a dedicated nonprofit partner is the US Coast Guard Auxiliary, the civilian volunteer arm of the Department of Transportation's United States Coast Guard that assists in promoting boating safety awareness, and protecting boaters on the water. Over the course of 61 years of service, Auxiliary members have saved thousands of lives. And, since the enactment of the Coast Guard Authorization Act of 1996, their role in non-traditional missions, such as marine environmental protection, recruiting, and public affairs, has grown substantially. In addition to their traditional role in water safety, through the Sea Partners program, volunteer Auxiliary members spend thousands of hours educating the public about environmental issues, the prevention of pollution, possible waterway dangers and threats to life. Its 35,000 volunteers perform voluntary safety checks on thousands of commercial fishing boats, ensure compliance with federal safety regulations and give direct assistance to Coast Guard rescue missions. A recent study showed that each dollar invested in the auxiliary returns about four dollars in prevention and response services. In addition to its economic value, the Auxiliary gives the boating community a sense of purpose and pride in being "self-regulated."

Partnerships with Private Sector Funders

A small but growing number of foundations have found that their funds go further or have a greater impact if they work in tandem with other funders, including federal agencies.

As Council on Foundations President and CEO Dorothy Ridings notes:

Beyond the goal of sharing information, agencies and foundations could also explore ways in which they can work together from the outset to design and implement programs. For example, federal agencies could benefit from the lessons learned from experimental programs funded by foundations. In turn successful programs that federal agencies implement might help prompt foundations to support and build upon similar efforts. Such coordination may give more legitimacy to both public and private efforts, avoid duplication of resources, help fill service gaps and better achieve policy goals.

Ridings offered several current examples of foundation work with agencies, including the Packard Foundation's work with the Department of the Interior on land use issues and with the State Department on programs in developing countries; the Enterprise Foundation's partnership with HUD on community development and housing issues; the Robert Wood Johnson Foundation's work with the HHS on establishing immunization monitoring systems; and the W. K. Kellogg Foundation's coordination with CNS on service learning issues.

The President's 21st Century Community Learning Centers Program

One notable partnership between an agency and a foundation is the collaboration between the Department of Education and the Charles Stewart Mott Foundation over the past

Letter to Shirley Sagawa, Deputy Assistant to the President and Deputy Chief of Staff to the First Lady, March 10, 2000.

three years to support community-based afterschool programs funded through the President's 21st Century Community Learning Centers grant program. ED administers the program and supplies funds to local communities through a competitive grant process. The Mott Foundation provides funds for training, technical assistance, program evaluation, and public will.

For example, ED has worked closely with the Mott Foundation to ensure that all school districts can prepare high-quality applications. By simply providing technical assistance on what constitutes a quality program, how to collaborate, and how to accurately complete applications for afterschool funding, the Mott Foundation has strengthened the pool of recipients significantly since its inception. The average standardized score for grant applications has gone up from 72 in 1998 to almost 80 in 2000.

ED and the Mott Foundation also co-created the Afterschool Alliance, a coalition devoted to raising awareness and expanding resources for afterschool programs. The vision of the Afterschool Alliance, consisting of such notable partners as JC Penney, the Advertising Council, the Entertainment Industry Foundation, and the Creative Artists Agency Foundation, is to ensure that every child in America has access to quality afterschool programs by the year 2010. Toward this end, the Afterschool Alliance has secured millions of dollars in direct and in-kind contributions to spur the growth, improve the quality and work toward the sustainability of afterschool programs.

Over the next seven years, the Mott Foundation has committed almost \$100 million to continue their training and technical assistance efforts, as well as identify best practices, evaluate current programs, tap into public will for afterschool programming, and promote

access and equity. The Afterschool Alliance will continue to provide technical assistance in every state; to track national attitudes on afterschool programs through surveys and research; and to conduct a public education campaign. Not surprisingly, in validation of the initiative's success, the majority of education legislation passed last year included requirements for local or state level collaborations.

The National Community Development Initiative

The National Community Development Initiative (NCDI) was created in the early 1990s when the Rockefeller Foundation found that there was significant public, philanthropic and corporate interest in developing a collaborative mechanism for financial and technical support to nonprofit community development corporations. NCDI now combines resources from 15 major national corporations and foundations, HUD, and local public and private organizations to offer grants and low-interest loans for locally driven efforts to improve distressed inner city neighborhoods. With these resources, community-based nonprofit groups build houses, develop health and child care centers and other neighborhood facilities, create jobs and business opportunities, and help residents gain an economic stake and voice in their communities.

Core funders of the initiative are providing a total of \$103 million – an amount that, when coupled with financial resources committed by over 250 local partners (including state and local governments, local foundations, banks and corporations) is expected to generate more than \$2 billion for community revitalization. This initiative demonstrates how large federal and nonprofit funders can improve the quality of life at the neighborhood level by

supporting local community-and faith-based organizations.

Catalyzing Private Sector Action

The ability of federal agencies to stimulate activities by private sector organizations makes possible the achievement of goals that could not be met by a federal agency on its own. With this in mind, many agencies have challenged the private sector to use its resources to address important priorities, from arts education to improving technology in schools. Two partnerships described below, the Youth Opportunity Movement and the Welfare to Work Partnership, have been exceptionally successful in mobilizing the business sector to expand access to skills, supports and opportunities to become gainfully employed for vulnerable youth and parents seeking to move off of welfare.

→ Inservice
youth
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Youth Opportunity Movement

The Department of Labor's (DOL) Youth Opportunity (YO!) Movement ^{demonstrates} ~~is an excellent~~ ~~example of~~ how a federal agency can stimulate private action – both for-profit and nonprofit – to complement government efforts. Launched in 1998, the YO! Movement is a partnership-building network that helps communities access all of their resources to help at-risk youth. The role of the Department is to create a ground swell of support for the employment and social needs of out-of-school youth by bringing these issues to the public arena. Through the YO! Movement, corporations provide jobs, internships, apprenticeships and mentoring opportunities; foundations provide funding to local programs for capacity-building, technical assistance, leadership development and research; and celebrities volunteer time to promote the

movement through public service announcements and public appearances.

In February 2000, DOL awarded \$223 million in Youth Opportunity Grants to help 36 communities forge local partnerships to attack unemployment of out-of-school youth. These local partnerships bring together everyone from church pastors to corporate CEOs, teachers to cops, sports stars to elected officials. Together they provide a range of supports and opportunities (such as skills training, counseling, mentoring, and job placement) to young people in targeted high unemployment areas. Both through these grants and through the broader effort to catalyze private action, the YO! Movement helps young people empower themselves and contribute to their communities by getting employment skills needed to compete in the 21st century economy.

One additional collaboration that has come out of this initiative is the YO! Leadership Institute operated by the National Center for Strategic and Nonprofit Planning (NPCL). Jointly funded by DOL and the Charles Stewart Mott, Ford and Rockefeller Foundations, NPCL recently convened its first training session for 400 individuals who work with youth. NPCL, a nonprofit based in Washington, DC, is able to build a curriculum that effectively meets the needs of local youth workers through an approach that combines training, mentoring and job shadowing.

The Welfare to Work Partnership

When President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (more commonly referred to as the Welfare Reform Act), he understood that the successful transition of millions of Americans from welfare to work

would require a national mobilization of private-sector employers. Five founding companies created the Welfare to Work Partnership in response, and in the ensuing four years, more than 20,000 additional companies signed on, pledging to hire welfare recipients without displacing existing workers. Through foundation, corporate and government grants, the Partnership provides information and technical assistance to companies nationwide, encouraging them to hire, retain and promote welfare to work employees. Since the founding of the Partnership, member companies have hired an estimated 1.1 million former welfare recipients, who earn, on average, \$7.80 an hour or, if salaried, \$19,641 a year. The majority of participating companies say that their welfare to work hires stay on the job as long or longer than other new hires, which translates into a more stable workforce and a stronger bottom line.

The Department of Labor has worked closely with the Partnership to incorporate employer views into the development and implementation of federal welfare policy and to promote employer participation in the national dialogue on the successes and challenges of moving people from welfare-to-work. For instance, DOL and the Partnership co-sponsored a three-day conference called Welfare to Work Partnerships - One America held in August 1999, which represented a unique opportunity for businesses, communities and government leaders to learn from one another's experiences and inspire one another to do more.

Fostering Charitable Giving in the Federal Workplace

The Combined Federal Campaign

As the largest workplace giving program in the world, the Combined Federal

Campaign (CFC) allows federal employees to support national and local nonprofits. CFC contributions are an important source of general financial support for thousands of nonprofits. Besides enabling the delivery of needed services, CFC contributions also help to leverage contributions from other sources, including private sector employee donor programs and other state and local government employee workplace giving campaigns.

The Office of Personnel Management (OPM) oversees the CFC and serves as the main source of information on this fundraising program for thousands of federal donors and participating charities. The campaign is conducted in all federal agencies for 6 weeks every fall. In 1999, almost 1.5 federal employees, including postal workers and employees from the Executive Branch and the military, gave nearly \$218 million (largely through payroll deduction) to over 40,000 nonprofit organizations worldwide through CFC. The charities supported through the CFC range from nascent community groups to large, well-known charities.

Partnerships with nonprofit organizations are a core part of the CFC structure. In each of the 370 CFC areas throughout the country, local and national nonprofit organizations collaborate closely with committees of volunteer federal employees to design marketing strategies for the campaign and to process the receipt and distribution of federal employee contributions to the charities they choose.

CFC also directly involves participating nonprofit organization leaders in the design of new policies and programs that are shaping the future of the Combined Federal Campaign. For example, nonprofits are lending their expertise in web-based philanthropy to new efforts to use technology to integrate the participation of millions of federal retirees in the CFC and

bring new efficiencies to giving in the federal workplace through the use of automated giving.

These partnerships are promoting greater direct giving from federal employees to local and national nonprofits while helping nonprofit organizations use these contributions to leverage financial resources from other sources.

*America
Reads
Primer?*

Conclusion

Through close partnerships, federal agencies and nonprofits have been able to leverage additional resources and mobilize private sector actors towards a common goal. Nonprofit partners can play an important role in raising funds for joint initiatives, engaging volunteers, and reaching out to businesses and foundations. At the same time, federal leadership and programs, like the CFC, can raise the visibility of issues and organizations, as well as critical operating funds, to allow nonprofits to leverage outside resources.

V. SHARING INFORMATION

Nonprofit leaders say that, when working with the government, access to information is a priority – from data that is available on the nonprofit sector itself, to information on best practices and opportunities for funding. At the same time, many federal agency officials report that they are dependent on nonprofit networks to disseminate information to specific constituency groups. Partnerships are one effective approach to improving the flow of information in both directions; use of information technology is another.

Uses of the Internet

More than a dozen federal agencies – from the Department of Education and the Small Business Administration to the Department of Energy and the General Services Administration – offer funding, services, or information pertinent to nonprofit organizations. For nonprofits unfamiliar with the structure of the federal government, navigating these agencies to identify useful resources can be a challenge. The Nonprofit Gateway – www.nonprofit.gov – was built in 1997 to serve as a central starting point to help nonprofit organizations access online federal information and services. Specialized, issue-specific sites also have been developed, such as www.afterschool.gov, to connect information-seekers to federal resources that support children and youth during out-of-school hours.

First gn. a?

EDSITEment

Another issue-specific site, EDSITEment – “The Best of the Humanities on the Internet” -- is a portal site on the Internet created by the National Endowment for the Humanities in partnership with the nonprofit Council of the Great City Schools and the MCI Worldcom Foundation. EDSITEment (found at EDSITEment.neh.gov) links teachers and students to humanities-based websites inside and outside of government that meet rigorous standards of excellence and educational utility. Customized learning guides demonstrate how to use the site as an instructional tool. Primarily designed for teachers, it can also be used by students, parents, and the public. The site currently averages over 26,000 hits per day, and perhaps more significantly, a recent survey of users indicated that nearly 7,000 users had used the site more than once. EDSITEment continues to receive favorable reviews from educational journals and websites, and the number of user sessions has increased each academic year.

In addition to using the Internet’s full potential to share information, the EDSITEment project also has leveraged significant private resources, including \$1.7 million from the MCI WorldCom Foundation. Energized by the success of EDSITEment, the MCI Worldcom Foundation has used it as a model for structuring six additional sites in other areas of the curriculum, enlisting several major nonprofit groups in the process: geography (The National Geographic Society), sciences (American Association for the Advancement of Science), economics (National Council on Economic Education), mathematics (National Council of Teachers of Mathematics), and the arts (the John F. Kennedy Center for the Performing Arts).

Strategies To Disseminate Information Through Nonprofit Networks

Partnership for Family Involvement in Education

Some agencies have found it useful to build networks of nonprofits and others with common interests as a means to disseminate information and link like-minded organizations with one another. For example, the Partnership for Family Involvement in Education was created in 1994 to promote and foster partnerships and communication among schools, parent organizations, faith-based groups, community nonprofits, and employers. Its goal is to spread the message that entire communities should be involved in education and that all types of groups can make valuable contributions to help increase family involvement in a child's schooling. To encourage such support and to bring groups together, the Partnership convenes meetings, directs research, develops partnership guides, hosts teleconferences, and provides a newsletter, website and extended technical assistance to communities and community groups interested in advocating for education. The goal is to have partners connect with each other, pool resources and ideas, share their best practices and be recognized for their efforts.

National Spatial Data Infrastructure

Federal agencies also can play an important role in consolidating information from a variety of federal and nonfederal sources to make it easier for users to access. The National Spatial Data Infrastructure (NSDI) is an excellent example of a partnership that includes multiple nonprofits working in concert with government and industry to build an electronic

infrastructure bringing together all the national geographic databases on the Web. The United States Geological Survey provides ongoing staff and funding support to the data coordination activities of the Federal Geographic Data Committee (FGDC), an interagency committee that promotes the coordinated use, sharing, and dissemination of geospatial data (such as environmental, population, and social statistics). One of FGDC's primary goals is to develop an easily accessible 'national' resource of this information – the NSDI. Governments at all levels, businesses, and other public and private sector institutions are universally recognizing the value of place-based information in managing complex natural and social environments. Geographic information is part of almost all government and business processes, but in the past has been collected to serve limited purposes and has not been shared or integrated across organizational boundaries. No one agency or organization can or should build all of its geographic data alone. The NSDI is providing the ability for users to find, get and use geographic information they need to address issues of concern to their communities.

Recognizing that a variety of constituencies have a stake in building the NSDI, FGDC has established relationships with industry, local governments, and non-governmental organizations such as the National Association of Counties, the National States Geographic Information Council, and the Open Geographic Information Systems (GIS) Consortium to create and review the infrastructure. Among their activities, cooperating groups participate in several FGDC activities including: promotion of FGDC-endorsed standards for geospatial data transfer, content, collection, and quality control; standards development, review and implementation; and participation in the National Geospatial Data Clearinghouse and the National Geospatial Data Framework. Working with a large variety of groups not only

provides access to an expanded geospatial data community, it also fosters increased communication and collaboration among public and private sector organizations who collect and utilize geospatial data.

National Campaign to Prevent Teen Pregnancy

In President Clinton's 1995 State of the Union, he challenged parents and leaders across the country to come together in a national effort to reduce teen pregnancy. The National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was founded in February 1996 in response to this call to action. Supported almost entirely by private donations, this nonpartisan organization is independent of the government, but works collaboratively with HHS and other federal agencies that deal with young people, to disseminate information to youth, parents and communities.

In October 1999, the National Campaign and HHS jointly released "Get Organized: A Guide to Preventing Teen Pregnancy." This guide stresses the importance of long-term, localized approaches to teen pregnancy prevention, with careful evaluation to document results and aid in program improvement. The guide shares strategies on how to conduct community needs assessments, raise funds for prevention programs, craft a prevention message and move forward in the face of conflict. In addition, it offers proven approaches to engaging and effective ways to involve teen boys and young men, parents, the faith community, businesses and health professionals. Both HHS and the Campaign have publicized this guide and it has been widely disseminated, both in print and through the HHS website.

A similar collaboration between the National Campaign to Prevent Teen Pregnancy, the Office of National Drug Control Policy, the Campaign for Tobacco-Free Kids, the National Campaign Against Youth Violence, the U.S. Department of Education, and the U.S. Department of Health and Human Services, undertaken at the request of the White House, produced a guide for parents of teenagers to help them discourage high-risk behaviors and promote positive youth development. The guide was released at the White House Conference on Teenagers in May 2000. The Campaign has also engaged private sector media partners and advertising agencies to develop and disseminate messages aimed at teenagers and their parents.

Conclusion

Public-private partnerships are serving as an effective way for agencies and nonprofit organizations to exchange or disseminate information. New technology can only increase the possibilities for improvements in this area. Not only can collaborative websites consolidate access to federal resources in one place or post information from a variety of sources on a specific topic – the interactive nature of the Internet also makes it possible for users to connect with one another (as is planned for the upcoming Vital Voices website) and post their own information (as can be done on the National Partnership for Family Involvement in Education website, www.pfie.ed.gov). These types of websites call for even greater cooperation between nonprofits and government to get relevant information from both sectors to end-users through a single, easily accessible site.

VI. Improving the Effectiveness of Nonprofit Organizations

Federal dollars make up a significant portion of the overall budgets of many nonprofits. Unfortunately, however, the complexity of federal regulations, inconsistent applications and policies among different federal programs, and excessive paperwork may make the receipt of federal funding a mixed blessing. Some have argued that federal practices and policies actually undermine the effectiveness of many nonprofit organizations, as they are forced to allocate excessive resources to comply with federal rules.

The Clinton-Gore Administration has made it a priority to reverse this problem, seeking to create a government that removes stumbling blocks for nonprofits and affirmatively helps build up nonprofit capacity. Highlighted below are examples of federal initiatives to simplify government regulations and procedures, provide training and technical assistance, use government contractors to help nonprofits build capacity, facilitate local collaboration, and provide needed financial and human resources to bolster nonprofit efforts.

Simplifying government regulations and procedures

Vice President Gore's Reinventing Government program made reducing paperwork and unnecessary regulations a priority, resulting in significant improvements in many agencies. This not only makes it easier for nonprofits who are already receiving government funds, but also helps smaller, community-based organizations navigate funding applications and manage reporting requirements.

HUD Super NOFA

HUD, for example, consolidated the applications of 40 of its programs into a Super Notice of Funding Availability (SuperNOFA), a uniform application process for all HUD grants that explains awards and their criteria in plain language and allows communities to view HUD programs as a menu of options. As part of the SuperNOFA process, HUD also has expanded how it communicates with potential applicants about the grants and the application process by providing on-line application training on the HUD website 24 hours a day.

HUD now plans to... (need to fill out this example by noting what else HUD is ~~doing~~ ^{planning} in the REGO arena)

Targeted training and technical assistance

Federal regulations and goals are intended to foster effective practices and promote positive results. To help nonprofit organizations receiving federal funds achieve these standards and become more effective organizations, most federal agencies provide some form of technical assistance or training.

EPA and the American Hospital Association

For example, in 1998, the EPA negotiated a Memorandum of Understanding (MOU) with the American Hospital Association (AHA) to reduce the use of mercury in hospitals. Hospitals are America's fourth largest producers of mercury waste and produce about 1 percent of the nation's solid waste stream. The MOU assists AHA's member hospitals, including nonprofits, to go beyond basic compliance with waste management regulations, calling for the elimination of mercury use in the healthcare field where possible and a 50 percent reduction in waste volume by the year 2010. To help the AHA implement the memorandum, an Environmental Leadership

Council, including representatives of the healthcare sector and a coalition of more than 100 grassroots nonprofits, was established to assist and advise in implementation. Vital to the implementation of the agreement has been the creation of a comprehensive "how to" model - available through AHA's Website - that provides hospitals with technical information on how to accomplish the reductions called for in the MOU.

Developing the overall effectiveness of organizations and leaders

Few federal resources have been available to provide services – comparable to services through SBA – to help nonprofits become more effective organizations. Some agencies, however, have developed initiatives that address this objective of developing the overall effectiveness of nonprofit organizations and leaders. For example, leadership training that goes beyond field-specific knowledge is offered to Head Start Fellows, Corporation for National Service grantees, and conservation professionals (see description below).

Conservation Leadership Network

Conservation professionals receive leadership training through the Conservation Leadership Network, the result of a long-term partnership between the U.S. Fish and Wildlife Service and the Conservation Fund. The Network's goal is to expand the knowledge and skills of conservation professionals; enhance relationships among the nonprofit, corporate and governmental segments of the conservation community; and to broaden the American conservation movement's base. At the National

Conservation Training Center, located in Sheperdstown, West Virginia, the Network offers educational and relationship-building opportunities for governmental and non-governmental professionals to train conservation professionals. Desired outcomes include: 1) possession of core skills relating to organizational management and leadership; 2) awareness of new conservation theories, approaches and technological applications; 3) application of theory and practice to current conservation issues; and 4) the ability to work across disciplinary and sector boundaries to build consensus among stakeholders. Through these outcomes, the Conservation Leadership Network is working to increase the capacity of nonprofits through training and outreach.

Using government contracting authority to build capacity

South Florida Goodwill

Some federal agencies use their authority to contract with nonprofit service providers as a way to help these organizations establish a track record or new capacity that will enable them to expand their client base. For example, the South Florida Goodwill currently engages in several business partnerships with the federal government providing both services (i.e. janitorial) and goods (i.e. uniforms) to the Department of Defense. From these experiences, Goodwill has been able to leverage additional contract opportunities with the private sector (i.e. assembling the advertising section of *The Miami Herald*). Through its work with the federal government, Goodwill is proving that it has a qualified, trained and prepared workforce. In turn, Goodwill graduates emerge as skilled, reliable workers who continue to

receive support and guidance even after finding a job with follow-up services for both employee and employer. As a result, Goodwill is leading the charge in South Florida to help unemployed or underemployed individuals embark on new careers. In 1999, they placed 1,518 individuals in competitive jobs. Of these, 515 were welfare recipients and 1,003 were people with disabilities.

Helping nonprofits work together

National Donations Management Strategy

Enabling organizations to work together more effectively is another way the federal government can increase the capacity of the nonprofit sector. For example, in 1993, the Federal Emergency Management Agency (FEMA) collaborated with several nonprofit disaster organizations to develop a National Donations Management Strategy to introduce a level of coordination and control over the large flow of goods and services donated in response to disasters. The National Donations Management Strategy stresses that the full capacity of voluntary agencies should be used to manage donations; that financial contributions to voluntary agencies are preferred; that management of donations requires a united, cooperative partnership between government and the voluntary sector; and that information management is essential. In the year 2000, a typical disaster operation has consisted of a State Donations Coordinator working with a Donations Coordination Team, a Multi-Agency Warehouse, and a Donations Coordination Center equipped with a public Information Hotline. Implementation of such strategies have led to better service to the general

public, better service to the disaster-affected community, and an expanded level of capacity within voluntary agencies to manage disaster donations.

Continuum of Care

In response to an Executive Order on May 19, 1993, in which President Clinton called for the creation of a federal plan to break the cycle of homelessness, HUD held 18 forums with thousands of individuals and non-profits to determine the best way to tackle this challenge. One of the key messages that the Department heard was the need for a more collaborative approach to addressing homelessness at the local level. Based on this feedback, HUD's Continuum of Care initiative creates incentives for local groups to work together to develop comprehensive, long-term approaches to moving people who are homeless into permanent housing and self-sufficiency by giving preference to funding applications that evidence a more inclusive process of planning and implementation. In communities around the country, this has yielded a process that brings people together – local and state governments, nonprofits, the business community, homeless individuals and advocates for the homeless, including special populations such as youth or persons with mental health issues – to determine the most effective strategies to deal with this complex issue.

Before the Continuum of Care was launched, individual organizations applied directly to HUD and the Department funded the top applications without fully weighing how they complemented the other applications. This led to duplication in some areas and gaps in others. The problem of homelessness cannot be solved with piecemeal solutions; therefore, the Continuum of Care has promoted the development of more cohesive local planning, has

prompted large grantees to collaborate with smaller nonprofits, and has created a more efficient and effective system that targets federal funding to successful community initiatives.

Investing financial and human resources to strengthen nonprofit organizations

The Community Development Financial Institutions Fund

Government agencies may also serve as investors in certain nonprofit financial institutions, strengthening their capacity to serve low-income communities. Initiated under the Clinton-Gore Administration, the Community Development Financial Institutions (CDFI) Fund is a government corporation within the Department of Treasury that works to promote access to capital and foster local economic growth by directly investing in CDFIs and providing incentives to traditional banks to increase their lending, investment and services to CDFIs and within underserved markets. CDFIs include community development banks, credit unions, loan funds, venture capital funds, and multi-bank community development corporations. Over 80 percent of all CDFIs are nonprofit institutions. CDFIs typically work in low-income communities, providing a wide range of services and financial products, such as mortgage loans to first time homebuyers, loans and investments to start or expand small businesses and microenterprises, loans to rehabilitate single family and multi-family housing or build community centers, and savings and checking accounts for low-income households.

CDFIs benefit from Treasury's CDFI Fund in three primary ways: 1) providing equity investments, grants, loans or deposits to enhance the financial strength of the CDFI and help them leverage additional resources; 2) funding intermediary organizations that pass the

funding on to CDFIs and that provide intensive financial and technical assistance; and 3) technical assistance to build the capacity of “start-up” young and small financial institutions, through computer system upgrades, streamlining policies and procedures, evaluating loan products and developing new ones, and training staff in operations essential to the success of the organization. Since its inception, the CDFI Fund has provided approximately \$215 million through these three mechanisms to bolster the efforts of primarily nonprofit community development financial institutions nationwide. The President proposed expanding the CDFI Fund as part of his New Markets Initiative.

AmeriCorps

Finally, President Clinton’s AmeriCorps program offers an often overlooked resource: the people power and skills provided by AmeriCorps members, who are usually young adults willing to work full-time for a year with minimal compensation to address the educational, environmental, public safety, and other human needs of communities.

AmeriCorps is often described as the domestic Peace Corps. Through this program, nonprofit organizations apply to the Corporation for National Service (CNS) or a governor-appointed state commission to be an AmeriCorps sponsor. If selected through a competitive process, they may hire, train, and supervise these individuals, who will receive a \$4,725 education award at the end of their service term. Since President Clinton launched the program in 1993, more than 200,000 AmeriCorps members have served in hundreds of organizations, including nonprofits, local and state government entities, Indian tribes, institutions of higher education, faith-based groups, and local school and police districts.

AmeriCorps partnerships have led to the establishment of initiatives to tutor children, rehabilitate public schools, build homes, provide emergency assistance to disaster victims, and address other quality of life issues for low-income families. Through one successful partnership, ED and CNS have developed the America Reads program, a nationwide campaign that seeks to help all children learn to read well and independently by the end of the third grade. ²more than 10,000 AmeriCorps members and over 26,000 other college students have tutored nearly 1,000,000 children over the last several years through this program. A major independent evaluation of this effort found that the tutored students made significant gains in reading, starting the year significantly below many of their peers and ending close to national averages.

In another effort to support nonprofits by mobilizing volunteers, CNS has also given nearly \$1.5 million in grants to support service projects nationwide on the Martin Luther King Day of Service, celebrated annually across the country to honor Dr. King's birthday and memory. AmeriCorps members bring together community leaders and millions of volunteers for service projects ranging from feeding the homeless to painting classrooms to registering students for library cards.

Beyond providing direct service, AmeriCorps members work to secure the future of their projects by training volunteers within the community to take over once they leave and helping to secure private funding. One particularly successful technical assistance effort has been Project Star, through which AmeriCorps sponsors are trained to develop goals and objectives that will enable them to track their progress and measure results. CNS also offers

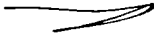
grant money and technical assistance to service organizations to improve or expand their operations, including fundraising and leadership training. In addition, CNS has formed partnerships with businesses that provide corporate matching grants to fund local service projects. Companies with specific areas of expertise provide AmeriCorps members with the training and other resources they need to develop better service projects, including providing health care and meals for homeless families, housing for low-income residents, mentoring for at-risk students and technological improvements for schools.

AmeriCorps offers a new model for federal efforts to strengthen the nonprofit sector by combining resources and training that supports the existing goals of the nonprofit sponsors and strengthens them as organizations, not just as grantees. As a 1999 evaluation of the program noted, "The institution building that resulted from organizations' involvement in AmeriCorps has had a profound and potentially long-term impact on America's communities. Sponsoring organizations developed new community consortia and links with other community organizations as they created new solutions to community problems."

Conclusion

These innovations recognize that as we look to the nonprofit sector to work hand-in-hand with government to provide this nation with needed services, government can assist nonprofits by reducing unnecessary paperwork, building capacity, and providing critical resources to help nonprofits develop. These models demonstrate the promise of future efforts by federal agencies to strengthen their nonprofit partners and grantees.

VII. CONCLUSIONS OF THE TASK FORCE: BEST PRACTICES & Barriers



This report has shown that partnerships with the nonprofit sector make a dramatic difference in how the federal government can serve the American people. These partnerships improve the effectiveness of outreach, the appropriateness and quality of services, the scope of information dissemination, and the coordination among the public, private and nonprofit sectors. In the course of consulting with agencies and nonprofits about what makes the partnerships described in this report work and what factors have inhibited the development of other partnerships, the Task Force heard a number of common themes. The conclusion presented here can help agencies more effectively create and nurture critical nonprofit partnerships.

Practices of successful partnerships

The examples outlined in this report and the other specific partnerships analyzed by the Task Force suggest that forging these relationships take work. We found that successful partnerships often shared the following characteristics:



The agency head was supportive of partnerships as an approach to achieving the agency's goals.

Not only were the heads of most agencies surveyed supportive of partnerships as an approach to achieving agency goals, they were in many cases responsible for initiating and highlighting these partnerships. Several of the most visible partnerships evolved as special

projects of the agency head, including Treasury's BusinessLINC (large business-to-small business mentoring fostered by intermediary organizations) and National Partnership for Financial Empowerment (promoting financial literacy); the Presidents' Summit for America's Future, led by CNS; and the National Summit on Community Food Security, organized by USDA.

- **Partnerships are an intentional way of doing business rather than an afterthought.**

By creating mechanisms for early, frequent and meaningful nonprofit-agency interaction, partnerships are more likely to become part of the regular operations of an agency, rather than an afterthought or add-on. HUD was among the agencies most praised by nonprofit organizations for making it a priority to build strong relationships with nonprofit organizations. From the earliest days of the Administration, senior officials at HUD held regular meetings with nonprofit leaders, and later the Department developed a new office to institutionalize clear channels of communication. Similarly CNS created an Office of Public Liaison *and Independent Sector Liaison position* when the agency was formed in 1994. The staff in this Office is dedicated to building partnerships with the private sector, and has developed workshops across the country to reach out to nonprofit organizations and educate them about new legislation and funding opportunities.

- **The organization and agency had a shared goal.**

Partnerships of all sorts require a shared goal to succeed, and the strongest federal-nonprofit relationships we examined included clear, focused, common goals, such as

increasing childhood immunization rates or improving the environmental health of Chesapeake Bay. In many cases, agencies and nonprofit organizations had a wide variety of missions but shared a common purpose that cemented the partnership. Without this common purpose, partnerships may have limited impact, emphasize process over outcome, and consume resources of both partners that might have been better spent on other efforts. In fact, Independent Sector's survey of nonprofits identified "a common goal and vision" as the most important factor in a successful collaboration (cited by 63 percent of respondents).



The agency approached the relationship as a true partnership with both sides contributing.

In effective partnerships, both parties are contributors and beneficiaries. Federal agencies may possess data and information, funds, regulatory and policymaking authority, the ability to convene, and communications systems, but more and more agencies are recognizing the important assets that nonprofit organizations bring to the table. Nonprofits may have expertise; communication networks; data and information; strong advocacy networks; members or affiliates; and access to the press – all resources that may be useful when working toward a shared goal. For example, when the White House Millennium Council and the National Park Service sought to implement a program to "Save America's Treasures" by focusing public attention on national historic, natural and cultural sites in need of preservation efforts, it found an ideal partner in the National Trust for Historic Preservation. The Trust offered expertise in preservation, a strong reputation based on half a century of work, a willingness to add to its communications and fundraising

operations. These resources complemented the government's ability to raise public awareness, provide federal funding for preservation projects, manage the national parks and other federal cultural institutions where many "treasures" are located, and tap the knowledge of the National Endowment for the Arts and the Humanities and the Institute of Museum and Library Services.

- **The agency dedicated staff resources to building and sustaining the partnership.**

Effective partnerships are often time consuming, requiring the engagement of staff at several levels. A partnership may be initiated by almost any part of an agency – the office of the agency head, the public liaison, and program leaders are the most common initiators of a relationship. Senior staff, with the authority to commit the agency, must approve the partnership concept, as well as the specifics of the partnership arrangement once it has been negotiated. The details of the partnership arrangement and day-to-day management of the relationship should involve the agency staff responsible for the function the partnership supports. For example, the Office of Public Liaison in the Treasury Department serves as a central point of contact for nonprofit organizations, while many programmatic offices work with nonprofit organizations within their issue area, such as community development.

Two important success factors identified by Independent Sector result from this staff function: "effective communication" (cited by 58 percent of respondents) and "trust and confidence" (cited by 57 percent). These factors are related: trust and confidence is built, in part, by good communications: notifying partners of new developments, checking in regularly, and listening to their concerns. The Council on Foundations, which reported views

on how foundations and federal agencies can work together, stressed the importance of regular communication on ideas of mutual concern.

Given the staff resources required to maintain strong relationships, agencies should limit the number of major partners they expect to work with intensively. Where there is a desire on the part of agencies to engage small, grassroots organizations in an effort, the agencies should consider seeking out umbrella organizations or coalitions as principal partners. For example, the Centers for Disease Control and Prevention (CDC) found that working with a coalition such as the Colorado Children's Immunization Coalition (CCIC) enabled it to reach many more grassroots groups than CDC would have on its own.



The nonprofit organizations involved possessed or were provided adequate resources to support the partnership.

Partnerships often can leverage or catalyze private sector activity, or make government grants go further. But they are not an effective strategy for shifting responsibility for the functions once supported by government funds to the nonprofit sector without the provision of additional resources. In the partnerships we reviewed, the nonprofit organizations involved generally either received government dollars to carry out their responsibilities or already had funding from other sources.

In general, nonprofit organizations must see some benefit from the relationship in order to participate fully in a government partnership. This benefit need not always be financial. In fact, some of the most successful partnerships we reviewed did not primarily involve a transfer of federal funds. Rather, nonprofit organizations benefited from the

technical expertise of an agency (as in the case of EPA's Chesapeake Bay Program), improved efficiency and effectiveness (as in the case of FEMA's National Donations Management Strategy), public awareness (as in the case of the Campaign to Prevent Teen Pregnancy), or better access to information (as in the case of the National Spatial Data Infrastructure). Nonprofit organizations also stressed that the ability of federal agencies to convene organizations on "neutral ground," or create incentives for them to work together, made it possible for them to coordinate their efforts with a broader range of groups working on similar issues.

Barriers to Nonprofit Partnerships

The Task Force's survey also surfaced numerous barriers to working more closely with nonprofit organizations. These included:

- **Staffing Limitations**

Partnerships take time to develop; in fact, many of the partnerships we surveyed took more than a year to come to fruition. Faced with multiple priorities, agency staff experienced difficulty managing labor-intensive partnerships over the long term. In addition, partnerships often involve a sense of personal trust, and sustainability of partnerships can become an issue when key personnel leave or change positions within the agency or nonprofit organization.

- **Legal issues**

Many agencies raised concerns about legal limitations, including confusion about what

was and was not permissible. While some legal rules have obvious implications for agencies' work with nonprofits (such as prohibitions against soliciting gifts), ^{and Fed. Acq. Cir. has rules} other rules are less obvious (such as conflict of interest and procurement rules). In some cases, nonprofit organizations also raised concerns that federal agencies were unwilling or unable to sign contracts formalizing arrangements. Finally, unless the agency had an entrepreneurial culture, staff in some cases believed they should not pursue partnerships unless specifically directed to do so. Future administrations should consider providing clearer guidance to agencies on these matters.

- **Lack of Access To Information**

Nonprofit organizations that were surveyed often cited lack of access to information as a problem in working with federal agencies. Their concerns ranged from being unaware of notices of available funding or having difficulty getting data for research projects, to the agencies' failure to keep their own Web sites up to date or notify nonprofits of policy changes that affect them. Independent Sector reported that most organizations responding to its survey found out about federal resources by contacting federal agencies, rather than the other way around, and nine out of ten reported using the Internet to get information on federal agencies, although only one out of four had used The Nonprofit Gateway (www.nonprofit.gov).

- **Unclear Points Of Entry**

While some agencies designate nonprofit offices or liaisons, not all do. A common

complaint was lack of clarity about access – whom should nonprofits contact for purposes ranging from potential partnerships to presenting policy input. While some organizations advocate that agencies establish offices similar to those designated for intergovernmental relations, others raise concerns that such a structure would not provide access to program and other staff.

- **Limited Opportunities For Involvement In Policy Development**

Some nonprofits that provided feedback to the Task Force were interested in greater opportunities to be involved in policy development. These organizations sought informal channels – such as roundtable discussions hosted by senior policy staff -- to share ideas and provide feedback. While some organizations are routinely involved on an informal basis with the agencies most closely connected to their work, others seek greater two-way communication about policy issues, consistent with the law.

- **Complicated Funding and Reporting Procedures**

Independent Sector's survey found that eight out of ten respondents felt that "in recent years, federal grant applications and reporting requirements have become more streamlined," a development due in large part to efforts of the National Partnership for Reinventing Government. However, many felt that the system remains too complicated and cumbersome for nonprofits. Some key areas of concern included: excessive paperwork requirements for applicants and grantees; duplicative and sometimes contradictory requirements for grantees of multiple federal agencies; lengthy processes for; and lengthy clearance requirements that

delay the approval of the products of grants or contracts and make new federal-nonprofit partnerships hard to initiate.

Conclusion

While we know what works to promote effective partnerships, we also know that many barriers must be overcome to bring federal agencies and nonprofits together. Yet this report provides overwhelming evidence that, despite these barriers, agencies and nonprofits have succeeded in coming together to strengthen one another and achieve important goals. The following chapter concludes with a look at how the lessons we've highlighted here and throughout this report challenge us to take action to strengthen the nonprofit sector generally, and federal-nonprofit partnerships in particular.

VIII. FUTURE POLICY directions

Over the last eight years there has been a sea change in the federal government's approach to working with the nonprofit sector, due, in large part, to President Clinton's core philosophy regarding the importance of a strong civil society to democracy. As he said in his 1997 State of the Union address, "We must be committed to a new kind of government -- not to solve all our problems for us, but to give our people -- all our people -- the tools they need to make the most of their own lives." Consistent with this vision, the Clinton-Gore Administration has pursued a close working relationship with the private sector in virtually every priority area -- from AmeriCorps and welfare reform to food security and environmental protection.

As the federal government increasingly relies on partnerships with nonprofits to ~~more~~ ^{address} ~~effectively address~~ ^{more effectively} critical issues facing this nation, greater attention must be given to opening the lines of communications between federal agencies and nonprofits, improving the infrastructure in federal agencies to create and sustain partnerships, and strengthening the overall health of the nonprofit sector. The Task Force therefore proposes the following ten recommendations to help agencies strengthen and promote nonprofit partnerships in the future:

1. Streamline government requirements.

Through Vice President Gore's Reinventing Government efforts, many agencies have already taken significant steps to cut down on government red tape and make it easier for nonprofits

to work with the government. Some suggestions for continued efforts in this area include:

- Determine how ~~your~~^{ies} agency can further ***standardize and expedite*** application, reporting, and cost-reimbursement procedures.
- Allow ***online reporting, applications, and tax filings***.
- ***Empower staff*** to make more decisions regarding partnerships by reducing the number of clearances required for agency action.
- Improve ***interagency coordination*** to reduce the burden on nonprofits and eliminate potentially conflicting requirements (e.g. the Safe Schools/Healthy Students initiative, which combined funding from DOJ, ED and HHS into a common application with one set of reporting requirements).

D. Improve nonprofit access to agency staff and information.

While nonprofit leaders have indicated that they want to be able to contact program staff directly, they also want a clear point of entry when they need assistance navigating government agencies. They also indicated the need for ready access to accurate, relevant information on policy changes, funding streams, program requirements, research and federal data. The Task Force recommends that agencies:

- Designate an ***active and accessible nonprofit liaison***. This may either be an individual or an office (such as HUD's Center on Community and Interfaith Partnerships). Liaisons should be at a high level, with access to the agency head and the ability to work with all parts of the agency.

- Create ***topical guides*** to help nonprofits navigate the federal government using key issue areas rather than organizing program information by location within an agency. These guides can utilize Internet technology (e.g. ED's Afterschool.gov site, which combines relevant information and funding sources from across the federal government in a user-friendly, searchable format) or in hard copy (e.g. USDA's community food security kit, which provides a clearly organized and indexed roadmap to federal funding sources with descriptions that include why each entry is useful, eligibility requirements, best practices, deadlines and contacts). While there is generally great effort and agency attention when these guides are created, it should be noted that they are only as useful as they are current; agencies should clearly define who is responsible for updating these guides and how often this should be done.
- These formal access points – both to staff and to information – should be ***well publicized and aggressively marketed*** through agency constituent networks, the nonprofit gateway on the Web, and the agency homepage. The agency's central operator and those who handle calls to the agency head and public liaison offices should also be knowledgeable about these resources.

Increase outreach to and consultation with nonprofits.

In addition to simply being more accessible to nonprofits who seek out federal staff, agencies should recognize the unique contributions that all nonprofits can make and actively seek out the input and involvement of a variety of groups, from grassroots groups to faith-based organizations to large nonprofit institutions. Some steps that agencies can take are outlined

below:

- Ensure that agency nonprofit liaisons serve as ***proactive facilitators***, rather than passive points of contact. Encourage these liaisons and staff throughout the agency to: reach out to nonprofit organizations to understand their needs and foster new partnerships; seek out information within the agency that would be of use to nonprofits; introduce nonprofit staff to appropriate program and other agency staff; monitor these relationships; and keeping agency leaders informed of nonprofit concerns.
- Where legal restrictions do not preclude outside consultation, conduct outreach to ***solicit input*** from the nonprofit sector on policy changes, program design and new initiatives. Some agencies have had success utilizing the town hall meeting format to seek out a broad range of views. In other cases, focus groups have proven useful. For instance, in planning recent White House conferences, staff held multiple focus groups with nonprofit leaders and other experts to seek input on what the conferences should accomplish, how the programs should be structured, and who should participate.
- In addition to consulting issue-focused nonprofits, also seek input from ***organizations representing the nonprofit sector*** more broadly (**such as Independent Sector or XXX?** Should we list specific ones here?).

— I don't think so

4. Provide leadership and develop a strong federal infrastructure to foster partnerships.

To create an organizational culture that encourages collaboration, agencies must demonstrate top-level leadership and support for employees who initiate and foster partnerships. Some steps include:

- ^{agencies should} Consider the needs of existing partnerships and agency goals for new collaborations in developing *budget and staffing plans*.
- *Guard against staff turnover problems* by involving a number of staff in each collaborative project, creating a structure for managing relationships with the nonprofit sector, and ensuring that all partnerships have the support of senior management.
- ~~Educate~~ ^{should become knowledgeable} agency leadership and staff about relevant *legal rules* that are often seen as impediments to nonprofit partnerships. By being clear about what is allowable (and encouraged) and what is not, agencies can avoid passing up wonderful partnership opportunities because of a lack of clarity about the rules. Encourage staff to consult agency lawyers if they have questions about how to approach legal questions concerning nonprofit partnerships.
- Promote *interagency opportunities for the exchange of ideas* about nonprofit partnerships. Continue the Interagency Task Force on Nonprofits and Government for upper level discussions. Set regular meetings for agency nonprofit liaisons.
- Consider hosting *cross-discipline national or regional conferences* to promote government-nonprofit partnerships by sharing information of interest to nonprofits, highlighting best practices, and providing nonprofits with the opportunity to meet with agency liaisons.

D Identify, define and clearly communicate goals.

This Administration has emphasized the importance of setting outcome-oriented goals, and through the Government Performance and Review Act, agencies are already establishing these

targets. These goals provide an important foundation for meaningful partnerships with nonprofits. After all, nonprofits can share the goal of immunizing children or moving families from welfare-to-work more than they could share process goals about processing forms.

Agencies that want to do more in this area can:

- **Market key agency goals** among staff and with nonprofit (and corporate) organizations to generate interest in developing partnerships to help achieve them. Such shared goals may lead to well-defined partnerships or may simply inspire more loosely coordinated efforts to achieve the same objectives.
- In an era of fiscal responsibility, use agency goals to **prioritize** where to invest limited financial and human resources in nonprofit partnerships.

1 Encourage support for nonprofits from non-federal government sources.

Nonprofits are strongest when they have multiple sources of support, and federal dollars go further when federal funding can leverage outside resources. Therefore, it is in the best interest of the federal government to encourage support for nonprofits from non-federal sources. The White House Conference on Philanthropy and the President's tax proposals to encourage charitable giving both underscored the importance of individual giving to support the nonprofit sector. In addition, agencies can:

- Continue to call on and acknowledge the efforts of private foundations to utilize ~~venture~~ ^{is} **philanthropy** ^{Not} approaches, which support organizational capacity building and reward nonprofits for operating ~~like a business~~ ^{effectively}.
- Help grantees use successful performance in federally-funded **contracts or proven pilot**

programs to garner outside funding.

- Create *jointly-funded partnerships*, where a nonprofit (or group of nonprofits) is supported by multiple funding sources with a coordinated mission and requirements.
- Vigorously support employee participation in the ***Combined Federal Campaign*** and promote *employee volunteer initiatives*.

1. Build the capacity of nonprofits.

In addition to existing training and technical assistance efforts to develop program-specific capacities, federal agencies can provide groups with opportunities for leadership development and organizational effectiveness improvement. Such opportunities might include:

- ***Training for prospective applicants*** on how what what constitutes a quality program, how to collaborate, and how to accurately complete applications for federal funding (similar to the ED partnership with the Mott Foundation to build capacity among applicants for afterschool funding).
- ***Training for grantees*** on understanding federal regulations and fully complying with reporting requirements.
- Recognize the special needs of smaller nonprofits ^{that} who previously have not received federal funding. For instance, in an effort to reach out to these groups, HUD set aside 40 percent of the budget of one of its technical assistance programs to be targeted to ***smaller, first-time recipients***.

- Utilize ***government contracting authority*** to give emerging nonprofits an opportunity to expand their capacity and prove their capabilities.
- Study possible additional assistance to nonprofit organizations ^{bold} that could be facilitated by the federal government, such as the expanding the small business assistance model to nonprofit organizations.
- Working with corporate and philanthropic partners, seek ways to address the nonprofit sector's ***technology needs***, including access to equipment and training, before the organizational "digital divide" leaves many nonprofit organizations behind.

Promote local collaboration.

The design of federal funding streams and staffing can either facilitate or impede local collaboration. To ensure more efficient and effective use of resources, federal agencies can:

- Require that ***grantees demonstrate collaboration***. For some types of grants, it may be appropriate to require community-wide planning so that applications show a coordinated effort to meet community priorities (e.g. HUD's Continuum of Care funding to address homelessness).
- Designate ***regional or local staff*** to work throughout the country to facilitate partnerships and make local linkages. USDA's Community Food Security Liaisons [**CHECK that this is correct name**] or HUD's Community builders are excellent examples of how the federal government can support local collaboration.

1. Recognize, expand and replicate successful partnerships.

When a partnership works well, *celebrate success*. Acknowledgement of the hard work that goes into building federal-nonprofit partnerships is critical to maintaining enthusiasm for these efforts. Further, the recognition of success allows for *expansion or replication* of promising models. While innovation is critical, there is much to be gained from building on success. Efforts mentioned above to periodically convene the Task Force or the nonprofit liaisons can help spread effective models across the federal government or bring new partners into existing collaborations.

2. Assess whether Congressional action is required to further promote federal-nonprofit partnerships.

While much can still be done to fully maximize administrative actions to promote nonprofit partnerships, members of the Task Force noted that there are some barriers that would require *Congressional action* to remedy. The Task Force or member agencies should review areas where legislative action could be helpful, from facilitating efforts to streamline federal requirements to providing additional funding to expand partnership efforts that promote agency goals.

Conclusion

Over the last eight years, nonprofit organizations have played a vitally important role in many of the major programs, special initiatives and policy implementation efforts of this Administration. New ground has been broken in developing these mutually beneficial relationships, resulting in improved service provision, better information flow, increased

resources for priority initiatives, and expanded outreach to hard-to-reach communities. With this groundwork – and a better understanding of the barriers and opportunities presented by these partnerships – future administrations can build on these accomplishments and continue to make the federal government a more effective partner to the nonprofit community. It is the hope of the Interagency Task Force on Nonprofits and Government that this renewed focus on nonprofit partnerships will lead to a stronger civil society, a more effective federal government, and better coordination of efforts so that, together, we can achieve our goals.

APPENDIX A: Members of the Interagency Task Force on Nonprofits and

Government

Co-Chairs:

The Assistant to the President for Domestic Policy
The Assistant to the President for Economic Policy
The Assistant to the President and Chief of Staff to the First Lady

Task Force Members:

Secretary of the Treasury
Attorney General
Secretary of the Interior
Secretary of Agriculture
Secretary of Commerce
Secretary of Education
Secretary of Health and Human Services
Secretary of Housing and Urban Development
Secretary of Labor
Secretary of Transportation
Administrator of the Small Business Administration
Chief Executive Officer of the Corporation for National and Community
Service

Additional contributors to the work of the Task Force:

Department of Justice
Department of State
Environmental Protection Agency
Federal Emergency Management Agency
National Endowment for the Humanities
Office of Personnel Management
Small Business Administration

APPENDIX B: Executive Memorandum

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 22, 1999

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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Appendix C: Council of Economic Advisers, *Philanthropy in the American Economy* – Executive Summary

As a follow-up to the 1999 White House Conference on Philanthropy, this report provides an economic analysis of philanthropic behavior in the United States. It discusses trends in giving over the past several decades and highlights the economic explanations behind the observed increase in donations. The report also discusses possible future directions for philanthropy and how even greater giving might be encouraged. Among its main findings are:

Charitable giving reached a record high in 1999. In 1999 Americans donated over \$190 billion. This represents an increase of 41 percent since 1995. Furthermore, giving has increased sharply as a fraction of the Gross Domestic Product, rising from 1.7 percent of GDP in 1995 to 2.1 percent in 1999.

Growth in the income and wealth of the population explains much of this trend. Average net worth for the sample of families we analyze grew by an estimated 28 percent between 1992 and 1998 and average income increased by 15 percent over the same period. Both income and wealth are strongly positively related to the probability and amount of giving.

Individual giving accounts for the largest fraction of all charitable giving. In 1998, 70 percent of American households made a charitable contribution and individual giving accounted for 85 percent of all donations. Although the largest fraction of giving is attributable to individuals, the fastest growing component of philanthropic activity was giving by foundations, which rose by 72 percent from 1995 to 1999.

The elderly are more generous donors than any other age group. Controlling for differences in income and wealth, those aged 65 and over are approximately 25 percent more likely to make a charitable contribution than younger individuals, and when they do give, they give \$500-\$600 more per year on average. Furthermore, because these calculations do not include charitable bequests, the true difference in the total amounts given by the elderly and the non-elderly is likely to be even larger.

Single women are more likely to give than single men. When differences in economic resources are accounted for, single women are significantly more likely to make charitable contributions than are single men. Within the population of unmarried women, women who have never been married are more likely to give than widowed or divorced women.

African Americans are more likely to give than whites. After accounting for differences in income, wealth, and education, African Americans are more likely to make charitable contributions than whites, and on average give approximately the same amount as white Americans. Other evidence suggests that minorities are under-used resources with respect to philanthropic giving.

The New Economy has brought changes in the methods of giving. The Internet has affected philanthropy as it has so many aspects of American life. Internet sites now provide information about charitable organizations, help match donors with causes, and provide a convenient way to make contributions. Lessons learned from the venture capital sector are also being applied to philanthropy. Although still in their infancy, these developments have the potential to increase the amount of giving and to improve the efficiency with which grants are used by the recipients.

The aging of the baby boomers is good news for philanthropy. Because both older Americans and those with greater wealth give more, the aging of the baby boomers and the wealth of that cohort point to the likelihood of a dramatic growth in giving, perhaps increasing by several hundred percent over the next couple of decades.

The Administration's tax policies will likely also lead to increases in giving. Both economic theory and empirical studies indicate that Americans respond to financial incentives to give. Through the tax deductibility of charitable contributions, both *inter vivos* gifts and bequests are increased in number and size. Recent proposals to extend the deductibility of donations to those who do not itemize on their income tax returns, and to simplify other aspects of the tax code, will likely result in further increases in giving. Evidence suggests that eliminating the estate tax will decrease charitable bequests.

APPENDIX D: Summary of President Clinton's Proposed Tax Incentives to Promote Philanthropy for All Americans

In his 2000 State of the Union Address, President Clinton unveiled a package of new Tax proposals to encourage philanthropy. First, he proposed allowing nonitemizers to take a tax deduction for charitable giving. Second, he proposed new rules to make it easier for charitable foundations to make gifts in times of need. Third, he proposed making it easier for individuals to donate appreciated assets like securities and real property.

- **Enabling Nonitemizers to Take a Tax Deduction for Charitable Contributions.** Currently, 70 percent of taxpayers do not itemize and as a result, they cannot get the tax incentive for charitable giving that higher-income itemizers can claim. The President's budget would allow these taxpayers to claim a 50 percent deduction for charitable contributions above \$500 a year when fully phased in. This proposal would boost contributions to charitable organizations, particularly community and faith-based groups, and improve tax fairness by giving nonitemizers the same opportunity to deduct contributions as itemizers.
- **Making it Easier for Foundations to Give in Times of Need.** The President's budget would allow more funds to reach those in need by simplifying and reducing the excise tax on foundations. Foundations currently face a two-tier excise tax: first, a 1 percent tax on investment income; second, an additional 1 percent tax for foundations that do not maintain their rate of giving over a five-year average. This mechanism is unduly complicated and can reduce giving in certain cases, since boosting gifts in times of need exposes foundations to higher taxes if, after the need has passed, their rate of giving drops back to earlier levels. The President's proposal would eliminate the two-tier system and set the excise tax rate at 1.25 percent. The result of this simplification would be to remove a disincentive to foundation giving and to make available more gifts to community organizations in times of need.
- **Allow Greater Contributions of Appreciated Property to Charities.** The President's 2000 budget proposed making it easier for individuals to donate appreciated assets like stocks, art and real estate. Under existing law, individuals donating appreciated assets can take a tax deduction that is limited to 30 percent of adjusted gross income (AGI); for gifts made to private foundations, the deduction is capped at an even more stringent 20 percent AGI. These multiple limitations are complex and can place burdens on individuals who choose to give substantial portions of their incomes to charity. The President's budget would simplify and ease these limitations by increasing the AGI limit on appreciated property from 30 to 50 percent, and the limit for donations of appreciated property to private foundations from 20 to 30 percent. This change would create greater incentives for such gifts.

APPENDIX E: Agency Questionnaire

Survey Questions for Federal Departments and Agencies

Introduction

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

Technical Assistance/Training

- A. What types of technical assistance/training do you provide nonprofit organizations (e.g., management support)?
- A. 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?
- A. What types of technical assistance or training are not currently being provided but should be?
- D. If applicable, list other ways your agency improves the efficacy of the nonprofit organizations it works with?

Relationship With Nonprofits

- A. What types of services do nonprofits that you partner with provide (health, human services)?
- B. Are there any model relationships that are particularly effective in achieving the critical goals of your department/agency?
- B. Can you identify any significant obstacles that hinder more effective relationships between federal agencies and nonprofits?

Public Policy

- A. Do you have a working relationship with nonprofits when it comes to developing public policy (e.g., regulatory and budgetary matters)?
- B. If so, please provide some examples of collaborative activities and describe what worked well and why you think it worked well.
- B. If not, what are the barriers to developing a working relationship with nonprofits on public policy matters?
- B. What do you think can be done to hurdle the barriers or strengthen the relationships with nonprofits when developing public policy?

Foundations

- A. Do you have a working relationship with foundations or other private donors?
- A. If so, please provide some examples of collaborative activities and describe what worked well and why you think it worked well.
- A. If not, what are the barriers to developing a working relationship with foundations and other donors?

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

Resources

- A. What resources do you provide to the nonprofit community (e.g., grants, in-kind services- if possible give amounts)?
- A. How can nonprofits find out about the resources that you make available to them?
- A. Do you provide any support services to help nonprofits comply with cost principles and administrative requirements (e.g., Circular A-122, Circular A-133)? If so, what are these?
- A. 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?

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

Competition

- A. To what extent does the department/agency require nonprofit participation in the delivery of services?
- A. Please provide examples of contracts/grants/services that your agency formerly provided through nonprofit contractors/grantees but that are now provided by for-profit grantees/contractors. Why did this change occur?