President's Interagency Task Force on Nonprofits & Government

Initial Meeting
April 2, 2000

NONPROFIT/GOVERNMENT PARTNERSHIPS MEETING

WHITE HOUSE CONFERENCE CENTER
726 Jackson Place N.W.
JULY 27, 2000

AGENDA

I. Introductions

II. Recap of Federal Task Force origins and staff research

III. Inventory of Best Practices : Categories
(Task Force will review agency programs to identify best practices in these six areas.)
7. Impact on Cmntes, Better Cmnty
1) Providing Better Services — Food Gleaning
2) Encouraging Input into the Policymaking Process — Phelan
3) Leveraging Resources - Save Amer treasures
4) Sharing Information
5) Improving Government Operations - mott
6) Helping Nonprofits Improve Their Effectiveness — putting contracting with Goodwill Ind PG.
assessing youth programs DOL helped develop criteria, funding to assess, give awards

IV. Recommendations from Nonprofit Leaders to the Task Force

V. Next Steps

- HUD Center Process of Estab. Relationship

Institutionalization of this relationship

could have some sort of extragent - affairs at agencies

① granted 2.4 mill
- business partnerships DOD led to private $
stepsone -

- Give a hum to/entry point for np to get in w/feds

Treasury Department Model Partnerships and Approaches to Working with the Non-Profit Sector

While the Treasury Department interacts with non-profits organizations through a variety of ways some of special note have been identified in the following examples (1) The CDFI Fund, which provides loans and grants to community development financial institutions and microenterprises; (2) the North American Development Bank, which provides loans and grants to communities impacted by NAFTA, (3) the National Partnership for Financial Literacy, which is partnership created by Secretary Summers between private, governmental and non-profit organizations to foster financial literacy in America, (4) a public education campaign conducted with community based organizations to implement the mandates of the Electronic Funds Transfer Act, (5) BusinessLINC, an initiative recommended by Vice-President Gore and implemented by Treasury and the SBA which fosters alliances between big business and small businesses, especially minority owned and those in distressed communities; After a launch by the Administration, BusinessLINC operates today through a national coalition and local chapters vis-a-vis community based organizations, and in conjunction with faith-based organizations and non-governmental organizations: (6) the Heavily Indebted Poor Country debt relief initiative, and (7) the President's Millennium Vaccine Initiative.

1. THE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Categories: I. Providing better services
IV. Leveraging resources

The Community Development Financial Institutions (CDFI) Fund is a wholly owned government corporation within the US Department of the Treasury. The mission of the Fund is to promote access to capital and local economic growth by directly investing in community development financial institutions (CDFIs) and providing incentives to traditional banks and thrifts to increase their lending, investment and services to CDFIs and within underserved markets. The Fund's investments work toward building private markets, creating healthy local tax revenues, and empowering community residents all over America.

CDFIs are specialized financial institutions that work in market niches that have not been adequately served by traditional financial institutions. CDFIs provide a wide range of financial products and services, including mortgage loans for first-time homebuyers, loans and investments to start or expand small businesses and microenterprises, loans to rehabilitate single family and multi-family housing or construct community facilities, and savings and checking accounts for low-income households. In addition, CDFIs provide development services that help ensure that credit is used effectively, such as market analysis to small businesses, credit counseling to consumers, and technical assistance to first time homebuyers.

CDFIs include community development banks, credit unions, loan funds, venture capital funds, and multi-bank community development corporations. Over 80% of all CDFIs are non-profit institutions.

The CDFI Fund partners with these mostly non-profit institutions in a number of ways. First, the Fund designates these organizations as CDFIs. Such a designation means that the Fund has determined that the organization possesses the following six characteristics:

1. The organization and its affiliates collectively have a primary mission of promoting community development;
2. The organization is a financing entity (either an insured depository institution or an institution that principally provides loans or equity investments);
3. The organization principally serves a target market consisting of distressed neighborhoods, low-income people, or other underserved populations;
4. The organization provides training or technical assistance in conjunction with its financing activities;
5. The organization maintains accountability to its identified target market; and
6. The organization is a non-governmental entity.

With this designation, an organization becomes eligible to compete for funds from the CDFI Fund and is greatly assisted in its efforts to raise funds from other sources such as banks, philanthropic organizations, corporations, state governments, etc.

The Fund directly supports CDFIs and emerging CDFIs through a funding program, the CDFI Program, that has three competitive components: the Core Component, the Intermediary Component, and the Technical Assistance Component.

The ***Core Component*** builds the financial capacity of CDFIs by providing equity investments, grants, loans or deposits to enhance the capital base -- the underlying financial strength -- of CDFIs so that they can better address the unmet community development needs of their target markets. The Fund selects awardees that clearly demonstrate private sector market discipline and the capacity to positively impact underserved communities. The Core Component leverages additional private and public sector investments into these same organizations through the Fund's application requirements, particularly the one-to-one non-Federal matching funds requirement. Since inception, the Fund has made approximately 200 Core Awards totaling over $193 million, for an average award amount of roughly $1 million per Awardee.

The ***Intermediary Component*** allows the Fund to invest in CDFIs indirectly, through intermediary organizations that support CDFIs and emerging CDFIs. These intermediary entities, which are also CDFIs and, for the most part, non-profit institutions, generally provide intensive financial and technical assistance to small and growing CDFIs, thereby strengthening the industry's financial and institutional capacity. Like Core awardees, Intermediary awardees are required to obtain matching funds in comparable form and value to the financial assistance they receive from the Fund. Since inception, the Fund has made Intermediary Awards totaling over $15 million to five different institutions.

The ***Technical Assistance (TA) Component*** builds the capacity of "start-up", young and small financial institutions. The TA Component allows the Fund to direct relatively small amounts of funds -- generally $50,000 or less -- to CDFIs that demonstrate significant potential for generating community development impact, but whose institutional capacity needs to be strengthened before they can fully realize this potential. Some typical uses of our TA grants include: achieving operating efficiencies through computer system upgrades and software acquisition; producing internal policies and procedures; evaluating current loan products and developing new ones; and training staff in operations essential to the success of the organization. Since inception, the Fund has made 159 Technical Assistance Awards totaling over $7 million.

These three funding components are the principal means by which the Fund provides direct financial support to CDFIs. However, other Fund initiatives play an integral role in supporting CDFIs and distressed communities throughout the country. The ***Bank Enterprise Award (BEA) Program*** provides financial incentives for regulated banks and thrifts to increase their investments in CDFIs and to increase their lending and provision of financial services in distressed communities. Between 1997 and 1999, in exchange for grants from the CDFI Fund, regulated banks and thrifts participating in the BEA Program provided over $430 million in financial and technical assistance directly to CDFIs. The Fund's ***Training Program, under which it has awarded $1.5 million in contracts this fiscal year,*** provides funds to support the development and delivery of training products to CDFIs and other financial services organizations engaged in community development finance. And the Fund's ***Policy and Research Initiatives*** strengthen the field of CDFIs and emerging CDFIs by reporting on the outcome of Fund investments and CDFI activities and by promoting industry-wide research and development activities.

2. United States Community Adjustment and Investment Program

Categories: I. Providing better services
IV. Leveraging resources

The Community Adjustment and Investment Program (the CAIP) is a valuable part of the commitment that this Administration made during our negotiations on the North American Free Trade Agreement (NAFTA).

In connection with NAFTA, the Governments of the United States and Mexico entered into an agreement that, among other things, established a North American Development Bank (NADB). The agreement authorizes the NADB to provide financing endorsed by the U.S. Government for community adjustment and investment in support of the purposes of NAFTA. The CAIP is a partnership between the U.S. Government and the NADB for carrying out community adjustment and investment in the United States in support of the purposes of NAFTA.

Endorsements of CAIP financings on behalf of the U.S. Government are made by a federal inter-agency committee (the Finance Committee) established by President Clinton in Executive Order 12916 dated May 13, 1994. The CAIP Finance Committee is composed of representatives from the Departments of the Treasury, Agriculture, Labor, Commerce, and Housing and Urban Development and the Small Business Administration, and is chaired by the representative of the Treasury Department.

The CAIP provides financial assistance to non-profit (as well as for-profit) organizations to assist in the creation or preservation of private-sector jobs in U.S. communities that need assistance to adjust to significant job losses directly or indirectly attributable to changes in trade patterns with Canada or Mexico associated with NAFTA. Specifically, the CAIP provides grants and direct loans to non-profit and public entities to assist them in creating and preserving private-sector jobs.

CAIP financing in the form of grants has been approved for non-profit entities to assist the following trade adjustment projects or programs:

- The implementation of a mentor based job-training program to help graduates start their own businesses and create approximately 150 local jobs.
- Establishment of a regional economic development center to provide education and workplace skills in coordination with state and local economic development and strategic planning efforts.
- Job training for workers who are unemployed and underemployed by providing trades training that will lead to higher paying jobs for an estimated 164 workers.
- A start-up plastic injection training and production business for a high demand occupation that will re-employ 150 dislocated garment workers.
- A textile arts home and neighborhood based business to provide instruction for women to produce artistic clothing and designs for large retail stores that have national distribution. Will result in the re-employment of 70 dislocated workers.
- Increased resources for micro-enterprise business development to support training, access to capital through peer lending and professional services such as legal and accounting activities. Will result in creation of approximately 100 jobs.
- Recruiting and placing 80 dislocated workers. Training them in the construction trades associated with the development of affordable housing.
- A workforce collaborative and charitable foundation project that constructed a workforce development center.

The CAIP also provides financial assistance in the form of loan guarantees to for-profit businesses through federal credit programs administered by the Department of Agriculture and the Small Business Administration. As of August 1, 2000, the CAIP has facilitated guarantees for 402 loans with an aggregate principal amount of approximately $280 million. The 402 loan guarantees helped to create or retain approximately 9,956 full-time jobs in 26 states across the country. Direct loans to for-profit businesses are also available under the CAIP.

3. National Partners for Financial Empowerment (NPFE)

Categories:
IV. Leveraging resources
II. Developing research partnerships
V. Sharing information

In April 2000, Treasury Secretary Lawrence Summers launched the National Partners for Financial Empowerment (NPFE) at the American Savings Education Council's "Choose to Save" conference. The NPFE is a growing coalition of consumer and community organizations, corporations, business organizations, federal, state and local governments, and non-profit groups dedicated to helping improve personal finance skills for all Americans, including money management, saving, investing and credit. The key objective of NPFE is to bolster and support the work of its partners. More specifically, NPFE acts primarily through its partners, drawing on their considerable expertise and bringing added visibility to their efforts.

By working collaboratively with the NPFE partners, Treasury has developed a website, produced public service announcements and conducted outreach events to promote financial literacy. The NPFE website, www.npfe.org, serves as a source for financial planning and saving resources for individuals and families as well as for information to organizations interested in financial literacy. One of the NPFE partners, the American Financial Services Association Education Foundation, provided the labor and resources in assisting Treasury to develop the NPFE website; thus allowing the site to be a "one-stop" portal by providing links to each of our partners' websites.

Secretary Summers announced the first portion of the NPFE media campaign at the Department of Labor's 5th anniversary celebration of the Retirement Savings Education Campaign. Four television public service announcements on retirement saving were contributed to the NPFE by the American Savings Education Council (ASEC), the Social Security Administration and Treasury's Savings Bonds Marketing Office. Through the support of ASEC, the public service announcements were edited to include NPFE's website address, packaged and distributed nationally with a letter from Secretary Summers to over 1000 television stations.

The efforts of NPFE will continue to focus on community outreach events. To date, the Treasury has participated in several community events sponsored by our NPFE partners. As previously mentioned, the Secretary Summers participated in celebrating the Department of Labor's 5th anniversary of the Retirement Savings Education Campaign with Secretary of Labor Alexis Herman. More recently, Secretary Summers and Chairman Arthur Leavitt of the Securities and Exchange Commission participated in a Town Hall Meeting in Cleveland, Ohio in support of NPFE partner Consumer Federation of America's *Cleveland Saves* campaign. Over 700 business and community participants in the Town Hall had the opportunity to ask financial literacy questions to Secretary Summers and Chairman Leavitt. Future NPFE community outreach activities include creating task forces for financial education of youth and employees, establishing a Leadership Council of private sector CEOs, and developing a "Best Practices" report on financial education.

The strength of the NPFE is its ever-increasing number of strategic partners working together to make financial literacy a fundamental life skill for every American. Treasury has succeeded by not creating another organization competing for the same resources as its partners, but rather organizing and supporting individual efforts into a national coalition.

4. EFT Public Education Campaign

Categories: IV- Leveraging Resources
V – Sharing Information

The Debt Collection Act of 1996 (DCIA) requires most Federal payments, except tax refunds, o be made by electronic funds transfer (EFT) after January 1,1999. On September 25, 1998, the Department of the Treasury (Treasury) issued the EFT rule, which implements the requirements of the DCIA. The EFT rule includes circumstances under which waivers are available to individuals.

Treasury designed the Electronic Transfer Account to ensure that individuals who are required to receive Federal payments electronically have access to an account at a reasonable cost and with the same consumer protection available to other account holders at the same financial institution.

The EFT rule provides that any individual receiving a federal benefit, wage, salary or retirement payment is eligible to open an ETA.

As a result of the EFT rule, federal check recipients have three choices for receiving their payments – Direct Deposit, the ETA, or continue to receive their check if electronic payments present a hardship. In some southern states there is a fourth choice called the Benefit Security Card.

Treasury, in partnership with the Social Security Administration, Veterans Administration, Office of Personnel Management, and the Railroad Retirement Bureau, is conducting a grass roots public education campaign that informs all federal payment recipients about their options for receiving their payment. While coordinating with community based organizations, faith-based groups, local government agencies, and national organization networks, the EFT public education campaign targets persons receiving monthly federal benefit payments.

Treasury's Office of Public Education began the campaign with a national meeting at the White House Conference Center with community based and national organizations, financial institutions, trade associations, and government agencies to develop strategies connect with their networks. One important result: a database of more than 1,300 organizations. These organizations, and the database continues to grow, ultimately became EFT campaign partners. Among them: American Bankers Association, National Consumers League, Federal Reserve Board, National Community Reinvestment Coalition, USDA Extension Service, Organization for New Equality, National Association of Community Action Agencies, Consumer Action, and the National Council of LaRaza.

One of the most important actions that resulted from the conference was the group consensus that organizations needed a comprehensive tool to improve the financial literacy of the target population. Several national organizations, consumer groups, financial trade associations, and government agencies formed the Financial Services Education Coalition and published a comprehensive guide for community educators called, "Helping People in Your Community Understand Basic Financial Services."

Campaign Objectives:

- Maximize conversion of current check recipients to EFT
- Maximize acceptance of the ETA as a viable alternative
- Minimize negative reaction (complaints, confusion, concern) among all target audiences; and
- Increase financial literacy, in an effort to empower individuals to make the right choice.

Community Outreach

The community outreach component of the campaign is designed to get in front of check recipients or the individuals and organizations that are in touch with them. Regional managers conduct train-the-trainer sessions in strategic locations of the country where there remains a high volume of check recipients. Persons that attend these sessions have access to check recipients through their organization or support networks, whether social workers or community activists.

In the western and southwestern regions of the country, subcontractors with well established relationships in the community conduct in-touch sessions with groups of the target population to deliver the choices message.

In the northeast, midwest, and southeast regions, Treasury issues mini-grants to community-based organizations, faith-based groups, and non-profit social services agencies to conduct in-touch sessions. This fee-for-service program provides funds to cover expenses for meeting facilitation. Agencies are identified via the partner database, through the efforts of the regional managers, and referrals from other organizations. Implementation kits with materials, an agenda, a video taped presentation and evaluation forms are distributed to each organization that agrees to conduct the in-touch sessions. Groups must conduct a specific number of sessions and document the number of attendees, in order to receive payment.

The campaign also coordinates strategic alliance meetings by bringing financial institutions and community organizations together. Efforts such as these meetings encourage a dialogue between the service providers of the "unbanked" or "underbanked" check recipient and the local financial institutions.

National Partnerships:

Treasury is also working with national organizations that provide access to grassroots constituencies through affiliates and/or contacts with community-based organizations. They have the capability to disseminate campaign information and support local train-the-trainer programs. They also play a significant role in building campaign awareness. Among these are AARP, League of United Latin American Citizens, National Urban League, National Asian Pacific Center on Aging, Catholic Charities, National Coalition of the Homelessness, American Association of People with Disabilities, Disabled American Veterans, and Consumer Federation of America.

National partners also provide many opportunities to exhibit at conferences and conduct seminars and workshops as a part of the conference program. With these groups, Treasury has had an opportunity to use conference room space to conduct meetings, obtain placement of articles in newsletters, magazines, web links, membership fax links, and other publications.

Materials:

A toll-free number and website has been developed in English and Spanish for the general public to visit. These features are also compliant with the American for Disabilities Act.

Treasury has produced and published at no charge to organizations: brochures, fact sheets, fliers, pamphlets, take-one cards, videotapes, audio PSAs, posters, placemats, and more.

All of the materials are translated into Spanish, and written brochures and fact sheets are available in several other languages.

5. BusinessLINC

Categories:
- I. Providing better services
- II. Developing research partnerships
- IV. Leveraging resources
- V. Sharing information

BusinessLINC is a model public, private, and non-profit partnership focused on encouraging larger businesses to work with smaller businesses and entrepreneurs, especially in America's inner cities and rural areas. BusinessLINC – which stands for Learning, Investment, Networking and Collaboration – was created by the Treasury Department and the Small Business Administration (SBA) at the request of the Vice President in 1998 as a national initiative to match small firms with large companies.

As was originally envisioned, BusinessLINC evolved into a partnership with the Treasury Department, SBA, the Business Roundtable and host of non-profit organizations and private firms across the country to help smaller firms grow and succeed by increasing their access to large companies and the technical skills, business advice, market knowledge, and business connections that come from such relationships. BusinessLINCs are also beneficial to large firms by improving supplier performance, expanding market opportunities, and creating stronger communities.

BusinessLINC operates at the national level through the BusinessLINC National Coalition, and at the local level, through coalitions in Boston, Chicago, Dallas, New York City, Washington, DC, Houston, and the Mississippi Delta. The BusinessLINC National Coalition, which is housed at and chaired by the Business Roundtable, serves as a national resource, advisory committee, and clearinghouse of BusinessLINC best practices for local BusinessLINC coalitions. Members of the National Coalition include the National Minority Supplier Development Council, the National Black Chamber of Commerce, the U.S. Hispanic Chamber of Commerce, the National Association of Women Business Owners, the Women's Business Enterprise National Council, and the National Congress of Community Economic Development.

Local BusinessLINC coalitions – composed of intermediary organizations, including specialized non-profits and business membership organizations – recruit local firms to foster BusinessLINC partnerships between large and small companies. Local coalitions include the Boston Business Collaborative, the Dallas/Fort Worth Minority Business Development Council, the Enterprise

Corporation of the Delta, Silicon Valley Community Ventures, the Houston Minority Business Development Council, and the Houston Women's Business Development Council. Future coalitions are getting underway in Atlanta, Cleveland, Houston, San Francisco/Silicon Valley, Richmond, Flint, Milwaukee, Detroit, and Kansas City.

Due to the partnerships engendered by the local BusinessLINC coalitions, hundreds of small businesses have grown and expanded through their alliances with large businesses. These small businesses are often minority or women-owned and have helped generates hundreds, if not thousands, of new jobs in distressed communities around the Nation. Among the benefits to large businesses partnering with the small businesses are expanded markets and new supplier sources. BusinessLINC has proven to be a win-win for businesses of all sizes, the communities in which they operate, and the Nation for the economic growth BusinessLINC has fostered.

6. The Heavily Indebted Poor Country Initiative and other international development programs

Categories: III. Allowing input into the policymaking process
V. Sharing information

In an effort to improve the effectiveness of the international financial institutions (IFIs) in fighting poverty, the Treasury Department has increased high-level engagement with religious groups, humanitarian aid agencies and other non-governmental organizations (NGOs) active in poor countries. Through regular consultations, these organizations have valuable input into the decision-making of the United States in our oversight over these institutions. For example, last year Secretary Summers hosted a day-long seminar with two dozen religious groups, non-profit humanitarian aid agencies, environmental groups, and think tanks – including several developing country affiliates -- to solicit their views on improving the effectiveness of the IFIs in addressing poverty through debt relief and ongoing lending programs. The recommendations provided by the participants helped to shape the design of the Heavily Indebted Poor Country (HIPC) Initiative which provides debt relief to countries committed to economic reform, good governance, and poverty reduction. These included greater emphasis on transparency in national-level budget processes and civil society participation in the design of economic and social policies supported by the IFIs, as well as stronger information disclosure policies at these institutions. More recently, the Secretary and Under Secretary for International Affairs hosted a meeting with over 20 NGOs in the run-up to the World Bank-IMF Spring Meetings to discuss the agenda. A similar meeting is planned for the Annual Meetings coming up in September.

Because many of these groups have on-the-ground operations in poor countries, they are able to provide Treasury officials with timely, independent information about progress and challenges to the effective implementation of debt relief and other IFI operations that is not available through other sources. On trips to Africa and Latin America in the last year, Secretary Summers has visited a number of non-profit social service agencies. Such tours give the Secretary an opportunity to learn about innovative programs and highlight the invaluable role non-profits play in the fight against global poverty.

In addition to collaboration with NGOs on debt relief, environmental organizations have played a key role in the design of efforts such as US debt-for-nature swaps and safeguards now used by the IFIs to screen proposed projects for potential negative environmental impacts. These groups have also provided independent information about potential environmental and social impacts of proposed IFI projects that have led us to secure changes in project design, a recent example of which is the construction of large oil pipeline in Western Africa.

Given growing public interest in the HIPC initiative and other Treasury development assistance efforts, in February the Treasury Department hired a Special Advisor with a decade of NGO experience; this has enabled us to intensify our NGO outreach.

7. President's Millennium Vaccine Initiative

Categories:
II. Developing research partnerships
III. Allowing input into the policymaking process
IV. Leveraging resources
V. Sharing information

Under the leadership of Secretary Summers, the Treasury Department has reached out to foundations and organizations within the faith-based community on the President's Millennium Vaccine Initiative (Initiative). The Initiative is intended to promote the delivery of existing vaccines in developing countries and accelerate development of new vaccines to combat infectious diseases. These diseases cause almost half of all deaths worldwide of people under the age of 45, killing over eight million children each year and orphaning millions more. Secretary Summers, NEC Director Sperling, Secretary Shalala, USAID Director Anderson and other leading Administration officials met with members of foundations (February 25) and leaders of the religious and development-focused NGOs (April 14). These discussions provided a valuable forum for sharing information and exchanging perspectives. The Government officials described the components of the Initiative while the NGO representatives offered their recommendations and their support of this important endeavor.

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- II. Developing research partnerhships
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James R. Kvaal
08/06/2000 04:01:35 PM

Record Type: Record

To: MaryEllen C. McGuire/WHO/EOP@EOP, Shirley S. Sagawa/WHO/EOP@EOP

cc:

Subject: non-profits

MaryEllen and Shirley --

On behalf of NEC, I had a two thoughts on government best practices in working with non-profits that I wanted to share with you for possible inclusion in the report.

GEAR UP is an excellent example of public-private partnerships. First, the Ford Foundation has been very active in supporting the program by funding technical assistance workshops, etc. Second, GEAR UP partnerships of middle schools and colleges often include community groups. Rafael (Ray) Ramirez at the Department of Education can provide more information on both of these program elements, 502-7795.

Second, I would create another category for initiatives in which the work of non-profits is intrinsic to the policy initiative. A good example is the Welfare-to-Work partnership. Maybe this falls under "leveraging resources," but it seems broader than that to me.

james.

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CDFIs are specialized financial institutions that work in market niches that have not been adequately served by traditional financial institutions. CDFIs provide a wide range of financial products and services, including mortgage loans for first-time homebuyers, loans and investments to start or expand small businesses and microenterprises, loans to rehabilitate single family and multi-family housing or construct community facilities, and savings and checking accounts for low-income households. In addition, CDFIs provide development services that help ensure that credit is used effectively, such as market analysis to small businesses, credit counseling to consumers, and technical assistance to first time homebuyers.

CDFIs include community development banks, credit unions, loan funds, venture capital funds, and multi-bank community development corporations. Over 80% of all CDFIs are non-profit institutions.

The CDFI Fund partners with these mostly non-profit institutions in a number of ways. First, the Fund designates these organizations as CDFIs. Such a designation means that the Fund has determined that the organization possesses the following six characteristics:

1. The organization and its affiliates collectively have a primary mission of promoting community development;
2. The organization is a financing entity (either an insured depository institution or an institution that principally provides loans or equity investments);
3. The organization principally serves a target market consisting of distressed neighborhoods, low-income people, or other underserved populations;
4. The organization provides training or technical assistance in conjunction with its financing activities;
5. The organization maintains accountability to its identified target market; and
6. The organization is a non-governmental entity.

With this designation, an organization becomes eligible to compete for funds from the CDFI Fund and is greatly assisted in its efforts to raise funds from other sources such as banks, philanthropic organizations, corporations, state governments, etc.

The Fund directly supports CDFIs and emerging CDFIs through a funding program, the CDFI Program, that has three competitive components: the Core Component, the Intermediary Component, and the Technical Assistance Component.

The ***Core Component*** builds the financial capacity of CDFIs by providing equity investments, grants, loans or deposits to enhance the capital base -- the underlying financial strength -- of CDFIs so that they can better address the unmet community development needs of their target markets. The Fund selects awardees that clearly demonstrate private sector market discipline and the capacity to positively impact underserved communities. The Core Component leverages additional private and public sector investments into these same organizations through the Fund's application requirements, particularly the one-to-one non-Federal matching funds requirement. Since inception, the Fund has made approximately 200 Core Awards totaling over $193 million, for an average award amount of roughly $1 million per Awardee.

The ***Intermediary Component*** allows the Fund to invest in CDFIs indirectly, through intermediary organizations that support CDFIs and emerging CDFIs. These intermediary entities, which are also CDFIs and, for the most part, non-profit institutions, generally provide intensive financial and technical assistance to small and growing CDFIs, thereby strengthening the industry's financial and institutional capacity. Like Core awardees, Intermediary awardees are required to obtain matching funds in comparable form and value to the financial assistance they receive from the Fund. Since inception, the Fund has made Intermediary Awards totaling over $15 million to five different institutions.

The ***Technical Assistance (TA) Component*** builds the capacity of "start-up", young and small financial institutions. The TA Component allows the Fund to direct relatively small amounts of funds -- generally $50,000 or less -- to CDFIs that demonstrate significant potential for generating community development impact, but whose institutional capacity needs to be strengthened before they can fully realize this potential. Some typical uses of our TA grants include: achieving operating efficiencies through computer system upgrades and software acquisition; producing internal policies and procedures; evaluating current loan products and developing new ones; and training staff in operations essential to the success of the organization.

Since inception, the Fund has made 159 Technical Assistance Awards totaling over $7 million.

These three funding components are the principal means by which the Fund provides direct financial support to CDFIs. However, other Fund initiatives play an integral role in supporting CDFIs and distressed communities throughout the country. The ***Bank Enterprise Award (BEA) Program*** provides financial incentives for regulated banks and thrifts to increase their investments in CDFIs and to increase their lending and provision of financial services in distressed communities. Between 1997 and 1999, in exchange for grants from the CDFI Fund, regulated banks and thrifts participating in the BEA Program provided over $430 million in financial and technical assistance directly to CDFIs. The Fund's ***Training Program, under which it has awarded $1.5 million in contracts this fiscal year,*** provides funds to support the development and delivery of training products to CDFIs and other financial services organizations engaged in community development finance. And the Fund's ***Policy and Research Initiatives*** strengthen the field of CDFIs and emerging CDFIs by reporting on the outcome of Fund investments and CDFI activities and by promoting industry-wide research and development activities.

2. United States Community Adjustment and Investment Program

Categories: I. Providing better services
IV. Leveraging resources

The Community Adjustment and Investment Program (the CAIP) is a valuable part of the commitment that this Administration made during our negotiations on the North American Free Trade Agreement (NAFTA).

In connection with NAFTA, the Governments of the United States and Mexico entered into an agreement that, among other things, established a North American Development Bank (NADB). The agreement authorizes the NADB to provide financing endorsed by the U.S. Government for community adjustment and investment in support of the purposes of NAFTA. The CAIP is a partnership between the U.S. Government and the NADB for carrying out community adjustment and investment in the United States in support of the purposes of NAFTA.

Endorsements of CAIP financings on behalf of the U.S. Government are made by a federal inter-agency committee (the Finance Committee) established by President Clinton in Executive Order 12916 dated May 13, 1994. The CAIP Finance Committee is composed of representatives from the Departments of the Treasury, Agriculture, Labor, Commerce, and Housing and Urban Development and the Small Business Administration, and is chaired by the representative of the Treasury Department.

The CAIP provides financial assistance to non-profit (as well as for-profit) organizations to assist in the creation or preservation of private-sector jobs in U.S. communities that need assistance to adjust to significant job losses directly or indirectly attributable to changes in trade patterns with Canada or Mexico associated with NAFTA. Specifically, the CAIP provides grants and direct loans to non-profit and public entities to assist them in creating and preserving private-sector jobs.

CAIP financing in the form of grants has been approved for non-profit entities to assist the following trade adjustment projects or programs:

- The implementation of a mentor based job training program to help graduates start their own businesses and create approximately 150 local jobs.
- Establishment of a regional economic development center to provide education and workplace skills in coordination with state and local economic development and strategic planning efforts.
- Job training for workers who are unemployed and underemployed by providing trades training that will lead to higher paying jobs for an estimated 164 workers.
- A start-up plastic injection training and production business for a high demand occupation that will re-employ 150 dislocated garment workers.
- A textile arts home and neighborhood based business to provide instruction for women to produce artistic clothing and designs for large retail stores that have national distribution. Will result in the re-employment of 70 dislocated workers.
- Increased resources for micro-enterprise business development to support training, access to capital through peer lending and professional services such as legal and accounting activities. Will result in creation of approximately 100 jobs.
- Recruiting and placing 80 dislocated workers. Training them in the construction trades associated with the development of affordable housing.
- A workforce collaborative and charitable foundation project that constructed a workforce development center.

The CAIP also provides financial assistance in the form of loan guarantees to for-profit businesses through federal credit programs administered by the Department of Agriculture and the Small Business Administration. As of August 1, 2000, the CAIP has facilitated guarantees for 402 loans with an aggregate principal amount of approximately $280 million. The 402 loan guarantees helped to create or retain approximately 9,956 full-time jobs in 26 states across the country. Direct loans to for-profit businesses are also available under the CAIP.

3. National Partners for Financial Empowerment (NPFE)

Categories: IV. Leveraging resources
II. Developing research partnerships
V. Sharing information

In April 2000, Treasury Secretary Lawrence Summers launched the National Partners for Financial Empowerment (NPFE) at the American Savings Education Council's "Choose to Save" conference. The NPFE is a growing coalition of consumer and community organizations, corporations, business organizations, federal, state and local governments, and non-profit groups dedicated to helping improve personal finance skills for all Americans, including money management, saving, investing and credit. The key objective of NPFE is to bolster and support the work of its partners. More specifically, NPFE acts primarily through its partners, drawing on their considerable expertise and bringing added visibility to their efforts.

By working collaboratively with the NPFE partners, Treasury has developed a website, produced public service announcements and conducted outreach events to promote financial literacy. The NPFE website, www.npfe.org, serves as a source for financial planning and saving resources for individuals and families as well as for information to organizations interested in financial literacy. One of the NPFE partners, the American Financial Services Association Education Foundation, provided the labor and resources in assisting Treasury to develop the NPFE website; thus allowing the site to be a "one-stop" portal by providing links to each of our partners' websites.

Secretary Summers announced the first portion of the NPFE media campaign at the Department of Labor's 5th anniversary celebration of the Retirement Savings Education Campaign. Four television public service announcements on retirement saving were contributed to the NPFE by the American Savings Education Council (ASEC), the Social Security Administration and Treasury's Savings Bonds Marketing Office. Through the support of ASEC, the public service announcements were edited to include NPFE's website address, packaged and distributed nationally with a letter from Secretary Summers to over 1000 television stations.

The efforts of NPFE will continue to focus on community outreach events. To date, the Treasury has participated in several community events sponsored by our NPFE partners. As previously mentioned, the Secretary Summers participated in celebrating the Department of Labor's 5th anniversary of the Retirement Savings Education Campaign with Secretary of Labor Alexis Herman. More recently, Secretary Summers and Chairman Arthur Leavitt of the Securities and Exchange Commission participated in a Town Hall Meeting in Cleveland, Ohio in support of NPFE partner Consumer Federation of America's *Cleveland Saves* campaign. Over 700 business and community participants in the Town Hall had the opportunity to ask financial literacy questions to Secretary Summers and Chairman Levitt. Future NPFE community outreach activities include creating task forces for financial education of youth and employees, establishing a Leadership Council of private sector CEOs, and developing a "Best Practices" report on financial education.

The strength of the NPFE is its ever-increasing number of strategic partners working together to make financial literacy a fundamental life skill for every American. Treasury has succeeded by not creating another organization competing for the same resources as its partners, but rather organizing and supporting individual efforts into a national coalition.

4. EFT Public Education Campaign

Categories: IV- Leveraging Resources
V – Sharing Information

The Debt Collection Act of 1996 (DCIA) requires most Federal payments, except tax refunds, o be made by electronic funds transfer (EFT) after January 1,1999. On September 25, 1998, the Department of the Treasury (Treasury) issued the EFT rule, which implements the requirements of the DCIA. The EFT rule includes circumstances under which waivers are available to individuals.

Treasury designed the Electronic Transfer Account to ensure that individuals who are required to receive Federal payments electronically have access to an account at a reasonable cost and with the same consumer protection available to other account holders at the same financial institution. The EFT rule provides that any individual receiving a federal benefit, wage, salary or retirement payment is eligible to open an ETA.

As a result of the EFT rule, federal check recipients have three choices for receiving their payments – Direct Deposit, the ETA, or continue to receive their check if electronic payments present a hardship. In some southern states there is a fourth choice called the Benefit Security Card.

Treasury, in partnership with the Social Security Administration, Veterans Administration, Office of Personnel Management, and the Railroad Retirement Bureau, is conducting a grass roots public education campaign that informs all federal payment recipients about their options for receiving their payment. While coordinating with community based organizations, faith-based groups, local government agencies, and national organization networks, the EFT public education campaign targets persons receiving monthly federal benefit payments.

Treasury's Office of Public Education began the campaign with a national meeting at the White House Conference Center with community based and national organizations, financial institutions, trade associations, and government agencies to develop strategies connect with their networks. One important result: a database of more than 1,300 organizations. These organizations, and the database continues to grow, ultimately became EFT campaign partners. Among them: American Bankers Association, National Consumers League, Federal Reserve Board, National Community Reinvestment Coalition, USDA Extension Service, Organization for New Equality, National Association of Community Action Agencies, Consumer Action, and the National Council of LaRaza.

One of the most important actions that resulted from the conference was the group consensus that organizations needed a comprehensive tool to improve the financial literacy of the target population. Several national organizations, consumer groups, financial trade associations, and government agencies formed the Financial Services Education Coalition and published a comprehensive guide for community educators called, "Helping People in Your Community Understand Basic Financial Services."

Campaign Objectives:

- Maximize conversion of current check recipients to EFT
- Maximize acceptance of the ETA as a viable alternative
- Minimize negative reaction (complaints, confusion, concern) among all target audiences; and
- Increase financial literacy, in an effort to empower individuals to make the right choice.

Community Outreach

The community outreach component of the campaign is designed to get in front of check recipients or the individuals and organizations that are in touch with them. Regional managers conduct train-the-trainer sessions in strategic locations of the country where there remains a high volume of check recipients. Persons that attend these sessions have access to check recipients through their organization or support networks, whether social workers or community activists.

In the western and southwestern regions of the country, subcontractors with well established relationships in the community conduct in-touch sessions with groups of the target population to deliver the choices message.

In the northeast, midwest, and southeast regions, Treasury issues mini-grants to community-based organizations, faith-based groups, and non-profit social services agencies to conduct in-touch sessions. This fee-for-service program provides funds to cover expenses for meeting facilitation. Agencies are identified via the partner database, through the efforts of the regional managers, and referrals from other organizations. Implementation kits with materials, an agenda, a video taped presentation and evaluation forms are distributed to each organization that agrees to conduct the in-touch sessions. Groups must conduct a specific number of sessions and document the number of attendees, in order to receive payment.

The campaign also coordinates strategic alliance meetings by bringing financial institutions and community organizations together. Efforts such as these meetings encourage a dialogue between the service providers of the "unbanked" or "underbanked" check recipient and the local financial institutions.

National Partnerships:

Treasury is also working with national organizations that provide access to grassroots constituencies through affiliates and/or contacts with community-based organizations. They have the capability to disseminate campaign information and support local train-the-trainer programs. They also play a significant role in building campaign awareness. Among these are: AARP, League of United Latin American Citizens, National Urban League, National Asian Pacific Center on Aging, Catholic Charities, National Coalition of the Homelessness, American Association of People with Disabilities, Disabled American Veterans, and Consumer Federation of America.

National partners also provide many opportunities to exhibit at conferences and conduct seminars and workshops as a part of the conference program. With these groups, Treasury has had an opportunity to use conference room space to conduct meetings, obtain placement of articles in newsletters, magazines, web links, membership fax links, and other publications.

Materials:

A toll-free number and website has been developed in English and Spanish for the general public to visit. These features are also compliant with the American for Disabilities Act.

Treasury has produced and published at no charge to organizations: brochures, fact sheets, fliers, pamphlets, take-one cards, video tapes, audio PSAs, posters, placemats, and more.

All of the materials are translated into Spanish, and written brochures and fact sheets are available in several other languages.

Nonprofit Task Force Report Outline

Introduction:

- -- The White House Conference on Philanthropy
- -- The creation of the Task Force
- -- The breadth and volume of interaction between the nonprofit sector and the federal government [including statistics]
- -- Specific examples of ways the federal government interacts with nonprofits that will not be addressed in great depth
    - -- combined federal campaign
    - -- employee volunteer programs
    - -- research partnerships
- -- Typical relationships – grantor/grantee [elaborate on volume, etc.]
- -- Structure of the report

Providing better services:

- -- Coordinating provision of services at the local level [discuss examples where the agency helps local organizations work together, such as HUD Continuum of Care, DOJ Weed and Seed] Mott Foundation / 21st C Learning Centers

Technical assistance & training to improve services

- -- Joint development and execution of strategies [discuss examples where the agency works with organizations to create and execute a joint strategy, such as HHS Immunization Outreach; EPA Chesapeake Bay; Vital Voices?]

works w/nonprofits to promote infant/toddler immunizatn

Reaching out to a broader spectrum of nonprofits:

- -- Working with faith based organizations [catalog examples, including HUD Center]
- -- Reaching small, grassroots organizations [NCDI; EPA TAG]
- -- Reaching underrepresented communities [SBA Women Business Centers; ACCION Texas] (? microenterprise in underserved communities)
- -- Streamlining the grantmaking process [HUD SuperNOFA]

Involving nonprofits in the policymaking process:

- -- Innovative approaches to rulemaking [need example]
- -- Soliciting advice in the development of negotiating positions [need example]

I believe there are rules against this.

- -- Innovative strategies to solicit input into policy development [HUD Center; Philanthropy conference; DOJ community safety?]

Leveraging resources:

- -- Joint sponsorship of events or project [Save America's Treasures; CNS – Points of Light – America's Promise partnership] Mott Foundation

-- Relationships with "Friends of" and other nonprofit agency partners [Coast Guard Auxiliary; National Park Foundation; 4-H?]

-- Partnerships with private sector funders [Mott Foundation]

- Facilitating Research partnerships (US Geological Survey)

Sharing information:

-- Innovative uses of the internet [Edsitement]

-- Strategies to disseminate information through nonprofit networks [Partnership for Family Involvement]

Improving the effectiveness of nonprofit organizations.

-- Technical assistance or training to improve nonprofit capacity [discuss what the government does to help for-profit businesses through SBA, including SCORE program, and note limited examples of doing same for nonprofits – ie CNS AmeriCorps training includes fundraising, training in developing measurable outcomes, etc]

-- Providing assistance to improve compliance with government rules [discuss moving away from regulatory approach to closer collaboration, example is EPA – Region 5]

-- Using government contracting authority [Goodwill]

-- Helping nonprofits work together more effectively [FEMA]

-- Building the capacity of nonprofit partners to advocate on their behalf (Conservation Leadership Network)

President's Interagency Task Force on Nonprofits and Government
August 2, 2000

I. **Welcome and Introductions-** Bruce Reed

II. **The Nonprofit-Federal Government Relationship-** Gene Sperling

III. **Model Partnerships, Practices and Approaches-** Melanne Verveer

- Providing Better Services
  HHS/National Immunization Program- Elizabeth Summy
  USDA/Food Recovery and Gleaning Initiative- Julie Paradis

- Reaching out to a Broader Spectrum of Nonprofits
  Commerce/ACCION Texas- Linda Bilnes

- Involving Nonprofits in the Policymaking Process
  HUD/Center for Community and Interfaith Partnerships- Father Joseph Hacala

- Leveraging Resources
  Labor/Youth Opportunity Movement (YO)- Lynn Jennings

- Sharing Information
  Education/Partnership for Family Involvement in Education- Leo Coco

- Improving the Effectiveness of Nonprofit Organizations
  Interior/Conservation Leadership Network- Ann Shields

IV. **Barriers Impeding and Recommendations for Improving Relationships with Nonprofits-** Bruce Reed

V. **Next Steps-** Bruce Reed

Barriers Impeding the Federal Government/Nonprofit Relationship

- Need for government-wide or agency-wide policy, direction or training regarding working with nonprofits
- Internal bureaucratic processes
- Government Performance and Results Act may create a tension between quick and quantifiable results and longer-term partnerships
- Limited FTEs make labor-intensive partnerships difficult to sustain
- Lack of clarity about legal limits
- OMB circular A-122 rules relating to fundraising as an unallowable cost
- Need to maximize use of technology
- Federal Advisory Committee Act constrains certain types of collaboration
- Communication barriers
- Limited appropriated travel funds/legal rules regarding accepting travel funds from partners
- Restrictions on ability to solicit/accept donations that apply to some agencies

Recommendations for Improving the Federal Government/Nonprofit Relationship

- The value of working in partnership with the nonprofit sector, and the value of building stronger relationships from the beginning of the administration with a broad spectrum of the nonprofit community (including faith-based and advocacy organizations)
- Importance of approaching partnership as each side contributing and to acknowledge the strengths of each sector
- How to make it easier for nonprofit organizations to work with agencies, including strengthening the liaison function
- The appropriate roles of each sector and the need for resources for nonprofit partners in certain types of partnerships [can't just turn over functions to nonprofits as a replacement for government without providing resources]
- The need to continue the streamlining of government as it relates to nonprofit organizations, including paperwork and access to information, including data collected by the government
- How the federal government can strengthen the nonprofit organizations it works with and the sector as a whole

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release October 22, 1999

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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Interagency Task Force on Governments and Nonprofits
Agency Submissions by Category

I. Providing Better Services

Most of the interesting partnerships reviewed by staff involved an agency working with one or more nonprofits to address a common goal. While the role of the federal agency usually involved providing funding, in most cases it went beyond a simple grantor-grantee relationship: The agency might work with the nonprofits to jointly develop a strategy; might use its funds as leverage to promote collaboration among nonprofits; or look to nonprofit organizations to monitor the quality or impact of its programs. Some of the most interesting partnerships were multifaceted, involving the agency in providing program-related technical assistance, bringing together several different organizations (including for-profit businesses and nonprofit agencies), and utilizing nonprofit networks to reach deeply into communities.

Joint development and execution of strategies

The **National Immunization Program** (NIP) at the Centers for Disease Control and Prevention (CDC) at HHS is a successful example of improved service delivery because its comprehensive efforts are unified by a clear, common goal– improving the immunization rates of children- and because of the depth and breadth in its partnership and outreach activities. The NIP works closely with partners in the nonprofit sector to promote infant and childhood immunizations. These partnerships build awareness of the importance of childhood immunizations, educate parents about the benefits and risks associated with immunization, and facilitate access to health care providers.

One example of NIP's work with the nonprofit sector is the Colorado Children's Immunization Coalition, established in 1991. The Colorado Children's Immunization Coalition (CCIC) is a statewide public/private partnership dedicated to fully immunizing Colorado children two years of age and younger. Through its work with the NIP, CCIC's member organizations have sponsored dozens of free immunization clinics, worked with the Colorado Department of Public Health and Environment to develop an immunization registry throughout Colorado, and launched a statewide public awareness campaign through seven funding partners to encourage "Five Visits Before Age Two."

The **Chesapeake Bay Program** is a regional partnership directing and conducting the restoration of the Chesapeake Bay. Its partners include the states of Maryland, Pennsylvania and Virginia; the District of Columbia; the Chesapeake Bay Commission; the Environmental Protection Agency, and participating advisory groups. EPA provides leadership, administrative, technical, financial and information support to regional committees, subcommittees, and work groups. In conjunction with the National Fish and Wildlife Foundation, they also awarded over $1.3 million in small grants 56 community groups and local governments working in the Chesapeake Program in the year 2000.

Projects funded by the 1999-2000 grants include: working to educate citizens on flood control and streambank erosion and training a corps of citizens to provide physical assistance to farmers in planting riparian buffers and installing livestock exclusion fencing at critical sites in the Rapidan watershed in central Virginia. This partnership it involves all levels of government, the private sector, scientists, landowners and citizens in a collective effort to preserve a precious environmental landmark.

The Department of Justice's **5 Goals 4 Kids: A Coalition to Prevent Youth Violence** builds partnerships between federal agencies and the nonprofits by sharing information and leveraging resources to ensure that children and teens become healthy, law-abiding members of their communities. The initiative's goals are: to develop programs to teach gun owners about responsible gun ownership; to stop unauthorized, unsupervised access of children to guns; to reduce truancy; to create engaging after-school opportunities; and to ensure that at least 100,000 more children will participate in effective programs to prevent and discourage drug and alcohol use.

5 Goals 4 Kids is also working to enroll at least 500,000 uninsured state children in state children's health insurance programs (SCHIP). This campaign has inspired national organizations and the federal government to work together with community-based organizations to disseminate information on SCHIP to hundreds of thousands of families of uninsured children. Due to the success of this national partnership, local United Ways have pledged to enroll more than 750,000 children in the SCHIP and made a significant contribution to SCHIP awareness and SCHIP strategy for enrollment. Nationwide, more than 2 million of the 10 million uninsured children in the United States have been enrolled in SCHIP.

Mulitfaceted Strategies

Fighting hunger in the United States requires multiple partners. The USDA's **Food Recovery and Gleaning Initiative** demonstrates how the government can work through nonprofits to achieve common goals. In November of 1996, President Clinton signed an Executive Memorandum that directed the Department of Agriculture to lead a government wide effort in conjunction with nonprofit anti-hunger groups to increase the recovery and gleaning of excess food for distribution. Under the leadership of Secretary Glickman, the USDA has made the Food Recovery and Gleaning Initiative a top priority, encouraging, energizing and providing technical assistance to nonprofit food recovery and gleaning efforts.

Through the Initiative the Department has aided grassroots food recovery projects distribute over 10 million pounds of excess food to nonprofit anti-hunger groups nationwide, distribute 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 safely donate excess food to nonprofits and, brokered a partnership between Hewlett Packard and America's Second Harvest to create a Web site to efficiently link food producers with the America's Second Harvest food bank network.

Based on the success of the Gleaning and Food Recovery Initiative, the Clinton/Gore Administration launched a broader **Community Food Security Initiative** in 1999 to help grassroots nonprofits fight hunger, improve nutrition, strengthen local food systems, and help families move from poverty to self-sufficiency.

Among the Community Food Security Initiative's commitments are: a partnership with Share Our Strength (SOS) to expand Operation Frontline, a program that engages chefs to volunteer to teach hands-on nutrition education classes; and working with World Hunger Year (WHY) to publicize and distribute "Replication Manuals" highlighting effective grassroots hunger and poverty programs in the U.S. 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.

Established in 1994, **JOBS PLUS** is working in public housing developments to assist residents get and keep jobs. A national consortium of federal agencies [Labor, HUD and HHS] and private foundations, JOBS PLUS focuses on employment services, financial incentives to work and community support for work network.

The program itself is carried out through the Manpower Demonstration Research Corporation (MDRC), a national nonprofit responsible for establishing demonstrations in each of the program's seven cities and following up with technical assistance and program evaluation. Demonstrations are improving the effectiveness of Housing Authorities to serve their residents, leveraging resources with local partners, developing research partnerships between Federal and foundation partners and providing better services for public housing communities.

Coordination of services at the local level

HUD's **Continuum of Care** is an example of identifying needs in a community and building community wide systems to address those needs with federal government resources. In the 1980s and 1990s, it became apparent to the government and nonprofits that no single solution could resolve the issue of homelessness. As a solution to breaking the cycle of homelessness, HUD created the Continuum of Care in 1994. The Continuum of Care is a community-based process designed to encourage localities to develop comprehensive, long-term approaches to homelessness. The primary goal of the Continuum of Care approach is to assist the homeless to move to self-sufficiency and permanent housing. The impact of the program has been dramatic. Five years ago, America's national strategy on homelessness was characterized by no unified approach, no national partners, no coordinated planning and little money being leveraged. Today, 78 percent of the U.S. population resides in communities with Continuum strategies, and the program is helping as many as 14 times more people move from the streets and shelters to self-sufficiency.

DOJ's Operation Weed and Seed is an example of providing better services because it demonstrates how public-private partnerships can make neighborhoods safer places to live and work. **Operation Weed and Seed** is one of the Department of Justice's most extensive community-based programs. Weed and Seed communities "weed out" violent crime and drug abuse and "seed" neighborhood improvements by bringing housing, social services, youth programs, substance abuse treatment and economic development to neighborhoods. Before identified communities receive any funding they are required to bring a coalition of partners together to develop a community wide to address crime and revitalize. Once a community is "officially recognized" as a Weed and Seed site, the Department provides funding and technical assistance for the coalition, while working with the local neighborhood to assist in implementing their plans.

II. Reaching Out to a Broader Spectrum of Nonprofits

The second category is related to the first, and addresses the ways that agencies are attempting to work with nonprofit organizations that have been harder to reach. These efforts involve strategies to forge relationships with faith-based organizations; small, grassroots groups; and organizations that serve underrepresented communities. In some cases, efforts to streamline or simplify the grantmaking process were intended to make it easier for nonprofits to access resources; in others, the development of a single point of entry, provision of technical assistance, or better targeted resources increased involvement of certain types of nonprofit organizations.

Outreach to underrepresented communities

ACCION Texas is a nonprofit micro-enterprise development program serving economically depressed communities. In May 2000, the Economic Development Administration awarded a $500,000 grant to ACCION Texas to purchase and rehabilitate a building. The building the grant will build will support the statewide headquarters of ACCION, a storefront microenterprise lending office and a regional center for economic development. In its new location, this facility will deliver micro-loans and ongoing technical assistance to entrepreneurs in the heart of impoverished communities. ACCION Texas not only helps micro-entrepreneurs 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. Sixty percent of ACCION Texas borrowers are women.

Women Business Centers are nonprofit organizations that provide extensive training to small business owners while helping the SBA achieve its mission of promoting entrepreneurship and reaching out to historically underrepresented segments of the business community. Each Center provides 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. WBC's 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. WBC's empower women and assist them to break into the world of entrepreneurship.

Working with faith-based organizations

The **Strategic Approaches to Community Safety Initiative** (Strategic Approaches) is a partnership among United States Attorneys and local law enforcement to reduce targeted crime by partnering with community and faith-based organizations. Two examples of strategic approaches are the Middle District of North Carolina and Operation Reach. The Middle District of North Carolina works with community leaders, including clergy, to allow input into the criminal justice policy process. *Operation Reach* involves face to face meetings between law enforcement, community leaders and community offenders in which offenders are reminded of the consequences of future actions while being offered community services. Evidence suggests that both approaches reduce crime while building public trust and confidence in the criminal justice system.

Outreach to small grassroots organizations

The **National Community Development Initiative** (NCDI) provides financial and technical support to nonprofit community development corporations engaged in locally driven efforts to improve distressed inner city neighborhoods. NCDI combines resources from 15 major national corporations and foundations, HUD, and local public and private organizations to offer grants and low interest loans to local development. In turn, community-based build houses, develop health and day 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. Approximately 57 percent of funding is in low-interest loans, the balance is provided in grants. This core funding is expected to generate more than $2 billion in total funding for community revitalization when it is coupled with financial resources committed by over 250 local partners, including state and local governments, local foundations, banks and corporations. This initiative assists community development groups to improve the quality of life in their neighborhoods.

The EPA's **Technical Assistance Grants** (TAGs) program is effective because it empowers nonprofits, organizations and coalitions to determine the future of their community. Cleanup of hazardous waste sites is a complicated process in which few local people can participate without technical assistance. To assure that local residents can participate in the clean up process, EPA makes available to local, qualified nonprofits TAGs. Most TAG funds are used to hire independent technical advisors (TA) 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, participate in public meetings to clarify information about conditions and visit site locations during cleanup to observe and provide technical updates to the community.

Streamlining the grantmaking process

HUD's **Super Notice of Funding Availability** (SuperNOFA) is a grant application process designed to streamline the competitive grant process for federal funds while helping communities make better and more effective uses of HUD's resources. Established in 1998, the SuperNOFA provides a uniform application process for all HUD grants, 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 has also 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. SuperNOFA has not only simplified the grant process, it has increased access to federal funds.

III. Involving Nonprofits in the Policymaking Process

There was strong support among the nonprofits that participated in our outreach meetings for increased opportunities to contribute to the development of policies. Of course, there are legal and fairness issues that must be considered. However, even informal opportunities for interaction were welcomed by the group we surveyed, and they stressed that their top recommendation to future administrations was to establish relationships early on.

Innovative approaches to policy development/rulemaking

The **Center for Community and Interfaith Partnerships** (Center) is a strong example of giving community and faith-based nonprofits a meaningful seat at the Federal government's table. The Center was established in 1997, to focus, integrate and intensify HUD's involvement with community and faith-based organizations to maximize the use and impact of our mutual resources in building strong communities. While the Center is not a funding source, it fulfills its mission in several ways. First, the Center serves as a policy advocate for community and faith-based groups within the department by ensuring that the interests of community and faith-based nonprofits are considered in development of HUD policies and programs; and by ensuring that community and faith-based groups are included in initiatives, outreach and educational activities conducted by HUD and its specific program areas. Second, the Center 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. Third, the Center acts as a troubleshooter, assisting nonprofits in navigating the HUD system, resolving problems, and responding to community and faith-based group inquiries and concerns.

Several years ago the President and First Lady began talking about the need to focus national attention on the importance of honoring, sustaining, and expanding the American tradition of giving. To do so, the President and Mrs. Clinton convened the **White House Conference on Philanthropy: Gifts to the Future**, on October 22, 1999. Planning for the Conference was a result of extensive consultation with a variety of organizations, most notably, nonprofits. As a direct result of nonprofit consultation, the White House working group decided to define philanthropy as individual giving, developed an agenda focusing around specified themes and developed a number of deliverables, many specifically geared towards working with, or on behalf of, nonprofits. The White House Conference on Philanthropy involved meaningful consultation and input from nonprofits to create and achieve administration positions. By bringing nonprofits to the table for conference and deliverable development, nonprofits were allowed a significant and meaningful degree of input into the administration's agenda.

IV. Leveraging resources

This administration has broken new ground in finding ways to work with outside funders toward a common goal through partnerships that often involve business, nonprofit organizations, and foundations. These partnerships may involve funding, but may also include joint sponsorship of events or projects, the encouragement of volunteer efforts, or social marketing.

Catalyzing private sector action

In 1998, Labor Secretary Herman created the **Youth Opportunity (YO) Movement** to build on Department funds for "out-of-school youth." Through the YO, 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. Labor's role is to bring the issue to the public arena and generate leadership in working with these youth. The Movement's cohesiveness is based on the commitment of members to local communities.

Joint sponsorship of events or projects

Save America's Treasures, administered by the National Park Service, is a grant component of President and Mrs. Clinton's Millennium Initiative focusing public attention on "saving" national historic, natural and cultural sites for future generations. To be recognized as a Treasures project, each grant must leverage an equivalent or greater amount of money and resources from the non-Federal sector. In doing so, localities not only take responsibility for, and gain ownership of, their projects, federal monies allow them enough funds to start and complete their restorations. The National Trust for Historic Preservation, a nonprofit historic preservation organization, is the Council's primary private sector partner in Save America's Treasures. Although it has been successful in identifying donors for several Save America's Treasures grants, the National Trust does not commit to match grants, but instead works to raise public awareness of, and commitment to, our nation's urgent preservation needs.

The Justice Department's **Children Exposed to Violence Initiative** (CEVI) uses multiple partners and a variety of resources to address the serious ramifications of children exposure to violence. Children exposed to violence carry the violence with them throughout their lives and CEVI has responded to this with much-needed solutions. CEVI has five objectives: justice system reform; legislative reform; program support; public awareness; and a parenting initiative. To achieve these objectives, CEVI is committed to developing prevention strategies supporting intervention programs and improving offender accountability. Specifically, the Initiative supports multi-disciplinary violence prevention efforts that unite law enforcement, mental health, social services, schools, and communities; supports the National Center on Children Exposed to Violence at the Yale Child Study Center to serve as an information clearinghouse of the effects of violence on children; and supports and promotes the expansion of prosecutor training, victim assistance programs, children's advocacy centers, crimes against children units, and Safe Kids/Safe Streets Programs.

As part of the Initiative, the Department of Justice also convened *Safe from the Start: The National Summit on Children Exposed to Violence* in June 1999. 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 *Safe from the Start: National Action Plan* to address the needs of child crime victims and witnesses.

Relationships with "friends of" and other nonprofit partners

The **U.S. Coast Guard Auxiliary** is the civilian volunteer arm of the United States Coast Guard. Its 35,000 volunteers perform vessel safety checks on millions of boats, ensure compliance with Federal safety regulations, give direct assistance to Coast Guard rescue missions and spend thousands of hours educating the public about possible waterway dangers and threats to life. A recent study, showed that each dollar invested in the auxiliary returns about four dollars in prevention and response service. In addition to the economic value, the Auxiliary gives the boating community a sense of purpose and pride in "self-regulating."

Partnerships with private sector funders

For the last two years, the **Mott Foundation** and the Department of Education have worked together on the President's 21st Century Community Learning Centers Program which funds hundreds (thousands?) of community based afterschool programs. The Department administers the program and supplies funds to local communities through a competitive grant process. The Mott Foundation underwrites training and technical assistance, program evaluation, and public awareness and outreach of the program and grant process. By providing technical assistance on how to complete applications for federal funding, the Foundation has broadened the pool of recipients.

Over the next six years, Mott will provide over $95 million to provide technical assistance in every state, track national attitudes on afterschool through surveys and polling data, and conduct a public relations campaign as part of the Afterschool Alliance. Due to the initiative's success, the majority of education legislation passed last year included requirements for local or state level partnership or collaboration.

V. Sharing Information

Nonprofit organizations say that access to information is a priority for them in working with the government, from data that is available on the nonprofit sector itself to information on best practices. At the same time, many federal agencies report that they are dependent on nonprofit networks to disseminate information to specific constituency groups.

Strategies to disseminate information through nonprofit networks

The Department of Education's **Partnership for Family Involvement in Education** (PFIE) uses a diverse network of nonprofits to increase community involvement in children's education. PFIE was created in 1994 by Secretary Riley 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 children's education. To encourage such support to bring groups together, the Partnership has convened meetings, directed research, developed partnership guides, hosted teleconferences, provided a newsletter and Web site 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.

Innovative uses of the Internet

EDSITEment is a portal site on the Internet created by the National Endowment for the Humanities in partnership with education organizations, city school systems, and the MCI-Worldcom Foundation. EDSITEment links teachers and students to humanities based Web sites that meet rigorous standards of excellence and educational utility. Customized learning guides demonstrate how to use the site as a powerful and user-friendly instructional tool. Primarily designed for teachers, it can also be used by students, parents, and the public. Satisfied by the success of EDSITEment, the MCI Worldcom Foundation has used it as a model for creating six additional portal sites in other areas of the curriculum, enlisting several major nonprofit groups to do so.

Vital Voices is another example of using the Internet to allow nonprofits to provide better services. Vital Voices was launched by the U.S. Government in 1997 to amplify and support the voices of emerging women leaders. In the three years since its launch, Vital Voices has helped women run for elected office and start and grow small businesses by working with the private and nonprofit sectors to provide emerging women leaders with media and leadership training, consulting services and program grants. Vital Voices s also engaged in creating a live global community for women on the Web. In partnership with American Online and others, the Web site will help raise awareness of training and business opportunities available to women, connect Vital Voices program participants around the world, offer follow up online training courses and track the progress and success of women assisted by the initiative. The main objective of this Web site is to expand the network of women leaders around the world from 10,000 to 100,000.

Sharing data/participating in data collection

The Department of Interior's **National Spatial Data Infrastructure** (NSDI) is an excellent example of a multiple partnership, including non-profits, to build an electronic infrastructure that will bring together national geographic databases. The United States Geological Survey (USGS) provides ongoing staff and funding support to the data coordination activities of the Federal Geographic Data Committee (FGDC). The FGDC is an interagency committee that promotes the coordinated use, sharing, and dissemination of geospatial data (environmental data, population, and social statistics are examples of geospatial data). One of FGDC's primary goals is to develop an easily accessible 'national' resource of this information, which is the NSDI.

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 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 fosters increased collaboration among public and private sector organizations within the geospatial data community.

VI. Improving the Effectiveness of Nonprofit Organizations

Improving the effectiveness of nonprofit organizations. Although the federal government does a great deal to assist for-profit businesses through the SBA and Commerce and other agencies, there is very limited assistance available to help nonprofit organizations become more effective.

Technical assistance or training to improve nonprofit capacity

The Department of Interior's **Conservation Leadership Network** is a strategic alliance of governmental and non-governmental organizations dedicated to building the capacity of professionals committed to natural resource conservation. The goal of the Network, the result of a long-term partnership between the U.S. Fish and Wildlife Service and the Conservation Fund, 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. Through the National Conservation Training Center, located in Sheperdstown, WV, the Network offers educational and relationship-building opportunities for governmental and non-governmental professionals with the desired outcome of creating conservation professionals who: possess core skills relating to organizational management and leadership; are aware of new conservation theories, approaches and technological applications; can apply theory and practice to current conservation issues; and can 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.

The **Service Corps of Retired Executives** (SCORE) is a nonprofit that provides free business counseling services to business entrepreneurs. Staffed by retired executives who provide one on one counseling and training workshops, the program is an invaluable resource to the entrepreneurial community for two major reasons: many SCORE offices are in rural areas where business counseling is not otherwise available and, many of the entrepreneurs do not yet have the budget to pay for private business counselors. On an extremely limited budget, SCORE adds to the success of entrepreneurs through training, evaluation and assessment of businesses and ideas and thus is an invaluable partner to SBA's. While SCORE is business oriented it could easily serve as model for providing technical assistance or training to nonprofits and thereby improve their capacity.

Signed into law in 1988, the **Malcolm Baldrige National Quality Award** was established as America's highest honor for excellence in organizational performance. Managed by the Department of Commerce's National Institute of Standards and Technology, it has proven to be a remarkably successful government and private sector collaboration. Each year, more than 400 experts from industry, government, education and health care volunteer hundreds of hours reviewing applications, conducting site visits, and providing award applicants with written feedback. In addition, board members have given thousands of presentations on performance excellence.

Organizations across sectors are supporting the Baldrige program by urging widespread adoption of its performance excellence principles. For example, the National Alliance of Business and the American Productivity and Quality Center have formed the Baldrige in Education Initiative, a partnership of 26 business and education organizations dedicated to reforming the education system based on quality principles. Today, the Baldrige program, the Baldrige criteria for performance excellence, and the Baldrige award recipients are imitated and admired worldwide.

Providing assistance to improve compliance with government rules

The EPA's Memorandum of Understanding with the American Hospital Association (AHA) demonstrates how outreach to nonprofits can lead to cooperation on resolution of public/private problems, and how enlightened-self-interest can lead a variety of sectors to work together to safeguard the public's health.

Hospitals are America's fourth largest producers of mercury waste and produce about 1 percent of the nation's solid waste stream. The 1998 MOU assists AHA's member hospitals, including nonprofits, to go beyond compliance in improving waste management by calling for the elimination of mercury use in the industry 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 was established to assist and advise in implementation. This Council includes stakeholders in the healthcare industry and a coalition of more than 100 grassroots nonprofits.

Vital to the implementation component of the agreement has been creation of a comprehensive "how to" model that provides hospitals with technical information on how to accomplish the reductions envisioned in the MOU.

Using government contract authority

The **South Florida Goodwill** is a prime example of using government contracts as a means to increase its capacity and further assist its clients. Goodwill is leading the charge to help unemployed or underemployed members 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. While Goodwill interacts with the federal government in several ways, one way in which they directly benefit from government intervention is in the use of the government's contract authority. Currently, the South Florida Goodwill 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 Herald). Through its work with the federal government, Goodwill has been able to prove that they have a qualified, trained and work-ready workforce. In turn, Goodwill graduates emerge as skilled, reliable workers who continue to receive support and guidance even after entering the workforce with follow-up services for both employee and employer.

Helping nonprofits work together more effectively

In 1993, 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 the preferred donation, 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 would consist 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.

Divider Title: **Agenda**

President's Interagency Task Force on Nonprofits and Government
August 2, 2000

I. **Welcome and Introductions-** Bruce Reed

II. **The Nonprofit-Federal Government Relationship-** Gene Sperling

III. **Model Partnerships, Practices and Approaches-** Melanne Verveer

- Providing Better Services
  HHS/National Immunization Program- Elizabeth Summy
  USDA/Food Recovery and Gleaning Initiative- Julie Paradis

- Reaching out to a Broader Spectrum of Nonprofits
  Commerce/ACCION Texas- Linda Bilnes

- Involving Nonprofits in the Policymaking Process
  HUD/Center for Community and Interfaith Partnerships- Father Joseph Hacala

- Leveraging Resources
  Labor/Youth Opportunity Movement (YO)- Lynn Jennings

- Sharing Information
  Education/Partnership for Family Involvement in Education- Leo Coco

- Improving the Effectiveness of Nonprofit Organizations
  Interior/Conservation Leadership Network- Ann Shields

IV. **Barriers Impeding and Recommendations for Improving Relationships with Nonprofits-** Bruce Reed

V. **Next Steps-** Bruce Reed

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Divider Title: **Brief**

August 1, 2000

Interagency Task Force on Nonprofits & Government Meeting

DATE: Wednesday, August 2nd
TIME: 10- 11:30am
LOCATION: Roosevelt Room
FROM: MaryEllen McGuire

I. PURPOSE

To convene the first meeting of the President's Interagency Task Force on Nonprofits & Government to discuss the creation of a "best practices" inventory of federal agency/nonprofit collaborations.

II. BACKGROUND

On October 22nd, 1999, the President and First Lady hosted members of the philanthropic community from all walks of life at the first ever White House Conference on Philanthropy. "Gifts to the Future" highlighted the unique American tradition of giving, discussed the diverse and changing face of philanthropy, and emphasized the responsibility all American's have to teach and sustain this tradition.

At the Conference, President Clinton announced creation of an Interagency Task Force on Nonprofits and Government. The purpose of this Task Force is to identify current forms of collaboration between the Federal Government and nonprofits and evaluate ways this collaboration can be improved. Chaired by Senior White House Staff and consisting of Cabinet Secretaries or their designees, 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 on nonprofits and philanthropy; and, (3) to develop further policy responses. Objective three was met in the introduction of several tax initiatives to the President's budget (see attached). Objective two is being met in the creation of a CEA Report on Philanthropy which will focus on new trends in the sector (to be completed later this month). Objective one will be met once our best practice report is written and released, more detail follows.

Best Practice Nominations, Judging & Report

This past January, DPC, First Lady and Millennium staff surveyed Federal Government agencies on the extent of, types of and barriers impeding, their relationships with the nonprofit sector. As a result of their responses, it became exceedingly clear that there are several outstanding government/nonprofit relationships currently in existence from which much can be gleaned.

Upon coming to this conclusion the White House team asked each agency to their top four nonprofit "relationships" for inclusion in a "models" report. Once nominations were submitted, White House and agency staff met to judge each submission on the following criteria: innovativeness, replicability and impact. Finalists were then placed into one of six categories for final review: partnerships that provide better services to the public; partnerships that allow input into the policy making process; partnerships that effectively leverage rescues; partnerships that result in meaningful exchanges of information across sectors and with the general public; partnerships that improve government operations; and, partnerships that improve the effectiveness of nonprofit organizations.

Today you will be reviewing the best of the submissions. Fourteen agencies are included [Commerce, Education, EPA, FEMA, HHS, HUD, Interior, Justice, Labor, NEH, SBA, Transportation, USDA, White House] three [CNS, OPM, State] are still expected to respond. The point of today's meeting is to discuss the nominations before us and explore other possible models to include. Once final selection is made, we will send the submissions to an outside writer for inclusion in the final report. One other thing that we may wish to discuss at this meeting, is the format which the final report should take.

Nonprofit Outreach
It is important to note that during the course of the Task Force there have been several forms of outreach to the nonprofit community. In December, we arranged a meeting with nonprofits and the Treasury Department to review tax initiatives for FY2001. This meeting had a direct impact on the initiatives we introduced not only in the budget, but in the President's State of the Union.

In addition, Eric Gould from DPC convened a meeting late last year to discuss Task Force priorities and last Thursday (7/27) the Millennium Council and First Lady's Office convened nonprofits to preview our agency submissions. While feedback was generally positive, there was an expressed hope that the Task Force's final report not just describe "promising practices," but address some of the barriers that currently impede nonprofit-government relations.

III. PARTICIPANTS

Co-Chairs
Bruce Reed
Gene Sperling
Melanne Verveer

Agency Principals
Lisa Andrews, Deputy Assistant Secretary, Treasury
Linda Bilnes, Assistant Secretary for Management and Organization, Commerce
Leo Coco, Deputy Assistant Secretary, Education
Bernetta Hayes, Acting Assistant Administrator, SBA
Father Joseph Hacala, HUD
Lynn Jennings, Acting Assistant Secreatary for Policy, Labor
Anil Kakani, Chief of Staff, OMB
Norma Krayem, Deputy Chief of Staff, Transportation
Daphne McFerren, Counselor to the Attorney General, Justice
Julie Paradis, Deputy Undersecretary, USDA

Kathryn Shaw, Deputy Chair, CEA
Anne Shields, Chief of Staff, Interior
Elizabeth Summy, Deputy Chief of Staff, HHS
Marjorie Tarmey, Deputy Chief of Staff, OPM

IV. SEQUENCE OF EVENTS

-Bruce welcomes Task Force members, introduces his co-chairs, and explains the Task Force's purposes and creation.

-Gene address the breadth of interaction between the federal government and nonprofits

-Melanne provides an overview of the submissions process and calls on various agencies to walk us through their nominations

-Bruce addresses some of the barriers that have been identified in working with or reaching out to nonprofits and possible recommendations to be included in the report

-Bruce addresses next steps and closes the meeting

V. PRESS

Closed Press.

VI. REMARKS

Script/talking points provided by Shirley Sagawa.

Divider Title: **Script**

Nonprofit Task Force Meeting
[annotated agenda]

I. Welcome – Bruce Reed

Introduce co-chairs Melanne Verveer and Gene Sperling

Ask participants to introduce themselves

Explain how the task force came to be

President and First Lady's interest in civil society and philanthropy's role in promoting it

Also, this administration's strong interest in working closely with the nonprofit sector, which is reflected in the unprecendented number of partnerships, and in many reinventing government efforts intended to make it easier to access government funds, receive information, etc.

Due to this interest, the President and First Lady hosted the White House Conference on Philanthropy in October 1999, which focused on individual giving, particularly relating to new givers: venture philanthropists/high tech; youth; communities of color (which may have philanthropic traditions that may be different from the kind of giving that is counted in reports of charitable giving)

Additional initiatives flowing out of the conference have focused on other important related topics for example:

- simultaneous e-philanthropy conference, with follow-up planned for September in San Jose;
- youth summit in Orlando cosponsored by the Corporation for National Service; soon to be released CEA report;
- charitable tax proposals included in the President's budget, as well as other initiatives that would provide funding to community and faith-based organizations, such as our proposed fatherhood grants or Second Chance Homes for teen parents; and
- this Nonprofit Task Force

Purpose of the Nonprofit Task Force

The executive memorandum creating the Task Force provided that it would examine current partnerships between the Federal Government and the nonprofit sector – including faith-based organizations – and evaluate ways that these partnerships can be improved to help both government and nonprofits better fulfill their missions. This effort builds on the Administration's strong record of reaching out to nonprofits and working in creative and collaborative ways, through White House leadership, the work of NPR and special efforts throughout the agencies.

Specifically, the Task Force is charged with developing a public inventory of "best practices" in existing collaborations between Federal government agencies and work to apply these models to other government efforts.

Based on this information, we will also make recommendations for ways the government could be even more responsive to nonprofits and examine ways government can draw on the experience and innovations of nonprofits in the development of new ideas.

II. The Nonprofit-Federal Government Relationship – Gene

There is a great deal of interaction between the nonprofit sector and the federal government, and it takes many forms, including:

-- tax policy – including deductibility of contributions, tax-exempt status recognition, etc.;

-- collection of statistics – through IRS, the census, Department of Labor, etc.

-- the Combined Federal Campaign and employee volunteer programs involve federal government workers contributing to the nonprofit sector;

-- billions of dollars flow through grants and contracts to nonprofit organizations;

-- government research agencies routinely work with higher education institutions and other private sector researchers;

-- direct payments to hospitals through Medicaid/Medicare, etc.

The creation of the White House Task Force on Nonprofits and Government acknowledges that government spending and tax policies affect the missions and operations of the nonprofit sector. Changes in government spending also change the type and level of society's needs that nonprofits may be called upon to address.

The case studies we are examining show how federal government agencies and nonprofits can work together on a collaborative-partnership model, thereby improving services, information, and public access to decision-making.

No comprehensive federal statistical data sources track the flow of federal support to nonprofits, but we do know that government has become an important funder of nonprofits.

A 1999 paper, issued by the Nonprofit Sector Research Fund, estimates that in Fiscal Year 97 "more than thirty percent of all federal spending of interest to nonprofits was channeled through nonprofits for delivery of services." That means that some $554 million in government funding flowed to education, health, social welfare, income assistance, culture and the environment in the last year studied. But the study also points out that without two large programs—Medicare and Medicaid—actual federal funding to areas of interest by nonprofits, including employment and training, community development, and higher education, declined in the early 80s, subsequently recovered, but is still below FY 80 levels.

While federal government spending in health care, social services, educational research and foreign assistance has increased, in other areas it has decreased: higher education, arts and culture, and the environment.

We need more analysis of the effect of government funding, tax policies and regulation on nonprofits. The quality and effectiveness of government-nonprofit partnerships is more important than ever before.

This Task Force and its report and recommendations will be another step towards valuing and describing this important way of working.

III. Model Partnerships, Practices, and Approaches – Melanne

-Public-private partnerships are really a hallmark of this admin.

[If you want, you can mention Vital Voices and Save America's Treasures as examples of projects the First Lady has been involved with.]

-document great way to learn from our experience

In preparation for the first meeting of the Task Force, staff from the First Lady's Office, White House Millennium Council, Domestic Policy Council, and agencies represented on the Task Force have been meeting to develop a framework for analyzing model partnerships, practices, and approaches for working with the nonprofit sector, and to identify examples.

Initially, staff surveyed the agencies for examples of interaction in a broad range of areas (excluding tax policy and government transfer payments). Then, based on these examples, they developed six categories that deserved further exploration. Agencies were then asked to submit their top partnerships or approaches in these categories. An interagency committee reviewed these submissions using the criteria of innovativeness, replicability, and impact. This process, which took place over several weeks, yielded

-Vital Voices
-remember the np's trained people
gave them resources +
relief up front

more than a dozen excellent examples of how this administration has broken new ground in the area of partnerships with the nonprofit sector.

In addition, staff held three meetings with individuals from the nonprofit sector to hear their views about partnerships that have been effective from their point of view, as well as ideas for recommendations that the task force might consider.

We have asked the Millennium Council for help in engaging a writer who will assist in the preparation of the Task Force's report. [introduce Carol Beach]

Now we will walk briefly through the categories and I will ask some of the agency representatives here today to provide examples.

1. Providing better services. Most of the interesting partnerships reviewed by staff involved an agency working with one or more nonprofits to address a common goal. The role of the federal agency usually involved providing funding, but went beyond a simple grantor-grantee relationship. The agency might work with the nonprofits to jointly develop a strategy; might use its funds as leverage to promote collaboration among nonprofits; or look to nonprofit organizations to monitor the quality or impact of its programs. Some of the most interesting partnerships were multifaceted, involving the agency in providing program-related technical assistance, bringing together several different organizations (including for-profit businesses and nonprofit agencies), and utilized nonprofit networks to reach deeply into communities.

   [call on USDA] [call on HHS]

2. Reaching out to a broader spectrum of nonprofits. The second category is related to the first, and addresses the ways that agencies are attempting to work with nonprofit organizations that have been harder to reach. These efforts involve strategies to forge relationships with faith-based organizations; small, grassroots groups; and organizations that serve underrepresented communities. In some cases, efforts to streamline or simplify the grantmaking process were intended to make it easier for nonprofits to access resources; in others, the development of a single point of entry, provision of technical assistance, or better targeted resources increased involvement of certain types of nonprofit organizations.

   [call on Commerce]

3. Involving nonprofits in the policymaking process. There was strong support among the nonprofits that participated in our outreach meetings for increased opportunities to contribute to the development of policies. Of course, there are legal and fairness issues that must be considered. However, even informal opportunities for interaction were welcomed by the group we surveyed, and they stressed that their top recommendation to future administrations was to establish relationships early on.

   [call on HUD]

4. Leveraging resources. This administration has broken new ground in finding way to work with outside funders toward a common goal through partnerships that often involve business, nonprofit organizations, and foundations. These partnerships may involve funding, but may also include joint sponsorship of events or projects, the encouragement of volunteer efforts, or social marketing.

   [call on Labor]

5. Sharing information. Nonprofit organizations say that access to information is a priority for them in working with the government, from data that is available on the nonprofit sector itself to information on best practices. At the same time, many federal agencies report that they are dependent on nonprofit networks to disseminate information to specific constituency groups.

   [call on Education]

6. Improving the effectiveness of nonprofit organizations. Although the federal government does a great deal to assist for-profit businesses through the SBA and Commerce and other agencies, there is very limited assistance available to help nonprofit organizations become more effective. There are several examples that are worth considering –

   [call on Interior]

[Ask for comment on the categories, note that these and other examples that were submitted (which are in the memo we are passing out) will be further researched and developed in the draft report being prepared for the Task Force's consideration.]

IV. Barriers and recommendations – Bruce

Through our consultation with representatives of the federal agencies and a variety of nonprofits, we identified several barriers to effective partnerships between government and the nonprofit sector. Each of you should have a copy of the various barriers and recommendations that we've outlined to date.

- Need for government-wide or agency-wide policy, direction or training regarding working with nonprofits
- Internal bureaucratic processes
- Government Performance and Results Act may create a tension between quick and quantifiable results and longer-term partnerships
- Limited FTEs make labor-intensive partnerships difficult to sustain
- Lack of clarity about legal limits
- OMB circular A-122 rules relating to fundraising as an unallowable cost
- Need to maximize use of technology

- Federal Advisory Committee Act constrains certain types of collaboration
- Communication barriers
- Limited appropriated travel funds/legal rules regarding accepting travel funds from partners
- Restrictions on ability to solict/accept donations that applly to some agencies

We would like to acknowledge these barriers in the final report and offer recommendations for future action to address these issues. Areas that might be appropriate for consideration are listed on the handout.

- The value of working in partnership with the nonprofit sector, and the value of building stronger relationships from the beginning of the administration with a broad spectrum of the nonprofit community (including faith-based and advocacy organizations)
- Importance of approaching partnership as each side contributing and to acknowledge the strengths of each sector
- How to make it easier for nonprofit organizations to work with agencies, including strengthening the liaison function
- The appropriate roles of each sector and the need for resources for nonprofit partners in certain types of partnerships [can't just turn over functions to nonprofits as a replacement for government without providing resources]
- The need to continue the streamlining of government as it relates to nonprofit organizations, including paperwork and access to information, including data collected by the government
- How the federal government can strengthen the nonprofit organizations it works with and the sector as a whole

[open for discussion]

V. Next Steps – Bruce?

The staff will work with writer Carol Beach to develop a draft report for consideration by the Task Force in September. We will send this to agencies for review and comment.

In addition, we will continue to push our tax incentive budget proposals on the Hill.

Charge agencies with continuing to strengthen models like the ones described today, think about how these best practices could be applied to new programs, and look for opportunities to address the barriers and recommendations we have identified.

Thank task force members for contributions and ongoing input from staff.

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Divider Title: **Barriers / Recs**

Barriers Impeding the Federal Government/Nonprofit Relationship

- Need for government-wide or agency-wide policy, direction or training regarding working with nonprofits
- Internal bureaucratic processes
- Government Performance and Results Act may create a tension between quick and quantifiable results and longer-term partnerships
- Limited FTEs make labor-intensive partnerships difficult to sustain
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- Need to maximize use of technology
- Federal Advisory Committee Act constrains certain types of collaboration
- Communication barriers
- Limited appropriated travel funds/legal rules regarding accepting travel funds from partners
- Restrictions on ability to solicit/accept donations that apply to some agencies

Recommendations for Improving the Federal Government/Nonprofit Relationship

- The value of working in partnership with the nonprofit sector, and the value of building stronger relationships from the beginning of the administration with a broad spectrum of the nonprofit community (including faith-based and advocacy organizations)
- Importance of approaching partnership as each side contributing and to acknowledge the strengths of each sector
- How to make it easier for nonprofit organizations to work with agencies, including strengthening the liaison function
- The appropriate roles of each sector and the need for resources for nonprofit partners in certain types of partnerships [can't just turn over functions to nonprofits as a replacement for government without providing resources]
- The need to continue the streamlining of government as it relates to nonprofit organizations, including paperwork and access to information, including data collected by the government
- How the federal government can strengthen the nonprofit organizations it works with and the sector as a whole

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Divider Title: **Nominations**

Interagency Task Force on Governments and Nonprofits
Agency Submissions by Category

I. Providing Better Services

Most of the interesting partnerships reviewed by staff involved an agency working with one or more nonprofits to address a common goal. While the role of the federal agency usually involved providing funding, in most cases it went beyond a simple grantor-grantee relationship: The agency might work with the nonprofits to jointly develop a strategy; might use its funds as leverage to promote collaboration among nonprofits; or look to nonprofit organizations to monitor the quality or impact of its programs. Some of the most interesting partnerships were multifaceted, involving the agency in providing program-related technical assistance, bringing together several different organizations (including for-profit businesses and nonprofit agencies), and utilizing nonprofit networks to reach deeply into communities.

Joint development and execution of strategies

developing a CD Rom to help communities design immunization programs - out in @ 5 mos plug info get demographics, needs, tools available

The **National Immunization Program** (NIP) at the Centers for Disease Control and Prevention (CDC) at HHS is a successful example of improved service delivery because its comprehensive efforts are unified by a clear, common goal– improving the immunization rates of children- and because of the depth and breadth in its partnership and outreach activities. The NIP works closely with partners in the nonprofit sector to promote infant and childhood immunizations. These partnerships build awareness of the importance of childhood immunizations, educate parents about the benefits and risks associated with immunization, and facilitate access to health care providers.

HHS looking into how to work w/ already working in area, to pool resources & not working parallel but together

One example of NIP's work with the nonprofit sector is the Colorado Children's Immunization Coalition, established in 1991. The Colorado Children's Immunization Coalition (CCIC) is a statewide public/private partnership dedicated to fully immunizing Colorado children two years of age and younger. Through its work with the NIP, CCIC's member organizations have sponsored dozens of free immunization clinics, worked with the Colorado Department of Public Health and Environment to develop an immunization registry throughout Colorado, and launched a statewide public awareness campaign through seven funding partners to encourage "Five Visits Before Age Two."

The **Chesapeake Bay Program** is a regional partnership directing and conducting the restoration of the Chesapeake Bay. Its partners include the states of Maryland, Pennsylvania and Virginia; the District of Columbia; the Chesapeake Bay Commission; the Environmental Protection Agency, and participating advisory groups. EPA provides leadership, administrative, technical, financial and information support to regional committees, subcommittees, and work groups. In conjunction with the National Fish and Wildlife Foundation, they also awarded over $1.3 million in small grants 56 community groups and local governments working in the Chesapeake Program in the year 2000.

Projects funded by the 1999-2000 grants include: working to educate citizens on flood control and streambank erosion and training a corps of citizens to provide physical assistance to farmers in planting riparian buffers and installing livestock exclusion fencing at critical sites in the Rapidan watershed in central Virginia. This partnership it involves all levels of government, the private sector, scientists, landowners and citizens in a collective effort to preserve a precious environmental landmark.

The Department of Justice's **5 Goals 4 Kids: A Coalition to Prevent Youth Violence** builds partnerships between federal agencies and the nonprofits by sharing information and leveraging resources to ensure that children and teens become healthy, law-abiding members of their communities. The initiative's goals are: to develop programs to teach gun owners about responsible gun ownership; to stop unauthorized, unsupervised access of children to guns; to reduce truancy; to create engaging after-school opportunities; and to ensure that at least 100,000 more children will participate in effective programs to prevent and discourage drug and alcohol use.

5 Goals 4 Kids is also working to enroll at least 500,000 uninsured state children in state children's health insurance programs (SCHIP). This campaign has inspired national organizations and the federal government to work together with community-based organizations to disseminate information on SCHIP to hundreds of thousands of families of uninsured children. Due to the success of this national partnership, local United Ways have pledged to enroll more than 750,000 children in the SCHIP and made a significant contribution to SCHIP awareness and SCHIP strategy for enrollment. Nationwide, more than 2 million of the 10 million uninsured children in the United States have been enrolled in SCHIP.

Mulitfaceted Strategies

- Good Samaritan acts protects them from liability — awarded 12 schools awards for saving excess cafeteria food

- NH Kitchen initiative w/DC Central Kitchen switching school cafeterias to community kitchens

Fighting hunger in the United States requires multiple partners. The USDA's **Food Recovery and Gleaning Initiative** demonstrates how the government can work through nonprofits to achieve common goals. In November of 1996, President Clinton signed an Executive Memorandum that directed the Department of Agriculture to lead a government wide effort in conjunction with nonprofit anti-hunger groups to increase the recovery and gleaning of excess food for distribution. Under the leadership of Secretary Glickman, the USDA has made the Food Recovery and Gleaning Initiative a top priority, encouraging, energizing and providing technical assistance to nonprofit food recovery and gleaning efforts.

- New Hope example - everything from food donated to refrigerated trucks work together

- Work w/World Hunger Year - 7 regional workshops across country

Through the Initiative the Department has aided grassroots food recovery projects distribute over 10 million pounds of excess food to nonprofit anti-hunger groups nationwide, distribute over 50,000 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 safely donate excess food to nonprofits and, brokered a partnership between Hewlett Packard and America's Second Harvest to create a Web site to efficiently link food producers with the America's Second Harvest food bank ~~network~~ Resourcelink.

- most requested publication in assoc history

Based on the success of the Gleaning and Food Recovery Initiative, the Clinton/Gore Administration launched a broader **Community Food Security Initiative** in 1999 to help grassroots nonprofits fight hunger, improve nutrition, strengthen local food systems, and help families move from poverty to self-sufficiency.

Among the Community Food Security Initiative's commitments are: a partnership with Share Our Strength (SOS) to expand Operation Frontline, a program that engages chefs to volunteer to teach hands-on nutrition education classes; and working with World Hunger Year (WHY) to publicize and distribute "Replication Manuals" highlighting effective grassroots hunger and poverty programs in the U.S. 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.

Established in 1994, **JOBS PLUS** is working in public housing developments to assist residents get and keep jobs. A national consortium of federal agencies [Labor, HUD and HHS] and private foundations, JOBS PLUS focuses on employment services, financial incentives to work and community support for work network.

The program itself is carried out through the Manpower Demonstration Research Corporation (MDRC), a national nonprofit responsible for establishing demonstrations in each of the program's seven cities and following up with technical assistance and program evaluation. Demonstrations are improving the effectiveness of Housing Authorities to serve their residents, leveraging resources with local partners, developing research partnerships between Federal and foundation partners and providing better services for public housing communities.

Coordination of services at the local level

HUD's **Continuum of Care** is an example of identifying needs in a community and building community wide systems to address those needs with federal government resources. In the 1980s and 1990s, it became apparent to the government and nonprofits that no single solution could resolve the issue of homelessness. As a solution to breaking the cycle of homelessness, HUD created the Continuum of Care in 1994. The Continuum of Care is a community-based process designed to encourage localities to develop comprehensive, long-term approaches to homelessness. The primary goal of the Continuum of Care approach is to assist the homeless to move to self-sufficiency and permanent housing. The impact of the program has been dramatic. Five years ago, America's national strategy on homelessness was characterized by no unified approach, no national partners, no coordinated planning and little money being leveraged. Today, 78 percent of the U.S. population resides in communities with Continuum strategies, and the program is helping as many as 14 times more people move from the streets and shelters to self-sufficiency.

DOJ's Operation Weed and Seed is an example of providing better services because it demonstrates how public-private partnerships can make neighborhoods safer places to live and work. **Operation Weed and Seed** is one of the Department of Justice's most extensive community-based programs. Weed and Seed communities "weed out" violent crime and drug abuse and "seed" neighborhood improvements by bringing housing, social services, youth programs, substance abuse treatment and economic development to neighborhoods. Before identified communities receive any funding they are required to bring a coalition of partners together to develop a community wide to address crime and revitalize. Once a community is "officially recognized" as a Weed and Seed site, the Department provides funding and technical assistance for the coalition, while working with the local neighborhood to assist in implementing their plans.

II. Reaching Out to a Broader Spectrum of Nonprofits

The second category is related to the first, and addresses the ways that agencies are attempting to work with nonprofit organizations that have been harder to reach. These efforts involve strategies to forge relationships with faith-based organizations; small, grassroots groups; and organizations that serve underrepresented communities. In some cases, efforts to streamline or simplify the grantmaking process were intended to make it easier for nonprofits to access resources; in others, the development of a single point of entry, provision of technical assistance, or better targeted resources increased involvement of certain types of nonprofit organizations.

Outreach to underrepresented communities

Commerce through individual census hundreds of partnerships to get census count out, hired 30,000 welfare to work

ACCION Texas is a nonprofit micro-enterprise development program serving economically depressed communities. In May 2000, the Economic Development Administration awarded a $500,000 grant to ACCION Texas to purchase and rehabilitate a building. The building the grant will build will support the statewide headquarters of ACCION, a storefront microenterprise lending office and a regional center for economic development. In its new location, this facility will deliver micro-loans and ongoing technical assistance to entrepreneurs in the heart of impoverished communities. ACCION Texas not only helps micro-entrepreneurs 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. Sixty percent of ACCION Texas borrowers are women.

Women Business Centers are nonprofit organizations that provide extensive training to small business owners while helping the SBA achieve its mission of promoting entrepreneurship and reaching out to historically underrepresented segments of the business community. Each Center provides 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. WBC's 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. WBC's empower women and assist them to break into the world of entrepreneurship.

Working with faith-based organizations

The **Strategic Approaches to Community Safety Initiative** (Strategic Approaches) is a partnership among United States Attorneys and local law enforcement to reduce targeted crime by partnering with community and faith-based organizations. Two examples of strategic approaches are the Middle District of North Carolina and Operation Reach. The Middle District of North Carolina works with community leaders, including clergy, to allow input into the criminal justice policy process. *Operation Reach* involves face to face meetings between law enforcement, community leaders and community offenders in which offenders are reminded of the consequences of future actions while being offered community services. Evidence suggests that both approaches reduce crime while building public trust and confidence in the criminal justice system.

Outreach to small grassroots organizations

The **National Community Development Initiative** (NCDI) provides financial and technical support to nonprofit community development corporations engaged in locally driven efforts to improve distressed inner city neighborhoods. NCDI combines resources from 15 major national corporations and foundations, HUD, and local public and private organizations to offer grants and low interest loans to local development. In turn, community-based build houses, develop health and day 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. Approximately 57 percent of funding is in low-interest loans, the balance is provided in grants. This core funding is expected to generate more than $2 billion in total funding for community revitalization when it is coupled with financial resources committed by over 250 local partners, including state and local governments, local foundations, banks and corporations. This initiative assists community development groups to improve the quality of life in their neighborhoods.

The EPA's **Technical Assistance Grants** (TAGs) program is effective because it empowers nonprofits, organizations and coalitions to determine the future of their community. Cleanup of hazardous waste sites is a complicated process in which few local people can participate without technical assistance. To assure that local residents can participate in the clean up process, EPA makes available to local, qualified nonprofits TAGs. Most TAG funds are used to hire independent technical advisors (TA) 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, participate in public meetings to clarify information about conditions and visit site locations during cleanup to observe and provide technical updates to the community.

Streamlining the grantmaking process

HUD's **Super Notice of Funding Availability** (SuperNOFA) is a grant application process designed to streamline the competitive grant process for federal funds while helping communities make better and more effective uses of HUD's resources. Established in 1998, the SuperNOFA provides a uniform application process for all HUD grants, 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 has also 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. SuperNOFA has not only simplified the grant process, it has increased access to federal funds.

III. Involving Nonprofits in the Policymaking Process

There was strong support among the nonprofits that participated in our outreach meetings for increased opportunities to contribute to the development of policies. Of course, there are legal and fairness issues that must be considered. However, even informal opportunities for interaction were welcomed by the group we surveyed, and they stressed that their top recommendation to future administrations was to establish relationships early on.

See Cuomo has done a series of 10 policy [illegible] of the communities

Innovative approaches to policy development/rulemaking

The **Center for Community and Interfaith Partnerships** (Center) is a strong example of giving community and faith-based nonprofits a meaningful seat at the Federal government's table. The Center was established in 1997, to focus, integrate and intensify HUD's involvement with community and faith-based organizations to maximize the use and impact of our mutual resources in building strong communities. While the Center is not a funding source, it fulfills its mission in several ways. First, the Center serves as a policy advocate for community and faith-based groups within the department by ensuring that the interests of community and faith-based nonprofits are considered in development of HUD policies and programs; and by ensuring that community and faith-based groups are included in initiatives, outreach and educational activities conducted by HUD and its specific program areas. Second, the Center 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. Third, the Center acts as a troubleshooter, assisting nonprofits in navigating the HUD system, resolving problems, and responding to community and faith-based group inquiries and concerns.

Several years ago the President and First Lady began talking about the need to focus national attention on the importance of honoring, sustaining, and expanding the American tradition of giving. To do so, the President and Mrs. Clinton convened the **White House Conference on Philanthropy: Gifts to the Future**, on October 22, 1999. Planning for the Conference was a result of extensive consultation with a variety of organizations, most notably, nonprofits. As a direct result of nonprofit consultation, the White House working group decided to define philanthropy as individual giving, developed an agenda focusing around specified themes and developed a number of deliverables, many specifically geared towards working with, or on behalf of, nonprofits. The White House Conference on Philanthropy involved meaningful consultation and input from nonprofits to create and achieve administration positions. By bringing nonprofits to the table for conference and deliverable development, nonprofits were allowed a significant and meaningful degree of input into the administration's agenda.

IV. Leveraging resources

This administration has broken new ground in finding ways to work with outside funders toward a common goal through partnerships that often involve business, nonprofit organizations, and foundations. These partnerships may involve funding, but may also include joint sponsorship of events or projects, the encouragement of volunteer efforts, or social marketing.

Catalyzing private sector action

Programs
Public awareness
Partnership

In 1998, Labor Secretary Herman created the **Youth Opportunity (YO) Movement** to build on Department funds for "out-of-school youth." Through the YO, 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. Labor's role is to bring the issue to the public arena and generate leadership in working with these youth. The Movement's cohesiveness is based on the commitment of members to local communities.

-working w/Ford, Mott, Rockefeller to Casey) match effort funds

Joint sponsorship of events or projects

Save America's Treasures, administered by the National Park Service, is a grant component of President and Mrs. Clinton's Millennium Initiative focusing public attention on "saving" national historic, natural and cultural sites for future generations. To be recognized as a Treasures project, each grant must leverage an equivalent or greater amount of money and resources from the non-Federal sector. In doing so, localities not only take responsibility for, and gain ownership of, their projects, federal monies allow them enough funds to start and complete their restorations. The National Trust for Historic Preservation, a nonprofit historic preservation organization, is the Council's primary private sector partner in Save America's Treasures. Although it has been successful in identifying donors for several Save America's Treasures grants, the National Trust does not commit to match grants, but instead works to raise public awareness of, and commitment to, our nation's urgent preservation needs.

The Justice Department's **Children Exposed to Violence Initiative** (CEVI) uses multiple partners and a variety of resources to address the serious ramifications of children exposure to violence. Children exposed to violence carry the violence with them throughout their lives and CEVI has responded to this with much-needed solutions. CEVI has five objectives: justice system reform; legislative reform; program support; public awareness; and a parenting initiative. To achieve these objectives, CEVI is committed to developing prevention strategies supporting intervention programs and improving offender accountability. Specifically, the Initiative supports multi-disciplinary violence prevention efforts that unite law enforcement, mental health, social services, schools, and communities; supports the National Center on Children Exposed to Violence at the Yale Child Study Center to serve as an information clearinghouse of the effects of violence on children; and supports and promotes the expansion of prosecutor training, victim assistance programs, children's advocacy centers, crimes against children units, and Safe Kids/Safe Streets Programs.

As part of the Initiative, the Department of Justice also convened *Safe from the Start: The National Summit on Children Exposed to Violence* in June 1999. 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 *Safe from the Start: National Action Plan* to address the needs of child crime victims and witnesses.

Relationships with "friends of" and other nonprofit partners

The **U.S. Coast Guard Auxiliary** is the civilian volunteer arm of the United States Coast Guard. Its 35,000 volunteers perform vessel safety checks on millions of boats, ensure compliance with Federal safety regulations, give direct assistance to Coast Guard rescue missions and spend thousands of hours educating the public about possible waterway dangers and threats to life. A recent study, showed that each dollar invested in the auxiliary returns about four dollars in prevention and response service. In addition to the economic value, the Auxiliary gives the boating community a sense of purpose and pride in "self-regulating."

Partnerships with private sector funders

For the last two years, the **Mott Foundation** and the Department of Education have worked together on the President's 21st Century Community Learning Centers Program which funds hundreds (thousands?) of community based afterschool programs. The Department administers the program and supplies funds to local communities through a competitive grant process. The Mott Foundation underwrites training and technical assistance, program evaluation, and public awareness and outreach of the program and grant process. By providing technical assistance on how to complete applications for federal funding, the Foundation has broadened the pool of recipients.

Over the next six years, Mott will provide over $95 million to provide technical assistance in every state, track national attitudes on afterschool through surveys and polling data, and conduct a public relations campaign as part of the Afterschool Alliance. Due to the initiative's success, the majority of education legislation passed last year included requirements for local or state level partnership or collaboration.

V. Sharing Information

Nonprofit organizations say that access to information is a priority for them in working with the government, from data that is available on the nonprofit sector itself to information on best practices. At the same time, many federal agencies report that they are dependent on nonprofit networks to disseminate information to specific constituency groups.

Strategies to disseminate information through nonprofit networks

The Department of Education's **Partnership for Family Involvement in Education** (PFIE) uses a diverse network of nonprofits to increase community involvement in children's education. PFIE was created in 1994 by Secretary Riley 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 children's education. To encourage such support to bring groups together, the Partnership has convened meetings, directed research, developed partnership guides, hosted teleconferences, provided a newsletter and Web site 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.

Innovative uses of the Internet

EDSITEment is a portal site on the Internet created by the National Endowment for the Humanities in partnership with education organizations, city school systems, and the MCI-Worldcom Foundation. EDSITEment links teachers and students to humanities based Web sites that meet rigorous standards of excellence and educational utility. Customized learning guides demonstrate how to use the site as a powerful and user-friendly instructional tool. Primarily designed for teachers, it can also be used by students, parents, and the public. Satisfied by the success of EDSITEment, the MCI Worldcom Foundation has used it as a model for creating six additional portal sites in other areas of the curriculum, enlisting several major nonprofit groups to do so.

Vital Voices is another example of using the Internet to allow nonprofits to provide better services. Vital Voices was launched by the U.S. Government in 1997 to amplify and support the voices of emerging women leaders. In the three years since its launch, Vital Voices has helped women run for elected office and start and grow small businesses by working with the private and nonprofit sectors to provide emerging women leaders with media and leadership training, consulting services and program grants. Vital Voices s also engaged in creating a live global community for women on the Web. In partnership with American Online and others, the Web site will help raise awareness of training and business opportunities available to women, connect Vital Voices program participants around the world, offer follow up online training courses and track the progress and success of women assisted by the initiative. The main objective of this Web site is to expand the network of women leaders around the world from 10,000 to 100,000.

Sharing data/participating in data collection

The Department of Interior's **National Spatial Data Infrastructure** (NSDI) is an excellent example of a multiple partnership, including non-profits, to build an electronic infrastructure that will bring together national geographic databases. The United States Geological Survey (USGS) provides ongoing staff and funding support to the data coordination activities of the Federal Geographic Data Committee (FGDC). The FGDC is an interagency committee that promotes the coordinated use, sharing, and dissemination of geospatial data (environmental data, population, and social statistics are examples of geospatial data). One of FGDC's primary goals is to develop an easily accessible 'national' resource of this information, which is the NSDI.

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 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 fosters increased collaboration among public and private sector organizations within the geospatial data community.

VI. Improving the Effectiveness of Nonprofit Organizations

Improving the effectiveness of nonprofit organizations. Although the federal government does a great deal to assist for-profit businesses through the SBA and Commerce and other agencies, there is very limited assistance available to help nonprofit organizations become more effective.

Technical assistance or training to improve nonprofit capacity

The Department of Interior's **Conservation Leadership Network** is a strategic alliance of governmental and non-governmental organizations dedicated to building the capacity of professionals committed to natural resource conservation. The goal of the Network, the result of a long-term partnership between the U.S. Fish and Wildlife Service and the Conservation Fund, 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. Through the National Conservation Training Center, located in Sheperdstown, WV, the Network offers educational and relationship-building opportunities for governmental and non-governmental professionals with the desired outcome of creating conservation professionals who: possess core skills relating to organizational management and leadership; are aware of new conservation theories, approaches and technological applications; can apply theory and practice to current conservation issues; and can 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.

The **Service Corps of Retired Executives** (SCORE) is a nonprofit that provides free business counseling services to business entrepreneurs. Staffed by retired executives who provide one on one counseling and training workshops, the program is an invaluable resource to the entrepreneurial community for two major reasons: many SCORE offices are in rural areas where business counseling is not otherwise available and, many of the entrepreneurs do not yet have the budget to pay for private business counselors. On an extremely limited budget, SCORE adds to the success of entrepreneurs through training, evaluation and assessment of businesses and ideas and thus is an invaluable partner to SBA's. While SCORE is business oriented it could easily serve as model for providing technical assistance or training to nonprofits and thereby improve their capacity.

maybe could add an award for NP's or working w/ NPS

Signed into law in 1988, the **Malcolm Baldrige National Quality Award** was established as America's highest honor for excellence in organizational performance. Managed by the Department of Commerce's National Institute of Standards and Technology, it has proven to be a remarkably successful government and private sector collaboration. Each year, more than 400 experts from industry, government, education and health care volunteer hundreds of hours reviewing applications, conducting site visits, and providing award applicants with written feedback. In addition, board members have given thousands of presentations on performance excellence.

Organizations across sectors are supporting the Baldrige program by urging widespread adoption of its performance excellence principles. For example, the National Alliance of Business and the American Productivity and Quality Center have formed the Baldrige in Education Initiative, a partnership of 26 business and education organizations dedicated to reforming the education system based on quality principles. Today, the Baldrige program, the Baldrige criteria for performance excellence, and the Baldrige award recipients are imitated and admired worldwide.

Providing assistance to improve compliance with government rules

The EPA's Memorandum of Understanding with the American Hospital Association (AHA) demonstrates how outreach to nonprofits can lead to cooperation on resolution of public/private problems, and how enlightened-self-interest can lead a variety of sectors to work together to safeguard the public's health.

Hospitals are America's fourth largest producers of mercury waste and produce about 1 percent of the nation's solid waste stream. The 1998 MOU assists AHA's member hospitals, including nonprofits, to go beyond compliance in improving waste management by calling for the elimination of mercury use in the industry 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 was established to assist and advise in implementation. This Council includes stakeholders in the healthcare industry and a coalition of more than 100 grassroots nonprofits.

Vital to the implementation component of the agreement has been creation of a comprehensive "how to" model that provides hospitals with technical information on how to accomplish the reductions envisioned in the MOU.

Using government contract authority

The **South Florida Goodwill** is a prime example of using government contracts as a means to increase its capacity and further assist its clients. Goodwill is leading the charge to help unemployed or underemployed members 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. While Goodwill interacts with the federal government in several ways, one way in which they directly benefit from government intervention is in the use of the government's contract authority. Currently, the South Florida Goodwill 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 Herald). Through its work with the federal government, Goodwill has been able to prove that they have a qualified, trained and work-ready workforce. In turn, Goodwill graduates emerge as skilled, reliable workers who continue to receive support and guidance even after entering the workforce with follow-up services for both employee and employer.

Helping nonprofits work together more effectively

In 1993, 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 the preferred donation, 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 would consist 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.

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Divider Title: **Exec. Memorandum**

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release October 22, 1999

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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Divider Title: **Tax Incentives**

Press Paper

President Clinton's New Tax Incentives To Promote Philanthropy for All Americans

January 27, 2000

Today, in His State of the Union Address, President Clinton Will Unveil a Package of New Tax Proposals to Encourage Philanthropy. First, he will propose allowing nonitemizers to take a tax deduction for charitable giving. Second, he will propose new rules to make it easier for charitable foundations to make gifts in times of need. Third, he will propose making it easier for individuals to donate appreciated assets like securities and real property. Last October, the President and First Lady convened the first-ever White House Conference on Philanthropy. The conference highlighted the unique American tradition of charitable giving, and emphasized that at a moment of great prosperity, we must preserve and expand this tradition. Today's proposals, which cost $14 billion over 10 years, will help do just that.

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 will allow these taxpayers to claim a 50 percent deduction for charitable contributions above $500 a year when fully phased in. This proposal will 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 will 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 new proposal will eliminate the two-tier system and set the excise tax rate at 1.25 percent. The result of this simplification will 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 budget will also make 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 simplifies and eases 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 will create greater incentives for such gifts.

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Divider Title: **Working grp. Members**

NonProfit Task Force Working Group

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Divider Title: **Guest List**

Attendees Interagency Task Force on Nonprofits and Government Meeting, Aug. 2 at 10:00am

State

Annette Aulton

Treasury

Lisa Andrews, Deputy Assistant Secretary

DOJ

Deborah Smolover, Assistant Deputy Attorney General

Daphene McFerren, Counselor to the Attorney General

Interior

Anne Shields, Chief of Staff

Suzy Hubbell, Office of External Affairs

USDA

Julie Paradis, Deputy Undersecretary

DOC

Linda Bilnes, Assistant Secretary for Management and Organization

Hunter Biden, Executive Director, E-commerce policy co-ordination

Maxie Hollingsworth

DOL

Lynn Jennings, Acting Assistant Secretary for Policy

HHS

Elizabeth Summy, Deputy Chief of Staff

Tim Wu, White House Fellow

HUD

Father Joseph Hacala

Jennifer Quinn

DOT

Norma M. Krayem, Deputy Chief of Staff

Patricia Tate Jackson

DOE

Maya Seiden, Office of the Secretary

Education

Leo Coco, Deputy Assistant Secretary

Stephanie Stern

EPA

TBD

CEA

Kathryn Shaw, Deputy Chair

Charles Stone or Matthew Wilson

OMB

Anil Kakani, Chief of Staff

SBA

Bernetta J Hayes, Acting Assistant Administrator

OPM

Marjorie Tarmey

Lillian Fernandez

CNS

Melody Scales

NEH

TBD

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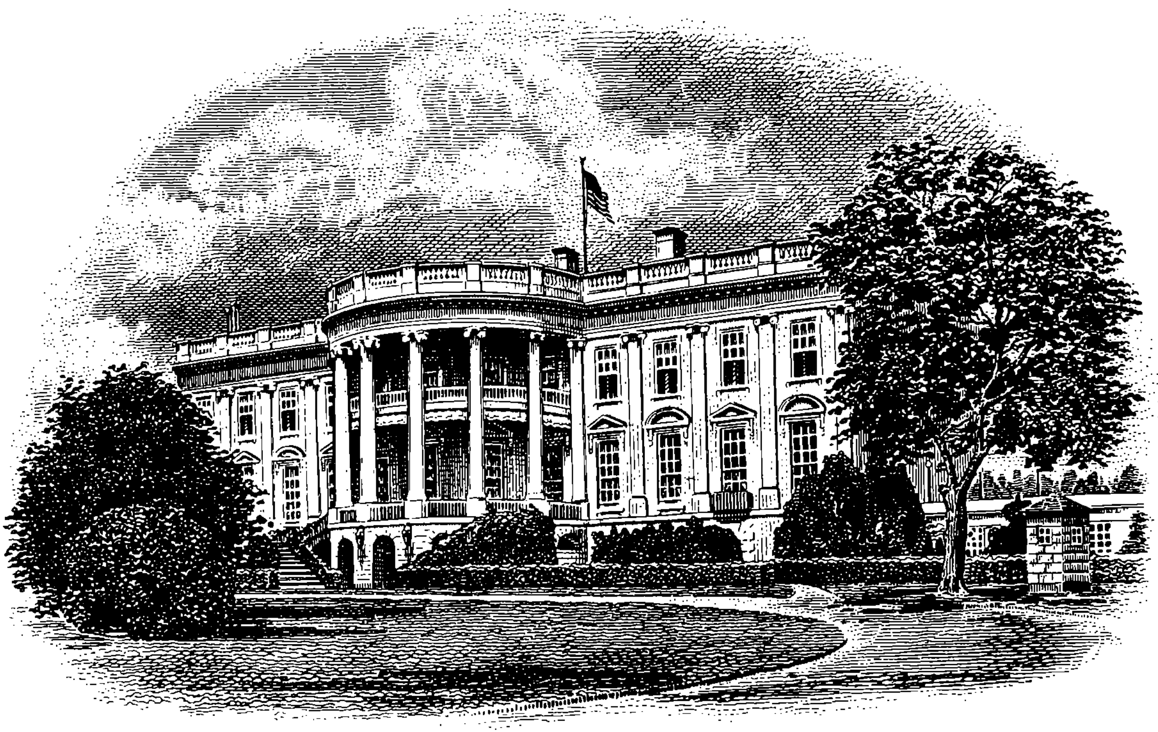
The White House Conference on Philanthropy



October 22, 1999