

NONPROFIT MANAGEMENT FUND

THE FIRST 20 YEARS

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Acknowledgements

From the beginning, it was not one but three individuals who starred as the creative forces behind the Nonprofit Management Fund—Sarah Dean, Executive Director of the Faye McBeath Foundation, Jane Moore, Senior Program Officer at the Greater Milwaukee Foundation, and Robin Mayrl, Vice President for Program Development at the Helen Bader Foundation. They have continued, even into their retirement, to offer their support and their guidance, and have been both mentors and friends over the past 20 years. Without their initiative, creativity, and willingness to work together, Milwaukee would not have such an incredible and enviable resource for its nonprofit organizations.

According to Susan Kenny Stevens, consultant to the Nonprofit Management Fund in 2013, “If **succession** is the process by which a person of organizational importance is replaced, **legacy** is the process by which she will be remembered.” The partners in the Nonprofit Management Fund chose to assist Pat Wyzbinski, Advisor, in leaving a legacy. They asked me to write a history of the Fund’s first two decades. Along with the request, came financial support from the Fund coffers, as well as additional grants from the Lynde and Harry Bradley Foundation and the Daniel M. Soref Charitable Trust. Thank you to both the United Way of Greater Milwaukee and the Bradley Center for Philanthropy & Civic Renewal at the Hudson Institute for accepting the grants that made this effort possible.

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The Author’s Note

Starting January 2015, the Nonprofit Management Fund will likely alter its path to address the infrastructure challenges of both Milwaukee-area nonprofit organizations and the local nonprofit sector. For all of the years that the Fund has existed, we focused on making technical assistance grants to build the capacity of small and mid-sized nonprofit organizations. While the process to award a small grant may have been arduous at times, that process of discovery, deliberation—perhaps even debate—and finally, making a decision about an average grant size of just under \$5,000 made a world of difference to the nonprofit, and to the funding partners. From my vantage point, as a technician, diagnostician, maestro, mechanic, designer, manager, advisor, and some may even say—chef—I saw the development of a group, united by the common bond of wanting and needing a strong nonprofit sector in which they could invest. These individuals, with a variety of philanthropic interests and philosophic inclinations, slowly melded into a group that found common ground, worked diligently together as colleagues, and some unlikely pairs even became friends. In addition to this report of the Fund’s history, 27 blogs were written during the discovery process, which in concert provide a comprehensive overview of this unusual philanthropic partnership. I am pleased that my firm, Management Cornerstones, played a major role in the evolution of this important resource for Milwaukee. I am proud that I was able to partner with Wisconsin’s first funders’ collaborative, the Nonprofit Management Fund.

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President, Management Cornerstones Inc.
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TABLE OF CONTENTS

ENVIRONMENTAL TRENDS & COMMUNITY CONTEXT _____	4
HISTORY _____	6
RECOGNIZING THE FUND PARTNERS _____	8
A FUNDERS' COLLABORATIVE _____	10
FUND ADVISOR _____	12
ROLES OF THE FUND _____	13
GRANTMAKING OVERVIEW _____	14
SPECIAL PROJECT FUNDS _____	17
EVALUATION _____	18
STRATEGIC PLANNING _____	19
10 TH ANNIVERSARY _____	20
15 TH ANNIVERSARY _____	21
POLICY MEETING SNAPSHOTS _____	22
CONSULTANTS: CRITICAL TO THE MODEL _____	25
GRANTS AND/OR INITIATIVES? _____	26
DIAGNOSTIC CLINICS _____	28
B.O.A.R.D. INITIATIVE _____	30
GOVERNANCE INDEX 2004 _____	31
BOARD CONSULTANT INSTITUTES _____	32
GOVERNANCE RESEARCH 2007 _____	34
BOARDSTAR _____	35
TECHNOLOGY INITIATIVE _____	38
SOCIAL ENTREPRENEURSHIP _____	40
FUNDERS' COLLABORATIVE FOR STRONG LATINO COMMUNITIES _____	43
ARTS IN EDUCATION INITIATIVE _____	46
ART\$UPPORT _____	48
LEADERSHIP SCAN _____	50
PROJECTS & PARTNERSHIPS _____	52
IN MEMORIAM _____	58
NONPROFIT MANANGEMENT FUND OF WAUKESHA COUNTY _____	60
LESSONS LEARNED _____	64

ENVIRONMENTAL TRENDS & COMMUNITY CONTEXT

It is important to understand the environment in which the Nonprofit Management Fund began and operated over its first 20 years. Of course, there were national events that had an impact on every community whether it was the tragedy of 9/11, the War on Terror, Hurricane Katrina, or the economic crisis of 2008. All Americans, states, cities, and communities had to cope with disappointment and adversity, and then implement strategies to achieve a semblance of normality.

In Wisconsin, two trends that started here, but were adopted in some form in other states, impacted the nonprofit sector almost simultaneously: Wisconsin Works (W2), a mandated effort to restructure welfare, and school choice, creating new, private schools and offering tuition payment vouchers as a public school alternative. In both cases, nonprofits had to change their financing efforts and service delivery models; both of these programs also created the environment that spurred the establishment of new nonprofits.

In the early 1990s there were 11 community development corporations in Milwaukee; by March 1999, only three remained. Among those CDCs that we lost were: ESHAC, Tri-Corp Housing, Westside Housing Cooperative, Wisconsin Conservation Corporation, the CDC of Wisconsin, and Walker's Point Development Corporation, greatly diminishing the development of affordable housing units and decreasing commercial strip development.

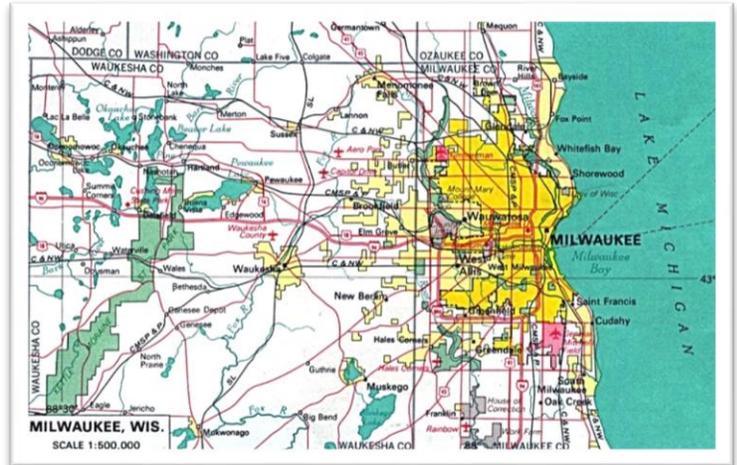
In 2001, there was a rise in the visibility and engagement among faith-based organizations of varying Christian denominations, and while the federal Compassion Capital Fund financially fueled nonprofit expansion, it also caused the philanthropic community to acknowledge faith-based organizations as potential service delivery partners.

Between 2003 and 2005, the Milwaukee Public Museum was featured on a regular basis on the front page of the local newspaper--not for its exciting exhibits, but rather for the lack of appropriate fiscal oversight and seemingly hands-off governance approach of its Board. Interestingly, in June 2005, the partners in the Fund acknowledged that if a upheaval of this significance could happen at such a venerable institution, with so many of the partners' trustees, colleagues, and even spouses on its Board, then it could happen to any group.

In 2005, the Opportunities Industrialization Center of Greater Milwaukee, the largest minority-led nonprofit in Wisconsin, was subjected to a state audit of the appropriateness of its expenditures. According to news accounts, OIC-GM departed from its mission and moved into several unrelated ventures, which led to the demise of the organization. Unfortunately, since that time, another very large minority-led organization, the Social Development Commission, also struggled with staying the course of its mission within the confines of its budget.

The great recession of 2008-09, and its ripple effects on everyone's assets--particularly foundation balance sheets, reduced philanthropy's resources despite increased community demand for services. The Fund was not immune, as the funding partners grappled with 20-50% reductions in their investment portfolios; the Fund received the highest number of applications during these two years.

In Milwaukee, major leadership changes have had an impact on philanthropy, including several executives at the United Performing Arts Fund, and long-time executives leaving the helms of the United Way of Greater Milwaukee, Greater Milwaukee Foundation, Northwestern Mutual, and the Donors Forum of Wisconsin. Major nonprofit leadership changes have taken place at the University of Wisconsin/Milwaukee, Marquette University, Greater Milwaukee Committee, and other civic, health or educational institutions. Of course, as we have been warned, the baby boomers have begun their exodus into retirement, retunement, renewal, or an encore career.



In the next few years, Milwaukee will also witness a nearly unprecedented decrease in philanthropic dollars as five foundations integral to the health and vibrancy of the nonprofit sector will sunset: Fleck Foundation, Betty Brinn Foundation, Faye McBeath Foundation, Jane Bradley Pettit Foundation, and the Helen Bader Foundation. It is not yet clear if that \$30-50 million dollar hole in annual contributions will be supplanted by relative newcomers: Argosy Foundation, Zilber Family Foundation, Brico Fund LLC, Burke Foundation, Kern Foundation, and others. The growth of donor-advised funds is also a welcome trend.

Although the Nonprofit Management Fund was the first funders' collaborative in Wisconsin, the trust that was built around our grant-making table was viewed by others as an opportunity. New funding collaboratives were established and continue to operate successfully, in part because we demonstrated that private funders can work together effectively. For example, it could be argued that we broke the ground for United Way's Teen Pregnancy Prevention Campaign, the Milwaukee Workforce Funding Alliance, Milwaukee Succeeds, and other community or issue collective funding efforts.

There were major trends in nonprofit management and leadership, for better and worse, including outcomes/impact measures becoming more prevalent, social entrepreneurship, a sea change in technology, professionalization of leadership and management through degree and certificate programs, and the rise of capacity-building awareness among donors. Grantmakers for Effective Organizations became one of the trendiest and largest affinity groups of funders in the country to gather annually.

Fundraising became more recognized as a profession and career; it also moved in style and nature from proposal submittal to Internet solicitation, further powered through social media and crowdfunding.

Commonly-held beliefs and proposal review approaches among funders were altered. In addition to new forms of collaboration and funding patterns, there was a greater focus on budgets and financials, including understanding "overhead"; a laser beam illuminated mergers; and, a seemingly wide-spread belief that there are "too many nonprofits" was espoused. Now, one hears the terms "strategic alignment", "community impact" and "evidence based" far more often, which means more nonprofits must shift programs and funding to meet a specific purpose.

New style planning processes that encouraged groupthink and focused on building alignment around an idea were embraced locally as a model to pull disparate individuals together to "solve" a community issue. Engaging out-

town facilitators to guide intensive, multi-day planning efforts were used to design higher education degree programs in nonprofit management; to analyze the intersection of the creative industry and arts sectors; to assess and upgrade the Donors Forum; and, among many other community-wide concerns, to reboot the Nonprofit Management Fund to its 2.0 version.

NMF VISION: A vibrant nonprofit sector in the greater Milwaukee area characterized by a healthy partnership between philanthropic and nonprofit organizations, and a strong infrastructure that enables local nonprofits to achieve their missions.

"As Milwaukee's nonprofit sector faced so many significant challenges over its first 20 years, the Nonprofit Management Fund threaded a difficult needle: it found a way to help nonprofits meet their management challenges, but without presuming to impose yet another procedural or systemic "solution" that, as happens so often, turns out to be yet another hoop to jump through or barrier to surmount. It has done so by providing assistance of whatever sort and in whatever form the nonprofits themselves decide they need, although the full dimension of that need may only come to view after work with NMF staff. It also has hosted informal networking among the city's largest supporters of nonprofits, so that early warnings about major structural changes were sounded well in advance, giving everyone time to adjust and adapt."

◆ William Schambra
Director
Bradley Center for Philanthropy and Civic Renewal,
Hudson Institute



HISTORY OF THE FUND

Conversations about the management challenges of local nonprofits began in late 1993 among the senior staff of a community foundation, a family foundation, and an independent foundation. The discussions focused on options to strengthen the organizational infrastructures of their grantees. Each of the funders awarded grants for programs and services, but not for management or governance. These funders acknowledged that during proposal review, it was common for one of them or another foundation staff member to inquire how the program under consideration forwarded the group's strategic vision; or, how stable were the finances; or, how strong was the governing board. The answers offered were typically vague at best.

Beginning in 1994, the Nonprofit Management Fund was created as a three-year pilot project by the Greater Milwaukee Foundation, the Helen Bader Foundation, and the Faye McBeath Foundation. Each of the co-founders pledged \$50,000 per year to a donor-advised fund at the Greater Milwaukee Foundation, earmarked for management and governance grants to nonprofit organizations in Milwaukee County. After an extensive search, the partners contracted with Management Cornerstones Inc., a consulting firm based at the time in Chicago, Illinois that worked exclusively with nonprofit organizations, to advise the Fund and oversee its day-to-day operations.

A mission statement was crafted early in the process, which has stood the test of time. Twenty years later it is still a relevant guidepost.

“The Nonprofit Management Fund improves the management effectiveness and efficiency of nonprofit organizations and increases the resources for nonprofit management in the greater Milwaukee area.”

The first part of the mission focuses on empowering a nonprofit organization to build its capacity to address its mission more effectively. The Fund awarded small grants ranging from \$1,000 - \$10,000 for a nonprofit to engage an external resource, which was usually but not always, a consultant. The second part encourages the Fund to invest in the local nonprofit infrastructure.

The partners had many discussions over the years about changing the mission through editing or refocusing, but always decided to keep the core language intact. During those discussions, about half of the committee members wanted to focus exclusively on the grants to individual organizations, building capacity one group at a time; the other half wanted to create more resources for all local nonprofits to take advantage of them.

In order to further the mission of Wisconsin's first funders' collaborative, the funding partners identified three goals to achieve, which also guided development for the first decade.

- ❖ To improve the management capacity of nonprofit organizations through grants for technical assistance.
- ❖ To enhance the technical assistance resources available to local nonprofit organizations.
- ❖ To contribute to the knowledge of the nonprofit sector.

“The Fund was one of the most significant programs McBeath, Helen Bader, and the Greater Milwaukee foundations established during my 15 years as the Executive Director of the Faye McBeath Foundation.”

◆ Sarah Dean
Formerly of the Faye McBeath Foundation

Once policies, guidelines, and an application were drafted, invitations were sent to the grantees of the three foundations to hear a presentation about this new venture in September 1994. Representatives from over 300 local nonprofits jammed into a room at the Italian Community Center to hear about a new funding opportunity that could strengthen their organization's management.

In order to focus on local small and mid-sized nonprofits, the Fund determined that eligible organizations must be incorporated for at least two years (in order to avoid start-ups); have an annual budget under \$5 million (after 3 years, the budget ceiling was reduced to \$3 million); and, focus their programs and services in Milwaukee County (in 1998, Washington and Ozaukee Counties were added to the Milwaukee Fund, and a sister fund was established for Waukesha County). The first grantmaking cycle in November 1994 reviewed 28 applications requesting \$185,000. Since that day, there has not been a shortage of investment opportunities for the Fund.

Some Successful Milestones

Although neither the Nonprofit Management Fund of Milwaukee nor Waukesha County pursued recognition as the instigator, creator, or thoughtful investor that it was, the Funds played significant roles in establishing several successful projects that changed the milieu in which local nonprofits operated.

The **Nonprofit Management Fund of Waukesha County**, modeled on the Milwaukee Fund, operated for 16 years. In 2008, this sister fund established the **Strategic Alliance Fund** to encourage more formal collaborations and mergers among Waukesha nonprofits.

From **Chicago to Grand Rapids and from Ontario to Kentucky**, numerous cities replicated the Fund's model, and often added their twist to its form of collaborating and building capacity of local nonprofits. Both the **Home Office and two private foundations in the United Kingdom** researched 50 capacity-building programs in the United Kingdom and the United States, and identified the Nonprofit Management Fund as one of the five most effective!

LISC-Milwaukee recognized the Fund in a very special way by awarding it a **MANDI** (Milwaukee Awards for Neighborhood Development Innovation). In 2005, the Fund was the recipient of the prestigious **Vision Award** for outstanding financial investment in Milwaukee's central city.

As the world prepared for a possible technological crash at the turn of the 21st century, the Fund chose to focus on bringing local nonprofits into the digital age. **ENTECH** was established, incubated, and eventually spun-off to the University of Wisconsin-Milwaukee to continue addressing the technology needs of nonprofits.

In order to assist nonprofit employers and job-seekers, **Jobs That Serve** was created through a partnership between the Nonprofit Center and ENTECH, which was underwritten by the Fund. Two planning grants to the Milwaukee Bar Foundation resulted in **M-LINC (Marquette Legal Initiative for Nonprofit Corporations)** offering pro-bono legal assistance to local non-stock corporations.

A galaxy of nine constellations of programs designed to strengthen nonprofit Boards and Directors ranging from recruitment, training, and consultation to evaluation were offered for 11+ years through the generosity of the Fund. In 2010, these efforts were organized into a nonprofit corporation—**BoardStar Inc.**—and spun-off to independence.

Through 15 planning grants to a wide array of existing nonprofits, the Fund was a catalyst in creating seven associations or collaborations: **Wisconsin Nonprofits Association, Creative Alliance Milwaukee, United Neighborhood Centers of Milwaukee, Milwaukee Environmental Consortium, Cathedral Center, Milwaukee Artists Resource Network, and the Milwaukee Youth Arts Center**. Two more planning grants assessed the feasibility of establishing the **Milwaukee Public Market**.

In the first year of the Fund, it had the foresight to see beyond its guidelines and make a \$14,000+ grant to develop a **credential for the owners and managers of child care centers** throughout the State that became a national model.

Similarly, it helped organize a series of focus groups to determine the need for a degree in nonprofit management, which was the beginning of a multi-faceted approach to creating certificate and degree programs through the **Helen Bader Institute for Nonprofit Management at the University of Wisconsin-Milwaukee**.

Over three years with several Fund partners, the **Denali Initiative and other activities fostering Social Entrepreneurship** supported 15 projects that developed nonprofit entrepreneurs and business ventures.

With Hispanics In Philanthropy, the Fund hosted a six-year project, the **Funders' Collaborative for Strong Latino Communities**, which leveraged more than a \$1,000,000 from national and local sources to strengthen Latino-led organizations in Milwaukee, and created the **Latino Nonprofit Leadership Program**.

The Fund assessed the capacity of 14 small arts organizations through the **Helen Bader Foundation's Arts In Education Initiative**; produced a report, "**The Importance of Being Small**" detailing recommendations to strengthen small arts organizations; and, organized a crowdfunding event—**artSupport**—raising over \$64,000 to distribute evenly among 38 small arts groups.

RECOGNIZING THE FUND PARTNERS

Founded by foundations, expanding to a private-sector partnership including corporations and United Ways, the Nonprofit Management Fund has been a true collaboration among funders. Operating as a “virtual organization”, and existing as a donor-advised fund at the Greater Milwaukee Foundation, the Fund relies upon its partners to determine vision and underwrite the grants and initiatives programs. For 20 years, the Greater Milwaukee Foundation provided grants administration and financial services. Each of the partner representatives contributes time and talent, in addition to the financial contribution of their employer. All Fund partners engage in grant review, policy determination, budget oversight, and planning efforts.

Each partner enriches their own grantmaking efforts through participation as committee members who have learned to analyze nonprofit management and governance needs and outcomes. With a 20-year track record of success, and the satisfaction of observing measurable improvements in many local nonprofits, the partners are planning a third decade of strengthening the nonprofit sector. Representatives of the funding partners regularly express how they value their personal involvement as much as they appreciate their employers’ investments.

The three founding partners invested heavily in the Fund, with the Greater Milwaukee Foundation as the leader at \$2,226,979. The Faye McBeath Foundation followed with \$1,353,000. The Helen Bader Foundation contributed \$1,198,500. Although the Lynde and Harry Bradley Foundation did not join the Fund until 1997, its annual grant was a significant size and contributed a total of \$1,285,000 through 2013, followed by the Northwestern Mutual Foundation at \$1,180,000. Of course, all of these funders also invested in BoardStar through the Fund at substantial levels; most were financial partners in the Waukesha Fund as well; and, most contributed to our collaboration with Hispanics in Philanthropy.

Other regular partners contributed amounts ranging from \$42,000 from Miller Brewing Company to a mid-range investment of \$240,000 from the Jane Bradley Pettit Foundation to a high of \$410,613 by the United Way of Greater Milwaukee. The best illustration of the Fund’s operation and the value it provided to its partners is to highlight some representative examples, which indicate both the priority that the partners assigned to this work, as well as the spirit they brought to the table.

- ❖ The Fund awarded “risk capital” grants for its partners. On a number of occasions, grants from the Fund provided an opportunity to strengthen an idea, a business plan, or a community-wide project. Examples of some early planning grants resulted in: the Milwaukee Youth Arts Center, the Milwaukee Public Market, and the Milwaukee Environmental Consortium. Sometimes, the Fund Advisors, at the direction of the partners provided planning and other assistance in early stage efforts, such as the formative stages of the Helen Bader Institute for Nonprofit Management or planning the Grantmakers in Aging National Conference in Milwaukee. Most often, single or multiple funders followed these more risky grants from the Fund, with major investments.
- ❖ The Fund provided a broad community platform for partners to support a wide variety of organizations. As one founding partner repeatedly stated, “our foundation is not able to support the arts directly, but we are able to do so through the Nonprofit Management Fund”.
- ❖ The partners wholeheartedly embraced the idea that an application identifying a management weakness actually represented strength, in that recognition of a concern was the first step in addressing it. Submitting an application to the Fund became a selling point in the application process to one of the Fund’s partners. The Fund was always considered a safe place where the partners trusted each other enough to discuss openly an organization’s deficiencies and not penalize the applicant later at their foundation.
- ❖ The Fund also served as a philanthropic investment vehicle for the partners, i.e., the Arts in Education project (Helen Bader Foundation), technology (Faye McBeath Foundation), and the Neighborhood and Family Initiative (Greater Milwaukee Foundation).

“Over its twenty-year history, the Nonprofit Management Fund brought diverse funders together to collaborate and support local nonprofit organizations in building their capacity to meet new challenges. We learned from each other—nonprofits and funders—in partnership.”

◆ Jane Moore

Formerly of the Greater Milwaukee Foundation

The Fund would not have progressed so easily and quickly if it wasn't for the support from the leadership at the Greater Milwaukee Foundation, in particular, Doug Jansson, Jim Marks, and the indefatigable Jane Moore. While they championed the collaborative, they also offered back office support in the form of financial and grants management services. For many years, Jane Moore was the unofficial leader of the committee and upon her retirement, we designated the position of convener, which was held by Robin Maryl from the Helen Bader Foundation, followed by Alicia Manning from the Lynde and Harry Bradley Foundation, each serving several years in the post.

"The Fund has most certainly been a very effective way to enhance the capability of many small not-for-profit organizations in the community. In addition, it has provided a valuable forum for the foundations that have been members of the Fund to further their cooperative effectiveness in philanthropy in Milwaukee. The Fund has been deservedly recognized beyond Milwaukee for the successful model it has been in support of not-for-profit management."

◆ Patsy Aster
Trustee, Faye McBeath Foundation

The accessible application process attracted newer and lesser-known groups. A surprise was frequently noted when an application was received from an organization that was unfamiliar to most, if not all, of the partners, as these very engaged staff prided themselves on really knowing the local nonprofits. Several partners credit the Fund for introducing them to organizations that have since become core grantees of theirs.

Often referred to as an organizational "seal of approval", some Fund grantees also attracted investments from non-partners. On multiple occasions, donors as varied as WE Energies and the Argosy Foundation matched or followed Fund investments in individual organizations.

The structure of the Fund allowed partners to take risks that were not an option for an individual investor...it could spread risk and invest in an organization that was in palliative care, or that was controversial, or had such serious problems they had to address the concerns before any other funder would even consider an application.

While three years and out may be the philanthropic mantra of many foundations, the partners made an exception for their annual participation grant to the Fund. Together, the partners' involvement was the key to the Fund's success as a collaborative. The model was designed to be a simple method to leverage dollars that could be invested collectively and collaboratively, which in 1994 was groundbreaking.

Partners in the Milwaukee Fund

Partner	Years Of Engagement
Greater Milwaukee Foundation	1994 → 2013
Faye McBeath Foundation	1994 → 2013
Helen Bader Foundation	1994 → 2013
Lynde and Harry Bradley Foundation	1997 → 2013
Northwestern Mutual Foundation	1997 → 2013
The Harley-Davidson Foundation	1997 → 2013
United Way of Greater Milwaukee	1998 → 2013
Rockwell Automation	2008 → 2013
Daniel M. Soref Charitable Trust	2007 → 2013
Jane Bradley Pettit Foundation	1998 → 2009
Anonymous	1998 → 2008
Fleck Foundation	2001 → 2008
Patrick and Anna M. Cudahy Fund	1996 → 2010
Suzanne and Richard Pieper Family Foundation	2000 → 2002
Kelben Foundation	2006, 2007, 2012
Miller Brewing Company	1999 → 2002
William Eisner Foundation	2005
Northern Trust Bank	2007

A FUNDERS' COLLABORATIVE

For the first seven years, all partners met to review proposals and make policy decisions at three-to-seven meetings per year. Each proposal was discussed at length, often spending 20 minutes deliberating about a \$2,000 grant. Meetings were always four hours in length and included a working lunch. While a cynical view may have been considered this level of detail a waste of time, the hours together were critical to develop camaraderie that blossomed into a true partnership. The partners learned as much from each other as they learned information about individual organizations, nonprofit management, and issues in the sector.

Six principles guided the Fund's development and promoted *integrating the interests* of all philanthropic partners.

1. Even if the funding partners aren't philosophically compatible in their own grant-making efforts, they must agree with the mission of the collaborative.

- ▶ In this case, all funding partners needed strong nonprofits in which they could invest.
- ▶ All Fund partners considered a focus on improving management or governance a strength, not a weakness.

2. Funding partners must share common perceptions of the needs to be addressed by their collaborative efforts.

- ▶ The infrastructure of many nonprofits needs to be developed in order to achieve their mission.
- ▶ Resources to build capacity must be made available to nonprofits.

3. A track record of successful joint efforts should exist among the collaborating partners. However, even if there isn't a history of working together, the collaborative must achieve accomplishments together that couldn't be reach individually.

- ▶ Some partners in the Fund's Collaborative worked together in the past on common interests (e.g., education, economic inequality, etc.), but none had been in a structured philanthropic partnership before the Fund.
- ▶ United Ways were a new addition to the funder mix, and like all partners, had to learn to play by the rules of the collaborative, rather than by their own guidelines.

4. Partners must perceive benefits and/or see it in their self-interest to collaborate, and agree as to the nature of these benefits.

- ▶ Funding partners can reach more nonprofits by pooling their dollars, as well as leveraging other funding.
- ▶ The collaborative can fund all aspects of the nonprofit sector through the collaboration, although individual interests at their respective employers prevent funding some segments of the sector.
- ▶ A Fund can add special expertise, i.e., Fund Advisors.

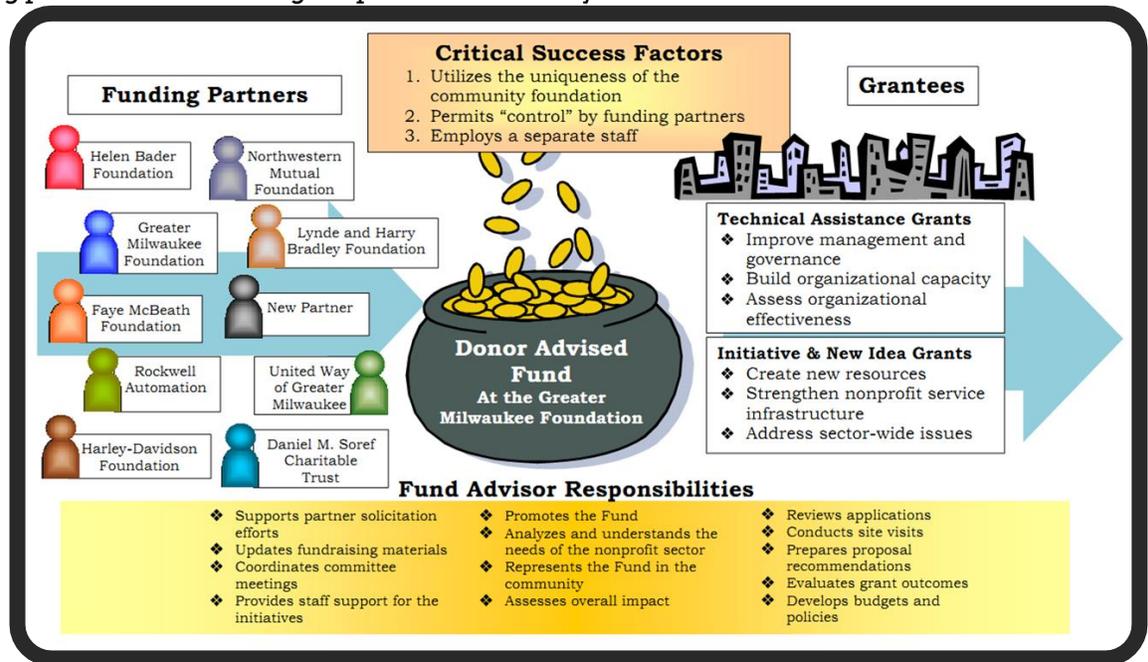
5. The collaboration must ultimately produce tangible results for the grantees.

- ▶ Grantees should demonstrate improved organizational capabilities.
- ▶ The overall capacity of grantees must be expanded.
- ▶ As a result, grants made by the individual funding partners can be made with greater confidence.

6. Funding partners must be willing to share personal resources and information with the other participants if collaborative efforts are to be successful.

- ▶ All of the funding partners must have trust in the group in order to have forthright discussions.
- ▶ A la Las Vegas, the Fund adopted a policy on confidentiality regarding discussions of grantees—what was shared in a committee meeting, stayed at the committee meeting.

HOW OUR FUNDERS' COLLABORATIVE WORKED



From 2001 through 2003, the Fund partners read each application and recommendation online, and then voted online through a password-protected section of the website. Overall, 19 cycles were reviewed through this new extranet, which was another Fund groundbreaking achievement, as we were the first in Wisconsin to use technology to review and approve grants. When the word spread throughout the philanthropic community, several requests were received for using our proprietary software. It was likely a missed opportunity to create an earned income venture. Throughout the online review process, the committee members were able to comment, pose questions, change their vote, and even dissent vigorously. However, the lonely voice couldn't be heard as loudly, unless everyone was sitting at the same table. According to a third-party evaluation of the Fund in 2003, "the in-person and on-line methods are seen as comparably effective on three very important factors: results in fair grant decisions; results in effective grantmaking; and, provides an atmosphere where all partners can give candid input."

Despite the intent of reducing the partners' time investment, the "ease" of the online voting process backfired. In actual time, this private and insular process allowed committee members to vote on auto-pilot, spending only a few minutes to cast their ballots. Luckily, policy meeting discussions encouraged committee members to articulate complaints, admonitions, and mea culpas.

- ❖ "I pushed for online voting, thinking it would be easier. Truth is, it isn't easier."
- ❖ "Now (with online voting) I just try to get it done."
- ❖ "While online voting is fascinating, it's a misapplication of technology because the partners don't think as much or learn from each other."

As a result of an honest discussion, the Fund partners decided that despite the cachet of being the first on the block to have a "new-fangled widget", the extranet was more of a belly flop. They decided to revert back to an in-person grants review process.

- ❖ "It's helpful to bounce things off other partners."
- ❖ "I would read more intensely if I knew that I had to express my feelings to a group."

"In my philanthropic and nonprofit management experience, the Nonprofit Management Fund stands apart. The approach taken by the funding partners and the high degree of trust that both applicants and grant makers brought to the table was distinctive. It became business as usual to acknowledge management challenges, identify solution strategies, and trust that funders would not see challenges as weaknesses. I have also never observed such teamwork among Milwaukee funders, many of whom had never shared a 'round table' before. Congratulations to all and thanks for letting me be a part of this great ride."

◆ Scott Gelzer
Executive Director, Faye McBeath Foundation

While we tried to be innovative in using resources that we created for local nonprofits through the technology initiative, it turns out that good, old fashioned, face-to-face conversations with colleagues were more desirable than time efficiency. Discourse, debate, and deliberation remain hallmarks of our success as a funders' collaborative.

Partners learned from each other. The shared application-review process meant individuals picked up tips from colleagues about how to assess whether or not an organization merited funding. Collectively, the partners became much more aware of the role played by a Board of Directors. Occasionally, there was a debate about the importance of supporting a particular type of organization, such as those focused on policy advocacy or animal welfare. An oft-repeated quote in this arena was along the lines of "sometimes collaboration means taking turns in gritting your teeth", or, "sitting on the other side of the table".

The Fund created a sea change in Milwaukee's local nonprofit sector. By using the skilled diagnosticians and nonprofit experts at Management Cornerstones as a buffer, nonprofit executives became more comfortable in airing their organizations' proverbial "dirty laundry". Soon thereafter, Board Directors became equally comfortable in admitting to organizational deficiencies. The Fund Advisor strongly encouraged honest and forthright conversations to take place as part of all applications to local funders. It became acceptable to acknowledge that the Board was not as strong as it should be, that the financials were not as timely as they needed to be, or that the new program idea may or may not fit within a strategic vision that was yet to be determined.

The partners recognized early on that familiarity was a bridge to building trust. The trust that was gained through the investments of time in the Fund paid off in many circles beyond the grants table. The investors became partners throughout the community working together to address Milwaukee's civic and social challenges ranging from work force development to education to teen pregnancy. Funders' collaboratives are now a typical operations vehicle for the philanthropic community to leverage funding, expertise, and vision.

FUND ADVISOR

“A consulting firm has been retained by the sponsoring funders to assist in screening applicants, make grant recommendations, develop a roster of available technical assistance resources, advise the sponsors on the project, and aid Fund applicants in preparing their proposals where appropriate. The Fund Advisor, Management Cornerstones Inc., will not provide consultation or other contract services to organizations that are eligible to apply to the Nonprofit Management Fund. All proposals will be reviewed by the Fund Advisors, and a committee composed of the sponsoring funders will make grant decisions.”

These few words, originally crafted in 1994, described the job assumed by the Fund’s advisors. It was critical that the Advisor had strong diagnostic, analytic, and writing skills. Throughout the guidelines and policies, there are additional references to site visits, consultation before submitting a proposal, and other activities.

In 1998, a series of new duties were added, related to several “initiatives” undertaken by the Fund. A December 1997 memo to the Committee further defined the Fund Advisor role with regard to the initiatives: *conducting* diagnostic clinics; *coordinating* a social entrepreneurship effort involving a national technical assistance provider and 6 area nonprofits; and, *developing and coordinating* a focus on Boards. In 1999, the Committee asked the Fund Advisors to *manage* the technology initiative, eventually opting for the same strategy with Board activities.

In 2001, the partnership with Hispanics In Philanthropy was launched as the Funders’ Collaborative for Strong Latino Communities, and subsequently the Fund Advisors designed the initiative, collaborated with local, regional and national funders, and supervised local grant-making activities. Since 2001, the Fund has sponsored three Professional Development Institutes. The Fund Advisor designed and managed all three institutes, and was the primary instructor for the second and third multi-year programs.

Over the years, two functions commanded a significant amount of time and money: designing and maintaining a grants database, as well as a website that was both informative and educational. However, the activity that required the most time of any single duty is that of playing the “Nonprofit Ombudsman”, answering numerous questions on a daily basis from funding partners, Board Directors, nonprofit staff, and others in the community.

Responsibilities	Duties
Grantmaking & Fund Management	<ul style="list-style-type: none"> ◆ Draft guidelines, policies, applications ◆ Provide pre-application assistance and review all applications ◆ Conduct site visits ◆ Prepare proposal packets for committee meetings ◆ Present proposals to the sub-committees ◆ Draft letters to all applicants regarding funding decisions ◆ Represent the Fund at appropriate meetings throughout the community ◆ Prepare materials for Committee policy and planning meetings ◆ Respond to requests for information from Committee members ◆ Maintain records for all aspects of the Fund ◆ Track & reconcile financials with the Greater Milwaukee Foundation ◆ Supervise project staff and interns ◆ Analyze trends & statistics ◆ Conduct special assignments ◆ Oversee website hosting and maintenance ◆ Promote the Fund
Evaluation	<ul style="list-style-type: none"> ◆ Analyze effectiveness of grants and initiatives ◆ Review grant reports and follow-up on those raising questions ◆ Compile information & trends ◆ Prepare specific reports for the Committee ◆ Post summaries of successful grants; determine reasons for unsuccessful ones
Fundraising	<ul style="list-style-type: none"> ◆ Support Fund partner solicitation efforts ◆ Write proposal annually for the funding partners ◆ Prepare reports to meet partner requirements ◆ Update fundraising materials ◆ Make periodic presentations to potential or current partners
Initiatives	<ul style="list-style-type: none"> ◆ Develop program activities, manage interns, collaborations ◆ Budget, plan, manage, evaluate, and promote ◆ Provide back office support ◆ Report to the Committee on progress and results

ROLES OF THE FUND

Collaborator

As a funders' collaborative, no one partner dominated the discussion. One partner referred to it as "that rare level playing field", and another called it Milwaukee's most unlikely family of grant makers. Before the Fund, many foundation representatives sat at the same table to discuss education, poverty, or domestic violence in our community, however, they didn't make financial decisions about what to do at that table. Instead, they returned to their respective offices and made funding decisions based on their individual guidelines. The partners developed relationships within the Fund that extended beyond it. Collaboration became a natural way of working together with a broader vision. The partners were also able to document that they practiced what they preached—collaboration—to their applicants.

Planner

Before launching an initiative, the Fund Advisor typically conducted survey research, convened local nonprofit leaders, and considered national models to design a project that would address a local, but wide-spread organizational challenge. When a partner wanted to test the idea of a university-based nonprofit management graduate program, it turned to the Fund to organize a planning process to assess the feasibility of the project. Periodically, the Fund conducted an environmental scan of gaps in community resources for nonprofits and identified opportunities to make a difference.

Grant Maker

The allocation and expenditure of grants was basic to the Fund's mission. Its grants program was distinctive in that it was highly flexible; ongoing, with the potential for extremely short turn-around time for decisions; and, having a staff support component who viewed their role as making all applications as "fundable" as possible. Small grants to build organizational capacity have always been the hallmark of this funders' collaborative.

Problem Solver

At its core, nearly all Fund resources were allocated to resolving challenges, be they for an individual applicant or for a group of organizations. Partners, applicants, and coalitions were supported by the Fund in various ways to remediate challenges. The Fund initiatives of diagnostic clinics, Board development, or technology assessments were direct efforts to identify problems and find solutions on a broader scale. The initiatives were designed to be problem-solving resources for the nonprofit community.

Incubator

Beginning with conducting a feasibility study, continuing through developing a business plan, and then finally designing an initiative, the Fund embraced the incubator role by nurturing various projects. Whether for ENTECH, BoardStar, social entrepreneurship, or consultant institutes, the Fund designed, tested, and supported promising ideas.

Convener

The Fund frequently convened groups of organizations, sometimes as part of partner interests (faith-based organizations, Hispanics in Philanthropy), or in support of a donor's interest, such as supporting the arts in education effort with the Helen Bader Foundation. Bringing nonprofit leaders together to discuss an industry standard or problem was a critical strategy to engage community support.

Cheerleader

The Fund operated using a glass-half-full mentality. Sometimes, organizations had to be recruited to apply, coached to improve applications, or strongly encouraged to engage their Boards. Fund partners often referred organizations to the Fund, ones they felt could use business and/or management improvement, but the group needed some enthusiasm to tackle their challenge. The Fund model promoted identifying challenges and applying for resources to resolve them, with a "can do" attitude.

Leader

Collaborations can and should lead. The Fund established projects that drew broad support. It encouraged partners to take risks in their own grantmaking. It broke strong barriers, by modeling behavior befitting a philanthropic leader, and by listening to its applicants rather than mandating requirements. It spawned a collaborative grant-making model that was duplicated locally and by many philanthropic communities around the country.

"One of the impacts on the community has been a rich collection of ideas tested and supported through collaborative work. It has also been a platform for nonprofits to identify critical areas of management to improve, not often seen by but benefiting the constituents they serve."

◆ Pat Woehrer
Representing an anonymous donor

GRANTMAKING OVERVIEW

From the first meeting in November 1994, soliciting, reviewing, and awarding grants was the central activity of the Nonprofit Management Fund. Direct grantmaking consistently comprised the largest single component of the Fund's budget for all 20 years.

Grants ranged from \$1,000-\$10,000, and the average grant size hovered around \$5,000. Most grants were awarded to health and human services, arts, community development, or an educational organization for planning, fundraising, marketing, or Board development. These grants, according to all evaluations of the Fund, were a major asset to staff and Board leaders in building the capacity of their nonprofit.

Applications provided a window through which the Fund's partners could view community needs and trends. Through technical assistance grants, the Fund placed resources directly into the pockets of Boards and staff, who were in the best position to determine the most-appropriate resource to address their most-pressing challenge. The accomplishments of the grantees represent the most important legacy created by the Fund!



Eligibility Policies and Guidelines

The funding partners reviewed the policies and/or guidelines to shape grant-making decisions on a regular basis, and available to the public on the Fund's website.

- ❖ Nonprofit, tax-exempt 501(c)3 organizations
- ❖ In existence at least 2 years from date of incorporation
- ❖ Have an operating budget over \$25,000 and under \$3 million
- ❖ Primary target area: Milwaukee, Ozaukee, Washington, or Waukesha counties
- ❖ For statewide organizations, at least 70 percent of work must take place in the metropolitan Milwaukee area
- ❖ Religious organizations will be considered for projects that serve the general community or neighborhood beyond the membership of the applicant
- ❖ Grants will be project-specific, non-renewable, and range from \$1,000-\$10,000
- ❖ Applicants may submit multiple applications per year, but only one project will be funded at a time
- ❖ The Fund does not support program planning, program evaluation, or community needs assessments
- ❖ To be considered a "minority led" organization, organizations applying to the Fund must meet at least one criterion from the following list under "leadership" **and** at least one criterion from the list under "mission"

Leadership:

- A majority of those serving on the Board are people of color
- The majority of the organization's senior management staff are persons of color
- The organization's Executive Director is a person of color

Mission:

- A majority of those participating in the programs or are directly served by the organization, are persons of color
- The mission statement specifically targets persons or communities of color
- ❖ Technology projects for hardware or software require a 1:1 cash match
- ❖ The Fund will not consider applications from Business Improvement Districts or bodies with taxing authority

There were three major categories of projects: Management Assistance, which received the overwhelming percentage of grants, Organizational Alternatives, and Diagnostic Clinics. While the application form allowed for many types of management assistance, organizational alternatives was a category for applicants that were considering a major organizational change. Examples include consideration of a contractual partnership, merger, change in tax status, creation of a subsidiary corporation, or major service redirection. Awards for a diagnostic clinic assessed the management and governance capacity of the nonprofit. Projects were expected to be time limited, typically 3-6 months. Grants were restricted to the activities described in the application. The Fund was most interested in short-term, specific projects that would have a longer-range impact on the organizations.

By The Numbers

\$7,481,981

awarded to Milwaukee nonprofit organizations

1,583

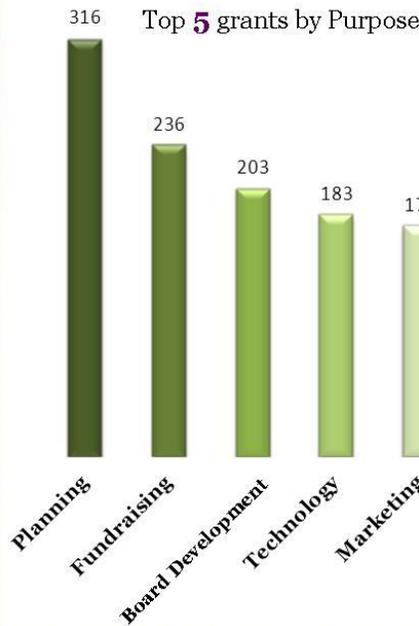
grants awarded

62%

Percentage of grants to organizations with budgets under \$500,000

Percentage of grants to organizations under 1 million

78%



\$482,700

invested in

108

Diagnostic Clinics

Funders' Collaborative for Strong Latino Communities Investment

\$1,138,200

75%

of applications funded

25% of the grants were awarded to minority-led organizations

2,098

applications reviewed

667

different consultants

More than **18** partners

Invested **\$10,000,000** Over in grants and initiatives

98

grant cycles

20 Years

7

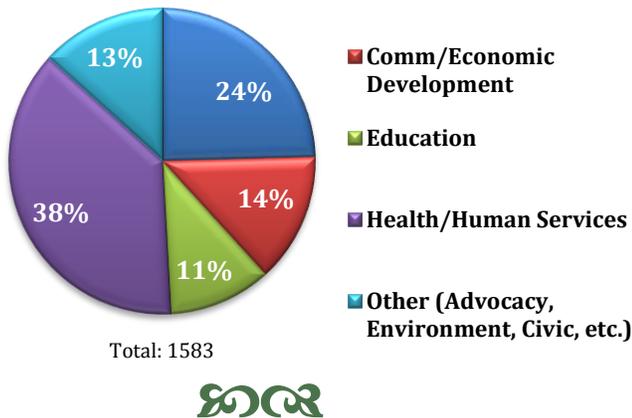
major initiatives

Proposal Review Criteria

To increase the clarity and transparency of the criteria used to review proposals, the Fund published its Proposal Review Criteria on its website. The following list of the criteria were used by the Fund Advisor and the grants subcommittee when reviewing applications.

- The extent to which the applicant request matches the Fund’s guidelines.
 - The clarity of the narrative—regarding the nature of management challenges, type of assistance sought, and results to be achieved.
 - The completeness of the budget, including cash and in-kind match documentation.
 - Whether or not competing bids were sought from three consultants.
 - The quality of the selected consultant’s workplan, including the match between the nonprofit’s description of the challenges with the resolution strategies proposed, and the details regarding the consultant’s role and deliverables.
 - The degree to which the proposed project improves the management or governance of the applicant organization.
 - For past grantees, the extent to which there will be a longer-term impact on the management or governance of the organization.
 - The availability of the Fund’s grantmaking resources.
- What types of proposals are more likely to be declined?**
- Applicants that do not clearly meet the eligibility guidelines, such as state-wide organizations.
 - Applications that are written by the consultant.
 - Proposals that do not identify a clear case for a management or governance challenge or the potential for results.
 - Proposals that request funding for activities, which appear to be ongoing in nature or should be covered in the operating budget, such as printing of promotional materials, the annual audit, emergency repairs, payroll needs, furnishings, or debt liquidation.
 - Proposals that appear to overlap substantially with previously-funded projects for the same organization.
 - Projects that include expenses associated with capital campaigns, including feasibility studies.
 - Large-scale projects where the Fund’s grant would be an insignificant portion of the overall effort.
 - Projects that do not show evidence of commitment from the Board or executive leadership.
 - Proposals from organizations with a primary mission of making grants.
 - Projects that engage an independent contractor to perform typical staff functions.
 - Proposals from Business Improvement Districts or other entities that have taxing authority.

Grants by Mission



Grants by Year

Year	Number of Applications	Number of Grants	Percent Funded	Amount Awarded
1994	28	10	36%	\$ 44,950
1995	56	30	54%	\$ 176,963
1996	42	26	62%	\$ 140,255
1997	61	42	69%	\$ 243,827
1998	89	66	74%	\$ 335,965
1999	87	64	74%	\$ 393,680
2000	112	92	82%	\$ 541,234
2001	101	79	78%	\$ 545,047
2002	115	79	69%	\$ 467,590
2003	104	69	66%	\$ 374,404
2004	135	96	71%	\$ 444,847
2005	136	102	75%	\$ 407,136
2006	123	97	79%	\$ 429,331
2007	132	103	78%	\$ 429,120
2008	139	108	78%	\$ 457,949
2009	134	103	77%	\$ 463,630
2010	97	74	76%	\$ 370,554
2011	105	89	85%	\$ 403,685
2012	109	89	82%	\$ 375,919
2013	193	165	85%	\$ 435,895
Grand Totals	2098	1583	75%	\$ 7,481,981

Northwest Side Community Development Corporation
8 grants: \$44,720

“Projects that would have fallen through the cracks got done because of the support of the Nonprofit Management Fund. The amount received was just the right amount, with our match, to get work done that needed to be done. What nonprofit can live without strategic planning? The Fund helped connect us to industry professionals we didn’t know.”

◆ Howard Snyder
Executive Director

Success Story



SPECIAL PROJECT FUNDS

New Idea Fund

Annually, from 2003 through 2009, the partners set aside some funding to seed NEW IDEAS, which would benefit the community and not just a single organization. These grants also targeted projects that were being launched from scratch, and therefore, did not typically meet our regular threshold criteria. During these years, **18 grants were awarded for a total of \$89,534**. In addition to the three examples below of New Idea grants, others included funding for establishing a computer recycling program—3Rtech; established an internet presence for the newly created Cultural Alliance of Greater Milwaukee; funded the planning process to design a legal services initiative--M-LINC; supported a conference on collaboration; and, organized and educational session for Board Directors at the National Conference of the Social Entrepreneurship Alliance.

MATA Community Media: In June 2006, the Fund made a \$2,500 grant to MATA to develop a promotional packet aimed at encouraging nonprofits to use their community-access cable TV services to produce videos or TV shows showcasing their programs, meetings, performances, or events. Three receptions, attended by 30 nonprofits, were held to highlight MATA's production capabilities.

Jobs that Serve: Beginning with a conversation between the Fund Advisor and Leigh Kunde in 1996, the Nonprofit Center had considered providing a job opportunity service for the nonprofit sector for several years. Finally in 2003, they established the Nonprofit Jobs Task Group as an ad hoc committee charged with developing, implementing, and evaluating a web site that would allow nonprofit organizations to advertise job openings in a readily accessible format for job seekers. In 2004, the website "Jobs That Serve", designed by ENTECH and supported by the Fund, connected nonprofits and those looking to work with nonprofits a one-stop shop. Today, Jobs that Serve is an essential resource for jobs and volunteer opportunities in Wisconsin.

Executive Director Transition Program: As part of a comprehensive initiative from 2004-2008 on executive succession planning based at the Greater Milwaukee Foundation, the Fund awarded a \$7,500 New Idea Fund grant for the development of a toolkit on *Departure Defined Transition Planning*. This was one of four toolkits produced for local nonprofits, as part of a nation-wide effort by the Annie E. Casey Foundation.

"I enjoyed coming together with other funders to collaboratively strengthen the small to medium nonprofits in our community. For some funding partners, the collaborative offered an opportunity to share with one another the great work being done on an individual level, but also offered the opportunity to discuss city-wide initiatives that required multiple funder involvement. I strongly believe that many city-wide initiatives would not have received the needed momentum or the valuable co-investment from foundations, had it not been for the existence of the Nonprofit Management Fund."

◆ Maria Vento
Helen Bader Foundation

Neighborhood and Family Initiative Fund

As the Greater Milwaukee Foundation completed a multi-year project with the Ford Foundation, a small balance of funds remained. In 2000, they transferred the last \$45,000 for the Fund to award technical assistance grants to build the capacity of organizations in the Harambee neighborhood—groups received the funds for Board development, technology upgrades, and fundraising. **Ten grants totaling \$61,700 were awarded** to seven organizations.



Bay View Community Center
4 grants: \$18,825

"The Fund enabled the Bay View Community Center to increase our capacity to deliver programs by enabling our Board to grow and develop and help us market the organization. The help and knowledge of Pat Wyzbinski was especially helpful to us during a difficult time."

◆ Linda Nieft
Executive Director

Basic Human Needs

In 2010, the Fund set aside \$75,000 for organizations addressing basic human needs to improve their organizational capacity. Interestingly, only 11 groups applied for these funds that fit the Fund's criteria. **Eleven grants were made for a total of \$61,710**, to organizations ranging from My Home, Your Home to Repairers of the Breach to Family House.



EVALUATION

Grantees have always been required to submit an evaluation of their grant within 30 days of completion of their project. These reports would be reviewed; compiled into a composite of outcomes on an annual basis; and, provide part of the case to make another grant to the organization.

Starting with grants made in 2003, a system based on recommendations from a Fund partner, the Fleck Foundation, was designed so that the Fund Advisor rated each grant on a scale from 1-5. A “3” was the desired rating, in that it meant the grant activities were completed successfully, with 4 exceeding expectations, and the rare 5 a “WOW”. Efforts were made to ensure the evaluations were submitted by the organizations, and not the consultants. Initiatives were evaluated by the Fund Advisor, with committee oversight.

The Fund and its activities were regularly a topic of critical thought as a whole or in parts. On occasion, a more rigorous effort was conducted as part of a strategic planning process (2004, 2008); run as an internally-driven assessment (1997, 2000); or, in the hiring of a third-party consultant (2003, 2013). Without question, the major evaluation of the Fund was in 2003, which involved the hiring of Nonprofit Management Solutions, a consulting firm based in Hollywood, Florida. The evaluation involved multiple online surveys, in-person interviews of Fund partners and applicants, focus groups of grantees, and assessments of “impact” on grantee organizations as well as the community.

Grant Ratings as rated by Advisor	
5 “WOW”	5
4 Exceeded Expectations	108
3 Met All Grant Expectations	944
2 Met Some Expectations	124
1 Unsuccessful	46

Consultant Ratings as rated by grantee	
Excellent	858
Good	261
Fair	53
Poor	11
No Rating	440

Key Findings 2003

- ❖ It would be a loss to the community if the Fund disappeared.
- ❖ The characteristics of the current model, such as its flexibility, supportiveness, non-threatening approach, and awareness of the nonprofit community, are what make the Fund work.
- ❖ Successful grants result in movement or organizational change for the grantee.
- ❖ Single grants can have significant impact, but a series of grants to an organization can be a very effective way to build on change over time.
- ❖ The application process is perceived as simple, easy to use, and effective.
- ❖ Applicants appreciate the Fund Advisors, giving them the highest effectiveness rating when assessing their helpfulness and competency.
- ❖ While Fund partners place a high priority on post-grant feedback, they question the value of that which is received, which may be a fair assessment since grantees admitted to not being totally candid in their post-grant feedback for fear of jeopardizing future grants.
- ❖ The Fund partners appreciate the job the Fund Advisors are doing to manage the Fund and facilitate the grant-making process. They rate them as “Highly Effective” on most tasks, never rating them below “Effective”.
- ❖ The Fund partners and clinic participants alike have high praise for diagnostic clinics, stressing the importance of insights gained and best practices shared.
- ❖ Organizations must be “ready” to participate in a diagnostic clinic—open and motivated to work. Clinics cannot be imposed by a funder. Organizations better understand their needs, identify direction, plan, and make more impactful changes after a clinic.
- ❖ The diversity of partners in the Fund contributes positively to strengthening the nonprofit community and increasing knowledge of other nonprofits.
- ❖ The Fund is seen as a successful model for the community collaboration that is so often discussed, but rarely achieved.

“The Nonprofit Management Fund provides capacity-building assistance to agencies that may not fit our giving guidelines. This unique collaboration enhances our philanthropic investments in greater Milwaukee making our community a better place to live and work.”

◆ Patricia Contreras
Rockwell Automation

“The collective impact of effectively-managed nonprofits that have the infrastructure to achieve their missions will ripple through the greater Milwaukee community for years to come. The Nonprofit Management Fund has been instrumental in helping facilitate such growth and development.”

◆ Janel Hines
Greater Milwaukee Foundation

STRATEGIC PLANNING

Strategic planning processes were facilitated by out-of-state consultants in 2004, 2013, and 2014. In each case, the Fund gathered information from a variety of sources and made decisions to implement major changes.

Key Recommendations 2003

- ❖ Ensure that all grant-making criteria are transparent.
- ❖ Improve the ability to track the impact of grants by linking the application, workplan, and post-grant evaluation to a *Spectrum of Change*.
- ❖ Continue to award a mix of grants to a gamut of missions, including a single grant, a series of grants, or a special project grant to impact management effectiveness or efficiency.
- ❖ Maintain the rolling deadlines for grant applications.
- ❖ Offer more diagnostic clinics by training consultants to conduct the assessments.
- ❖ Strengthen the consultant pool and/or make a consistent and overt effort to help organizations select the best consultants for the task at hand.
- ❖ Review the mix of services to be offered over the next decade and think outside the boundaries of the traditional funder's role.
- ❖ Identify the role that evaluation will play in future planning and improvement of the Fund.
- ❖ Implement a plan to better educate the community about the Fund.

"The Nonprofit Management Fund has been a tremendous resource for Milwaukee area nonprofits. It has afforded them the opportunity to access expert consultants to help address a broad range of management issues and needs. It has operated largely in a free market mode—allowing the nonprofit to determine its own management needs and engaged the consultant most suited to their organizational culture. At the same time, they have benefited from the expert guidance of Management Cornerstones in making those decisions."

◆ Jim Marks

United Way of Greater Milwaukee

2008 Retreat Highlights

A day-long, well-attended retreat was facilitated by Mary Paul of Harley-Davidson in October 2008. It was affirmed several times that all of the **partners are proud** to be part of this long-standing funders' collaborative. Throughout the retreat, it was agreed that there are numerous **accomplishments** to celebrate, beginning with having a 15-year history.

- ❖ **Ideas for the future include:** offering a continuum of services following a diagnostic clinic; identifying a specific menu of capacity-building strategies from coaching to joint Board-staff development; and, targeting information sessions for nonprofit leaders, consultants, and funders, based on lessons learned by the Fund.
- ❖ There was also discussion of strategies to **support new and diverse leaders** for the local nonprofit sector, and a theme of continuing to support the "professional development" of high-quality consultants.
- ❖ It was generally agreed that major **new initiatives would not be undertaken in the short term**, given current financial and programmatic challenges, especially with a major focus on BoardStar's future. The Committee strongly encouraged the spin off of BoardStar in 2009.

"Participating in the Fund was an incredible opportunity to learn about the diversity in both our nonprofit and philanthropic communities. I have learned more about the importance of boards, many different nonprofit organizations, and I have benefitted from sharing information and perspectives with my corporate and foundation colleagues."

◆ Mary Anne Martiny
The Harley-Davidson Foundation

- ❖ Several new **guidelines** were set at the retreat. Funding for "routine" technology grants will be phased out in 2009. The Fund will no longer require, but rather encourage cash matches, other than for technology. Careful screening of statewide groups, relative to Fund grants, will continue with a threshold of 70% of activity within the four-county area as an eligibility benchmark. The partners also affirmed that the Fund will no longer award grants to other nonprofits with a primary mission of making grants. The budget range to be eligible to receive a grant was approved as generally ranging from \$25,000-\$3 million.

- ❖ An **emergency leadership succession plan** was ratified. As for the Fund's long-term future, the partners looked forward to celebrating the 20th anniversary in 2014.

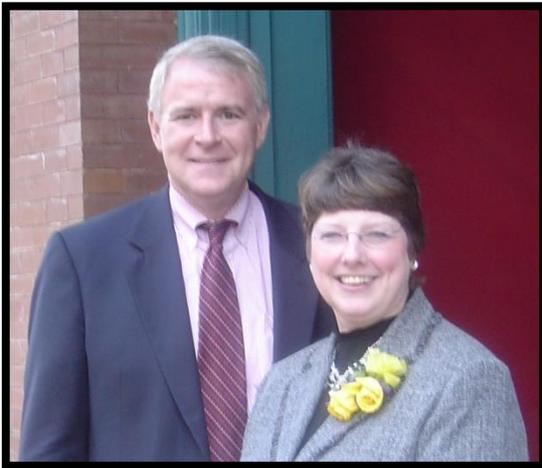
10th ANNIVERSARY CELEBRATION



Over 400 funders, grantees, consultants, and other nonprofit leaders celebrated 10 years of strengthening the nonprofit community in Milwaukee. The Mayor welcomed guests with a speech about how important the nonprofit sector was in Milwaukee; four committee members spoke highlighting key milestones; a video list of 617 grants scrolled; and, guests enjoyed fabulous hors d'oeuvres. There was much to celebrate, as this "three-year pilot program" was pronounced a huge success in strengthening Milwaukee nonprofits.

A review of the grant evaluations noted several accomplishments that repeatedly fell within five outcomes.

- ❖ Greater involvement by Board Directors in governance
- ❖ Better focused visions, based on strategic plans that provided guidance to Boards and staff
- ❖ More diversified and increased funding bases
- ❖ Strengthened accounting practices that enabled more timely reports for Board and staff decisions
- ❖ Stronger ability to collect and analyze data, and enhanced communication to stakeholders as a result of upgraded technology



NONPROFIT MANAGEMENT FUND



"Our meetings, discussions, and lunches provided foundation staff with valuable glimpses about how other foundations operate, decide on priorities, and evaluate the health of the greater Milwaukee area. Foundation meetings are not open to the public and I think that often the practical, day-to-day information between/among us made us better able to help nonprofits connect with the appropriate foundation...because as we all know, "if you have met with one foundation, you have only met with one foundation!"

◆ Robin Mayrl
Helen Bader Foundation

10TH ANNIVERSARY

NUMBER OF GRANT CYCLES	47
APPLICATIONS REVIEWED	892
NUMBER OF GRANTS AWARDED	617
TOTAL AMOUNT AWARDED	\$3,517,799
APPLICATIONS AWARDED GRANTS	70%
AVERAGE GRANT SIZE	\$5,700
GRANTEES WITH A BUDGET UNDER 1 MILLION	76%

15th ANNIVERSARY

Instead of celebrating the 15th Anniversary with a large community event, the partners chose to host a luncheon, inviting past and current committee members. As always, the Helen Bader Foundation was the perfect host and catered a fabulous lunch and dessert worthy of 15 years of meetings. Besides the numerous grantee or committee meeting stories shared throughout the afternoon, four questions guided the luncheon discussion.

- ❖ What have we done, accomplished, and enjoyed?
- ❖ What have we learned? Where have we struggled? What would we do differently?
- ❖ What are the strengths and contributions of the Fund?
- ❖ Where do we go from here?



The discussion and several interviews with committee members were recorded, edited, and produced as a 24 minute podcast for posterity! The partners highlighted their favorite aspect of the Fund, which ranged from learning more about their peers to developing community-wide projects to the value of Board service.

During these past 15 years, we listened to our constituents, we learned by doing, we practiced what we preached, and we shared what we learned.

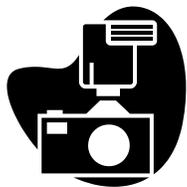
15TH ANNIVERSARY

76	NUMBER OF GRANT CYCLES
1,579	APPLICATIONS REVIEWED
1,154	NUMBER OF GRANTS AWARDED
\$5,813,978	TOTAL AMOUNT AWARDED
73%	APPLICATIONS FUNDED
\$5,038	AVERAGE GRANT SIZE

"Being part of the Fund was a very meaningful experience. Having a place for nonprofits to turn to for strategic planning advice, technology advancement, merger consultation, and many other things was vital to the health of the nonprofit community. The opportunity to sit around the table with other funders and hear different perspectives was personally fulfilling for me as well. I met a lot of great people and learned a lot about the nonprofit community. The depth and breadth of the Fund has been outstanding."

◆ Dawn Helmrich
Previously represented the
United Way of Greater Milwaukee

POLICY MEETING SNAPSHOTS



After the first several years 1994-1997, where policies and grants were discussed in the same meetings, the partners separated grant-making from policy and planning deliberations. Each year thereafter, two-four meetings were devoted to determining policies and guidelines; analyzing grants data; discussing progress of the initiatives; approving budgets and financial statements; learning about nonprofit concepts, trends, and gaps; examining articles or research studies; and, planning for the future. The following excerpts and highlights of some policy meetings provide a sense of the depth and breadth of the discussions at these regular, four-hour meetings.

November 1998

A new service of the Fund—diagnostic clinics—offered the potential of interesting opportunities for the partners to become acquainted in-depth with several Milwaukee organizations. Seven organizations received a Level 3 or 4 assessment. An additional Level 3 clinic was requested and paid for by Northwestern Mutual Foundation for one of its grantees—Advocates of Ozaukee County. The Committee's approval of this project was the impetus for expanding the Fund's border of Milwaukee County to include Washington and Ozaukee Counties.

February 2000

Discussion of 1999 activities provided the substance for a policy meeting on accomplishments. Through 1999, 375 applications were received and 240 grants were awarded. Since the diagnostic clinics were launched in 1998, 17 had been conducted over two years. However, a thorough analysis of 54 grants formed the basis of the meeting's discussion. The total amount of these grants was \$315, 825, with an average of \$5,849. All missions and budget sizes were represented in the sample. In addition to grant results, organizational outcomes, and consultant ratings, the analysis also highlighted feedback on the Fund.

November 2001: 8 agenda items

After answering the question "How has Milwaukee changed since the Fund started 7 years ago?" the partners discussed the newly-implemented "Extranet process and voting procedures". Once new policies, 2002 goals, the B.O.A.R.D. Initiative and the Technology Initiative were all discussed and affirmed, a panel of three successful grantees shared their stories and answered questions about their grants.

March 2003: 11 agenda items

As the Fund began a comprehensive third-party evaluation, this was the policy meeting that Terrie Temkin, Nonprofit Management Solutions, attended to introduce herself and to observe the Committee functions. A dose of reviewing the past year, was interspersed with approving the budget and initiative activities for the year. Three policies were debated and approved on: budget ceilings for grantees, matching funds grants, and working with other funders.

April 2004: 11 agenda items

The plans for a 10th Anniversary celebration were presented, and the details determined. The Committee members were very excited about celebrating 10 years as a successful funders' collaborative and looked forward to reporting to the community on the accomplishments. This was the first policy meeting that Scott Gelzer was no longer involved, as he had accepted the position of Executive Director of the Faye McBeath Foundation in January. From this time forward, Pasty Aster, a McBeath Trustee, would represent the Foundation at the Fund.

"Milwaukee's vitality depends on the ability of its citizens to enrich its culture and solve its problems through nonprofit organizations they establish. Such citizen-leaders have been able to improve their efforts by strengthening their organizations through the Fund, resulting in lasting community change."

◆ Alicia Manning
Lynde and Harry Bradley Foundation

Success Story

**Fondy Food Center, Inc.**

4 grants: \$16,800

"When I think of the \$16,800 from the Nonprofit Management Fund that the Fondy Food Center received since 2004, what comes to mind is how these funds laid the cornerstones for our agency's growth. From computer hardware to websites and board development consultants, the Nonprofit Management Fund has been with us every step of the journey from a small, two-person start-up nonprofit to the thriving agency that it is today."

◆ Young Kim
Executive Director



November 2005: 9 agenda items

Strategic Milestones 2004-2006 were adjusted based on accomplishments of the previous year. A new grant evaluation process was unveiled. Updates on BoardStar and the Funders' Collaborative for Strong Latino Communities were reviewed. The graduation criteria for the Diagnostic Clinic Consultant Institute were approved, and support for the new nonprofit statewide association was allocated.

April 2006: 10 agenda items

The outcomes of 109 evaluation reports and details of each of the initiatives consumed much of this meeting. The planning portion consisted of determining the best path in addressing each of three problem statements: 1) The consultant talent pool is still shallow. 2) There are few strong fiscal planning and financial oversight providers who truly understand best practices in nonprofit accounting. 3) There is a lack of awareness about the positive contribution of the nonprofit sector in Milwaukee.

March 2007: 11 agenda items

A new Conflict of Interest Policy was discussed; a resignation from a BoardStar staff member accepted; and grantee progress reports highlighted. Unfortunately, we also heard from a colleague in England, who apologized for canceling the launch of the Fund's model in the United Kingdom. The book published by the Baring Foundation and the Northern Rock Foundation featuring the Fund as one of the top 5 capacity-building programs in the United States, had also just arrived. However, the primary discussion in this meeting was the final report on the Diagnostic Clinic Consultant Institute.

April 2008: 12 agenda items

After reviewing the very active year 2007, the Committee listened to a presentation by Dr. Steve Percy, CUIR/UCUM, on an effort to obtain in-depth feedback about the Fund through interviews with 19 grantees that had received multiple grants from the Fund. These grantees emphasized the importance of the grants they received and focused on how their organizations changed as a result. In addition, the Arts in Education Initiative was launched; several policies were approved; possible partnerships with Marquette Law School and the Wisconsin Nonprofits Association were detailed; the strategic planning retreat was planned; and, two Grantmakers for Effective Organizations publications were discussed.

April 2009: 14 agenda items

The Fall 2008 retreat highlights were digested and plans for 2009 amended. All of the initiatives received a rigorous review. Special discussion on merging BoardStar and the Wisconsin Nonprofits Association took place with three WNA executive committee members in attendance. It was agreed to pursue this possibility. The luncheon discussion bid farewell to one our founders, Jane Moore, who had decided to retire.

Success Stories



Housing Resources, Inc.

9 grants: \$32,307

"The Nonprofit Management Fund played an integral role in the success and expansion of Housing Resources, Inc. over the years by giving the organization access to the expertise of local professionals. The education, networking, and funding opportunities provided by the Fund were invaluable and served to strengthen HRI's leadership, board and the organization as a whole."

◆ Trena Bond
Executive Director



River Revitalization Foundation

6 grants: \$19,802

"The Nonprofit Management Fund has strengthened our organization by providing assistance to increase our capacity in so many ways. We've been able to develop marketing materials, create a website, review our board composition and finances to name a few. The Fund is a great resource for the nonprofit community in Milwaukee."

◆ Kimberly Gleffe
Executive Director



Betty Brinn Children's Museum

4 grants: \$20,639

"I know sometimes it seems that the Nonprofit Management Fund's awards are too modest to make a significant difference...not true!! The Fund's grants helped us generate great enthusiasm for the project and helped us secure additional funding. We are very grateful for your commitment to the Museum and for your work to support the continued success of the nonprofit community."

◆ Fern Shupeck
Executive Director



December 2009: 11 agenda items

After listening to the 24-minute podcast recorded in October as part of the 15th anniversary, policies, 2010 goals, and budgets were approved. An overview of previous consultant initiatives was presented; a discussion of hosting another institute to teach more consultants how to conduct diagnostic clinics ensued, but did not end in a decision. The partners agreed to hire a consultant to facilitate the merger discussions between BoardStar and the Wisconsin Nonprofits Association, since trying to merge without a facilitator had been unproductive.

April 2010: 9 agenda items

In addition to reviewing 2009 activities and updates on two initiatives, as well as approving special funds for a new website and a grant for the John Palmer Smith Scholarship Fund, a major topic was the report "Evaluating Foundation-Supported Capacity Building: Lessons Learned". Produced by the Human Interaction Research Institute in New York, the report compiled lessons learned from 82 foundations, 5 intermediaries, and 473 profiles in their database. The Nonprofit Management Fund was their beta test case in 2002 when they developed their web-based catalogue of resources. One of the authors of the report noted "NMF is consistently in the top three nationally, in terms of capacity building organizations."

December 2012: 14 agenda items

Plans for 2013 were approved, with a special notation that Susan Kenny Stevens from St. Paul, MN would facilitate a planning retreat in March, focused on succession planning. The future of the Waukesha Fund would be integrated into those plans. An overview of consultant statistics was the focal point in this meeting, noting that more than 660 different individuals and firms had been named on the applications. The quality and frequency of their services was pondered.

December 2013: 10 agenda items

The partners focused on the 2014 budget and planning during the transition year to their third decade. Assignments were made so that phone calls and emails would be answered; the website and address would be changed; and, a small cycle of approximately 30 proposals would be discussed and grants awarded. A summary report of the summer's main event—art\$upport—was presented and its shortcomings discussed. The centerpiece topic, however, was a report "Nonprofit Leadership: Strengthening the Visionaries of the Future" several implementation opportunities were noted, with one committee member exclaiming "this is some of our best work ever!"



Success Stories



The Ability Center

4 grants: \$19,500

"When no one else believed in the dream of The Ability Center, the Nonprofit Management Fund not only saw it, understood it, and embraced it, but they envisioned it with us. The grants the Fund provided to The Ability Center helped us put a "plan" to the vision, this helped other donors to "see" the power, feasibility, and sustainability of a dream that had a vision and now an executable plan. "

◆ Damian Buchman
Executive Director



Downtown Montessori Academy

6 grants: \$29,095

"Nonprofit Management Fund has been critical to Downtown Montessori Academy's success and growth as a nonprofit. Their guidance and expertise gave us the means to transform our organization to one that is sustainable for the long-term. We wouldn't be where we are today without the help and support of the Nonprofit Management Fund. "

◆ Ian Spanic
Executive Director



African American Children's Theatre & Black Arts Think Tank

11 grants: \$55,600

"The Black Arts Think Tank is moving forward thanks to the support from Nonprofit Management Fund and others. BATT recently secured office space for the three BATT organizations. The BATT board has been very supportive and has hired an Executive Director to oversee fundraising, communications, and program coordination. BATT could have no made all this happen without the support of our community partners. This is truly a dream come true...Milwaukee Rocks. "

◆ Constance Clark
Artistic/Executive Director



CONSULTANTS: CRITICAL TO THE MODEL

All funders assume that their grantees will develop their organizations into more effective investment opportunities, and consultants are key players in the Fund's model of building capacity at our local nonprofits. The grantees depend on the expertise of consultants to guide and assist their staffs or Boards through planning, Board development, marketing, fundraising, etc.

Unfortunately, Milwaukee's consultant talent pool had always been relatively shallow. Around 2000, it became clear that the Fund needed to act to improve the skills of local nonprofit consultants. Certainly, there was some depth in marketing or planning, but according to several sources, including Fund evaluation reports, there were gaps in Board development and corporate structure, as well as in organizational analysis and planning. To address this concern, the Fund sponsored three, multi-year professional development institutes.

- ❖ Board Development 2001-2002
- ❖ Diagnostic Clinic Assessments 2004-2007
- ❖ Board Development 2008-2009

While we significantly developed the knowledge base and consulting skill sets of 22 consultants, we deepened the talent pool by only a small measure. In **20 years** of the Funds, **667 different consultants** were named on **2,456 applications**. In reviewing that list, some big-picture statistics emerged.

- ❖ 3% of the consultants were identified on 20 or more applications. These consultants' proposals were funded 83% of the time.
- ❖ 8% of the consultants were named on 5-19 applications. These consultants' proposals were funded 76% of the time.
- ❖ The vast majority of consultants, 89%, were identified on 5 or fewer applications, and only 68% of these applications were funded.

Bear in mind that the nonprofit applicant identified its consultant; the Fund avoided matching a nonprofit with a consultant, except for diagnostic clinics.

In 1997 and again in 2014, groups of consultants were queried on how they hone their consulting skills or in which professional development activities they participate. Both times, the response was the same. The first minute after the question was posed—SILENCE. Then one or two of the consultants began to enumerate a list of conferences they attend or journals they read. Although the Fund identified 70 leadership development programs in Milwaukee, none are aimed at increasing the knowledge of consultants or enhancing their skills in consultation.

So, in hindsight, what did we learn about local consultants?

- ❖ There are about 20 consultants who have marketed themselves very well to local nonprofits interested in applying to the Fund. These consultants are typically highly rated by grantees.
- ❖ Many people feel qualified enough to hang the proverbial shingle and announce that they are a consultant.
- ❖ The more familiar a consultant's work was to the Fund, the more likely they would be engaged for more work.
- ❖ Most of the consultants who were named only one time, worked in technology or web design; at the same time, we can say that there is a lot of "expertise" to address technology or marketing needs.
- ❖ Consultants who regularly work with Fund grantees, work on smaller projects, typically between \$3,000-\$4,000.

Although the funding partners seriously considered, and sometimes debated, whether or not we should train more consultants, their final decision was to say no. Why? Their investments in the three previous institutes approximated \$200,000. While a vocal minority of funding partners stated that we needed to continue investing in our local talent, the majority noted it was time for the consultants to invest in their own development. Although we may acknowledge that it is not easy to be a good nonprofit consultant, the best ones are those who are continual learners. As much as one may know about a particular aspect of nonprofit organizations, it is not enough to just share that information; more importantly, you must teach/enable/guide/coach and coax your client to their next level of development. While Milwaukee has certainly broadened its consulting pool, depth and quality of expertise are still concerns that need to be addressed in the future.

"It was always rewarding to see the fruits of my labor as a consultant. First, in clients that kept me posted on how they were implementing my recommendations, and second, when I was called back to continue working with them. The majority of the Fund's grantees would never have prospered, grown, or survived without the Fund's support for the work. There are many who are standing much stronger today because my services were paid through the Fund."

◆ Denise Patton
Consultant
BDP & Associates

GRANTS AND/OR INITIATIVES?

The grants program was always the centerpiece of the Nonprofit Management Fund, and as such this focal point fulfilled multiple purposes —developing nonprofit organizations, strengthening grant-making opportunities for the Fund’s investment partners, and informing the Committee about organizational needs and nonprofit trends. Yet, as important as this successful program has been, it didn’t necessarily build Milwaukee’s nonprofit infrastructure or create additional local resources.

Early in the history, when there were only 10 grant cycles under our proverbial belt, the applications pinpointed a short list of management challenges plaguing local nonprofits. The funding partners recognized an opportunity to address the second part of the Fund’s mission and launched several initiatives in 1998. These initiatives were determined through a lengthy discussion of the results from three data-gathering activities: a survey completed by more than 50 organizations that identified their management needs; an environmental scan, which detected gaps in services provided by intermediaries; and, mini-feasibility studies on six possible areas of concentration: organizational assessments; earned income strategies; training for Boards; university degree or certificate programs in nonprofit management; collaboration; and, organizational mentorship.

After lengthy discussions, the oversight committee of the Fund narrowed the “**Possibilities**” and established three “**Strategic Initiatives**”. The three initiatives were designed to have a significant impact on nonprofit organizations of varying types, sizes, and structures in Milwaukee County over the next three years. The greatest emphasis was placed on those organizations that qualified for a grant from the Nonprofit Management Fund.

An accurate diagnosis of a problem is critical to resolution. Although the Fund Advisor was highly skilled at diagnosing root causes—“no it is not fundraising that is needed, but rather a stronger Board able to attract financial resources”—not all organizations had only one major problem. Many had numerous challenges. Therefore, the **diagnostic clinic** service was offered to local nonprofits as an alternative to a technical assistance grant addressing a singular concern.

GOAL: *To implement diagnostic clinics as part of the Nonprofit Management Fund’s repertoire of approaches to strengthening individual nonprofit organizations.*

The long-term viability of many nonprofit organizations is dependent on the group’s ability to attract resources using a broad spectrum of financial strategies. The need for a *diverse income base* will be addressed by several **earned income** projects implemented by nonprofits throughout the county.

GOAL: *To design and implement a demonstration project, which will provide technical assistance to a group of six Milwaukee nonprofit organizations and create a body of knowledge to build the local sector’s entrepreneurial capacity.*

Governing Boards are often *the untapped resource* in organizations. The recommendation to create a **B.O.A.R.D. Initiative** was an effort to have a demonstrable impact on Milwaukee-area Boards of Directors through a variety of placement and training services.

GOAL: *To strengthen the involvement in and capability of governing Boards of nonprofit organizations through the Board Orientation And Resource Development Initiative. The B.O.A.R.D. Initiative will offer recruitment and placement services; governance training; and, resource publications.*

“The Fund provided a forum for funders with different resources and priorities to share approaches to a commonly observed need—for nonprofit organizations to have access to quality consulting in an area of identified management need.”

◆ Kathleen Pritchard
Formerly of the United Way of
Greater Milwaukee



Danceworks, Inc.
6 grants: \$33,525

“During the 12 years I’ve been at Danceworks, the Nonprofit Management Fund, Pat in particular, has been like the friend you go to when you need to work through something—she’s been with me every step of the way. The foundation from which all else has been built, was our first grant from the Fund for a development plan 11 years ago, which then supported funding for board development, then later supported marketing and branding, an organizational diagnostic clinic, and finally, a development audit this past year. I’d say that’s the best friend an Executive Director could ever have!”

◆ Deborah Farris
Executive Director



Success Story

While these were the three inaugural initiatives of the Fund, they evolved into programs that were eventually spun-off to another host in the community. Throughout its history, the Fund designed, launched, and supported seven major, multi-year initiatives and about a dozen smaller-scale projects. The seven extensive initiatives encompassed many years, substantial numbers of people and organizations, serious financial investments, as well as an extraordinary number of hours of hard work.

"It is a great benefit to the Trust to be part of the Nonprofit Management Fund. Having the ability to fund small nonprofits in collaboration and discussion with other funders is a great learning process. Providing these nonprofits with tools and consultants helps them to survive and improves their effectiveness, thereby enhancing our community with positive results. An added plus is the personal networking and camaraderie with other funders. Pat's leadership of the group was tremendous. She introduced us to so many worthy nonprofits and her knowledge and guidance was extraordinary.."

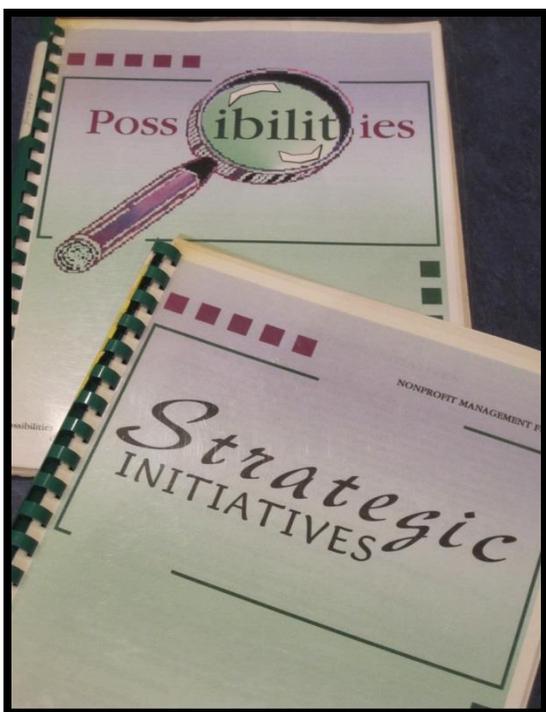
◆ Audrey Strnad
Trustee
Daniel M. Soref Charitable Trust

The Fund Advisor would analyze applications to discern widespread need or interest in a management area such as, Board development, which encouraged the creation of a spectrum of governance services through BoardStar while it was still under the auspices of the Fund from 2005-2011.

Also, the Advisor looked to identify key groups of constituents that might benefit from a shared response. For instance, strengthening the Latino community was the focus of a partnership with Hispanics in Philanthropy, which harnessed national resources in support of local efforts from 2003-2009. In another arena, five organizations offering residential AODA services were bolstered through an effort targeted at building their individual infrastructures, as well as considering the potential for collaboration.

Degrees or certificates on nonprofit management in higher education, services to faith-based organizations, broadening arts education in schools, and establishing pro bono legal services for nonprofit corporations are just a few of the additional projects organized by the Fund.

Numerous debates, and occasionally painful discussions, were held during many policy meetings about the need for community-wide resources, including the diversion of funds into projects instead of organizations, and the Fund's role as project manager rather than grant maker. Yet, the initiatives were identified through proposal requests, and enabled the Fund to strengthen many more organizations than it could through only its small grants activities. On the table for discussion during the Fund's third decade, are several initiative possibilities: funding and awareness of small arts; leadership development of nonprofit executives and managers; enhancing the skills of more consultants; replacing the diagnostic clinic with another type of assessment process; and, expanding nonprofits' use of social media.



Success Story



Volunteer Center of Ozaukee County

9 grants: \$34,040

"The Volunteer Center has been very lucky and grateful over the years to have received many grants and highly-educated consultants from the Nonprofit Management Fund. The enormous benefit of utilizing consultants is that they collect and analyze current knowledge and translate that into an educational process that allows agencies to advance their mission in a much more cohesive and coordinated approach. That service is just one of many that is invaluable for agencies to get past the planning stages and work on solving serious community issues. The Nonprofit Management Fund has been directly involved in the success of our agency and many others."

◆ Brenda Peterson
Executive Director



DIAGNOSTIC CLINICS

Based on the experience and expertise of the Fund Advisor, it was clear that offering only a focused grant to address a singular problem would not always be the best approach for organizations experiencing instability, insolvency, leadership transitions, or myriad challenges simultaneously. Although, proper assessment of the management and governance issues is often a crucial step in planning an effective approach to solving organizational problems, an accurate and comprehensive understanding of challenges or issues does not guarantee a positive resolution as the ultimate outcome, yet, it greatly enhances the chance for success.

The diagnostic clinic concept was presented in 1996, based on feedback that the Fund received from a survey of 120 organizations eligible to apply, but which had not; the results revealed that many potential applicants were unsure of where and how to start to address their prevalent and/or multiple management problems. Hence, the diagnostic approach was developed to assist groups in identifying the range and scope of their organizational challenges, and to suggest starting points for change. In January 1998, the Fund partners asked Management Cornerstones to develop a comprehensive diagnostic tool and process that could assess the strengths and weaknesses of smaller to mid-sized organizations. The Fund Advisor tested this process and conducted the first 60 diagnostic clinics.

Each diagnostic clinic included: meetings with the Executive Director; attendance at two Board meetings; facilitation of a staff meeting; review and critique of a lengthy list of corporate documents; attendance at appropriate committee meetings; administration of a Board self-assessment and a staff survey; analysis of all data collected and information learned; and, production of a written report accompanied by a verbal presentation to the Board. The written report included: a cover memo highlighting key recommendations; a copy of the completed "Organizational Capacity Checklist" detailing findings; and, tools to assist the Board and staff in implementing the recommendations.

Of the more than 132 organizations receiving a diagnostic clinic from the Nonprofit Management Funds:

- ❖ All agreed or strongly agreed that they better understood their organization's needs as a result of the clinic report.
- ❖ Most determined that the process was extremely useful in increasing the organization's governance effectiveness and management efficiency. Many agreed that the clinic led to meaningful organizational change.
- ❖ Over 90% returned to the Fund in short order for at least one grant to address recommendations in the clinic report.

During the 2003 third-party evaluation of the Fund, these organizational assessments received extremely high ratings and several nonprofit leaders said that they were **even more valuable than cash!** This comprehensive process literally enabled all Board Directors and staff to be on the same page when discussing challenges or areas for improvement.

One of the recommendations of the evaluation was for Management Cornerstones to teach other consultants to conduct the clinics, thereby, reaching a wider audience. In 2004, the Fund launched a three-year professional development institute to teach 8 consultants how to conduct the clinics. Eight individuals graduated from the institute, but only 7 were certified to conduct the clinics.

Participants benefited from this professional development opportunity, in that they enhanced their current skills; participated in a learning community with their peers; and, added a new service to their consulting repertoire.



IMPACT Planning Council 7 grants: \$35,000

"The Planning Council was fortunate to receive a grant for a diagnostic clinic soon after I accepted the position of Executive Director. Going through the process at that time was a great way to engage both the board and the staff in a real analysis of strengths and weaknesses of the organization, and strategic thinking of what needed to be done. We proceeded to get support for assistance with setting a strategic direction, financial planning, technology, and staff development. We could not have taken this on without the funding from the Nonprofit Management Fund and it was this assistance that made the organization thrive. While the grants were relatively small, they also allowed us to leverage other resources and assured that the management of the organization was as solid as the research products we deliver. "

◆ Kathleen Pritchard
Vice President of Planning and Evaluation



Success Story

DIAGNOSTIC CLINIC CONSULTANT INSTITUTE



Since most local consultants were specialists, combined with the comprehensive nature of the diagnostic process, it was determined that a wide range of skills had to be taught, and that there had to be an equal emphasis on process as well as product. The Diagnostic Clinic Consultant

Institute was designed to encompass four phases spanning three years.

Educational Phase: Provided 12 full days of training, including: reading assignments, lecture/presentations, review of previous clinic reports, exercises, group project, and homework. These day-long classes combined active listening and applied adult-learning techniques to achieve specific learning objectives.

Observation Phase: Three nonprofits were selected for the participants to shadow the Fund Advisor, from the first meeting through presentation of the final report. There was full participation by all Institute participants in data collection, interviews, analysis, writing, report production, and presentation to the Board and executive leadership of three very different nonprofits.

Practicum Phase: Each Institute participant took the lead in a clinic, and the Fund Advisor provided back-up support. This phase produced eight reports and presented them to each Board and management team. Monthly cohort sessions of four hours each were organized to discuss problems encountered and compare analyses.

Professional Phase: Each graduate conducted a diagnostic clinic, under the guidance of the Fund Advisor, with a grant from the Nonprofit Management Fund. Each consultant also participated in bi-monthly group meetings for the next two years to sharpen their analytic skills.

By every measure, the Diagnostic Clinic Consultant Institute was considered an undeniable success, with a significant return on the investment. The Institute participants all praised the Fund for supporting such an ambitious venture.

- ❖ 8 professionals were trained to assess the capacity of nonprofits.
- ❖ 8 consultants increased their knowledge of nonprofit management and governance.
- ❖ 8 consultants strengthened their data gathering, analytic, diagnostic, and writing skills.
- ❖ 21 local nonprofits had their organizational strengths and weaknesses identified and priorities established.
- ❖ 21 Boards had action plans for organizational and governance improvement.
- ❖ Milwaukee benefited from an enhanced resource to build the capacity of nonprofits.
- ❖ The philanthropic community could invest with greater confidence in organizations that were aware of shortcomings, yet had plans to address challenges.

2004-2006 Institute Financials

Income (Fund & tuition)	\$101,800
Expenses	\$101,800
21 grants for Diagnostic Clinics	\$115,000



Kids Matter Inc.
4 grants: \$17,500

"The Nonprofit Management Fund's diagnostic clinic was like having a personal trainer for the agency at a critical time. The clinic was intense, relentless hardwork – for the board, staff, and volunteers. At the same time, the results were amazing. The clinic helped us build a very solid foundation and choose priorities for future development. It is easy to see the impact of Kids Matter when a foster youth beats the odds or a Kids Matter volunteer wins a big case or a statewide award. It is hard to see behind-the-scenes. The Nonprofit Management Fund has been a true partner in helping our kids succeed.

◆ Susan Conwell
Executive Director



Success Story



"The Diagnostic Clinic Consultant Institute took me to a whole new level of consulting. Everything we learned was applicable in our practices. Handed real scenarios to solve, it was great to work with others to hear numerous perspectives and design innovative solutions. Now, I work with consultants on a regular basis, so we can share perspectives, watch for trends, and connect our clients who may be facing some of the same issues."

◆ Christi Murn
Consultant, Murn & Associates, LLC

B.O.A.R.D. INITIATIVE

As a part of an effort to understand the informational and training needs of Directors of nonprofit Boards, seven focus groups were held throughout 1999. The 57 Board Directors in six of the sessions were currently serving on a nonprofit Board in the greater Milwaukee area; the seventh group was composed of 12 independent consultants and representatives from consulting firms or nonprofit organizations that provided services to Boards. Most nonprofits face challenges that involve Boards at one or more points in their history. Some of the concerns identified in the focus groups included the following points.

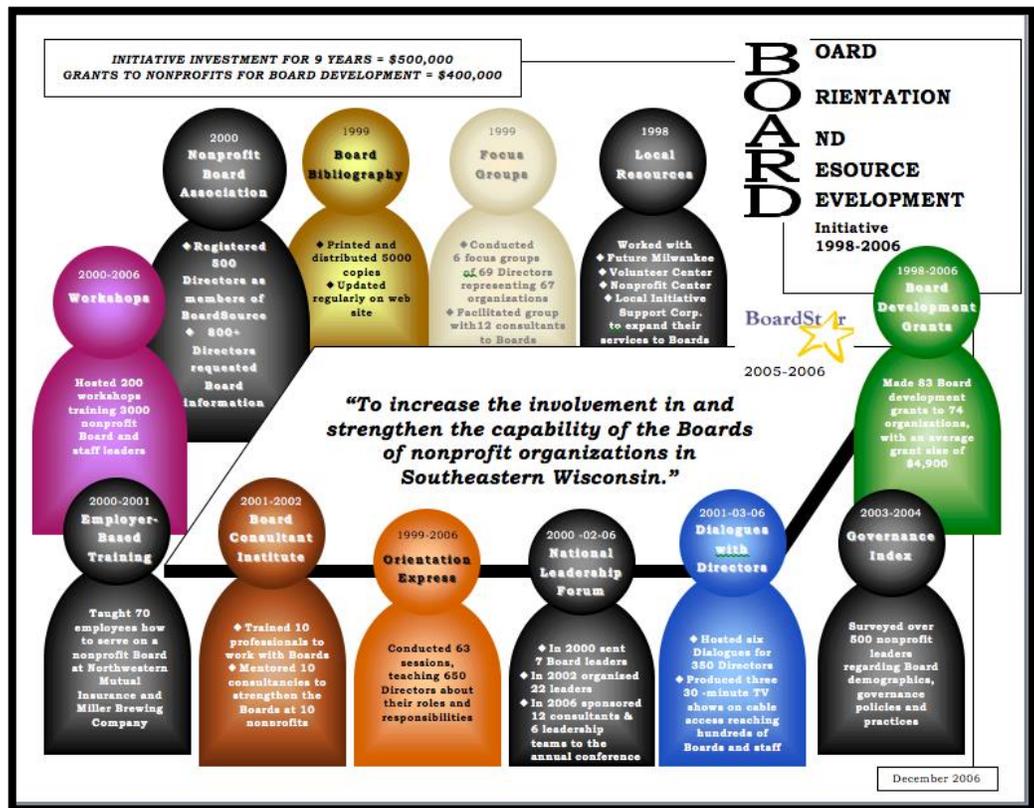
- ❖ Low Board motivation, attendance, and participation
- ❖ Lack of clarity or debate about the general roles and responsibilities of the Board
- ❖ A committee structure that no longer serves the organization's interest
- ❖ An absence of a plan to develop or enhance the Board
- ❖ Inadequate training for current Directors or orientation for new recruits
- ❖ Insufficient Board/staff teamwork
- ❖ Lack of economic or cultural diversity among the Directors
- ❖ No time to discuss substantive issues outside of Board meetings

Although this list may sound daunting, it should not suggest that Boards lack imagination, will power, or expertise. Far from it, contact with Boards and their leadership provide numerous instances of hope, good humor, skills, and above all, dedication to the mission.

Board Directors are hungry for information! Many found that simply participating in the focus group was a very worthwhile effort, as it allowed them the opportunity to talk about their experiences with other Directors. Some of the ideas identified as potential resources included applying standard tools to assist them in their governance functions, such as: recruitment and nominating practices; training on roles, responsibilities, and liabilities; and, the orientation process and manual for new Directors.

Consultation directed at the full Board or committees was recommended, and must be

available on a host of governance issues ranging from setting policies to the Board's role in planning. The Board development process and committee functioning were two areas frequently noted as needing expert facilitation. Transitions in Board leadership or executive staff were cited as challenges. Situations ranging from long-time Directors retiring to substantial budget growth were identified as having significant impact on Board functions. Training on everything from reading budgets to cultural diversity to strategic planning, was recommended. Written resources detailing Board policies, such as sample bylaws, sample fundraising appeals, executive evaluation forms, and many other standard documents were desired. A Board information clearinghouse, including a help line and resource library, were encouraged to be developed.



NONPROFIT BOARD GOVERNANCE IN MILWAUKEE: OPERATION, DIVERSITY, AND CHALLENGES: 2004

Growing research shows that the quality of governance in 2004 is key to the long-term success and sustainability of nonprofit organizations. A Milwaukee Nonprofit Governance Index survey was conducted to create a baseline measure of nonprofit governance in Milwaukee, Ozaukee, Washington and Waukesha counties.

The study, which paralleled a similar national study of nonprofit governance undertaken by BoardSource the same year, was based upon mailed surveys to 777 local nonprofit organizations. The study was sponsored by the Nonprofit Management Fund and conducted in partnership with the UWM Center for Urban Initiatives and Research.

The research consisted of two separate surveys with the first querying Executive Directors. This four-page instrument contained 40 questions on the organization's mission, purpose, size, and budget; Board composition and structure; Board policies and practices; and, issues in governance. The second survey gathered knowledge and perspectives from Board Directors. This four-page instrument included 25 questions on personal characteristics, Board service, satisfaction with personal contributions to the Board, and assessment of overall Board performance.

Individuals who completed the surveys were asked to register on a specified website that they had completed the survey. Incentives (such as a training scholarship or a governance library) were offered by the Fund for submitting completed surveys in an effort to boost overall response rate. The project received 216 completed Executive Director surveys (response rate of 28%) and 307 Board Director surveys (for a response rate of 20%).

Key Findings: The research produced a baseline for local Boards and their governance practices. The Milwaukee Nonprofit Governance Index found there are several challenges and related improvements that would enhance the functioning of nonprofit Boards locally. Three conclusions were drawn from the research:

- ❖ Overall, there is a striking similarity between the responses of the Executive Directors and the Board Directors in this survey. With few exceptions, the leadership of nonprofits in the greater Milwaukee area are operating from the same page of their governance manuals.
- ❖ In general, the findings from the 2004 Milwaukee Nonprofit Governance Index parallel the findings in the 2004 National Governance Index. Milwaukee nonprofit Boards can be viewed as a microcosm of nonprofit governing bodies nationally.
- ❖ The Milwaukee Governance Index provides a baseline profile of the Boards of area organizations against which progress can be measured. In future years, the effectiveness of new or ongoing Board development and governance initiatives can be determined.

Recommendations Implemented:

- ❖ Established a recruitment and placement strategy to connect diverse individuals, who may have an interest in serving on a nonprofit Board, with potential vacancies.
- ❖ Produced templates and offered consultation to assist Boards in developing policies suitable to their level of sophistication.
- ❖ Trained Boards to understand their resource development responsibilities.
- ❖ Organized resources that highlighted best practices for effective Board functioning, ranging from publications on good governance to clinics on revising bylaws.
- ❖ Taught effective meeting techniques, in addition to modeling new trends in setting agenda, to encourage greater efficiency and effectiveness in meetings.

As a final note, both Board effectiveness and individual Director satisfaction can be correlated to solid governance practices. An array of educational opportunities for individual Directors, as well as for Boards as a whole, were offered to boost the effectiveness of nonprofit Boards in fulfilling the breadth of their governance responsibilities.



BOARD CONSULTANT INSTITUTE: 2001-2002



GOAL: *To design and launch a professional development institute to train consultants in the best practices of nonprofit governance.*

Designing a consultant institute began in late 2000, when the Nonprofit Management Fund determined that there was a shortage locally of experienced consultants focusing on strengthening nonprofit Boards. Feedback from potential grantees searching for consultants, conversations with professionals active in consulting and training, as well as a series of Board focus groups supported this conclusion. There was great need in the community, but a program to grow and apply expertise in Board development was lacking.

As a response, the Nonprofit Management Fund sponsored a Board Consultant Institute, with three partners making major contributions to this effort: BoardSource of Washington, D.C. (formerly the National Center for Nonprofit Boards); Pat Wyzbinski, President of Management Cornerstones, coordinated the BOARD Initiative for the Fund; and, a Milwaukee-based consultant, Frank Martinelli of the Center for Public Skills Training. Through the efforts of these professionals, and with special support of the Nonprofit Management Fund's partners, a project to train Board consultants was launched on the unforgettable date of 11 September 2001 and concluded at a graduation ceremony on 4 September 2002.

The Board Consultant Institute combined concepts gleaned from research as well as experience on best practices in professional development into a comprehensive year-long program. Key components included: classroom training; mentoring; learning community; group project; field practice; graduation; and, post-graduation follow-up.

The core educational component of the Institute consisted of three, two-day intensive sessions. The instructors for the series were all senior consultants at BoardSource, the premier resource for practical information, tools, best practices, training, and leadership development for Board Directors. The two-day, intensive sessions were "**Critical Components of Effective Governance**" facilitated by Chuck Loring; "**Self Assessment for Governing Boards**" with Dr. Berit Lakey; and, Dr. Sandra Hughes presented "**Advanced Program for Board Consultants & Facilitators**".

In addition, a mentor was assigned to each of the 10 participants, several dinner work sessions were held; reading assignments augmented the instruction; and, a group project to design 2-hour standard orientation workshops and produce the training manual was completed by the participants. Individuals from this group would then teach the orientation workshops.

The evaluation data showed that participants valued the Institute and felt that it was successful in increasing their knowledge, comprehension, and sophistication in working with nonprofit Boards. Their constructive criticisms and suggestions about the Institute enhanced future training opportunities that the Fund offered. It was evident that the Board Development Institute was a successful venture in training consultants, and created the possibility of paving new and exciting professional development opportunities for the future.

"Nonprofit management has improved enormously in Milwaukee, and it's the Fund that made it happen."

◆ Frank Martinelli
Consultant
Center for Public Skills Training



2001-2002 Graduates

- Karen Higgins
- Robert Pietrykowski
- Barbara Gross
- José Vásquez
- Sandy Stuckmann
- Eloiza Altoro-Acevedo
- James Milner
- Mary Unkel
- Ronald Retzke
- Norman "Bud" McKonly

BOARD CONSULTANT INSTITUTE II: 2008-2009



2008-2009 Graduates

Joan Jacobs
Christi Murn
Rob Meiksins
Sara Wilson
Amalia Schoone
Denise Patton
Karen Higgins
Mary Unkel
Bonnie Prochaska
Sam Macklem

Throughout southeastern Wisconsin, over 70,000 individuals serve on more than 7,000 nonprofit Boards. They bring diverse experiences and a wealth of talents to a variety of human service, health, arts, environment, religious, educational, community development, civic, and philanthropic organizations, however many need and want guidance in governance.

The Nonprofit Management Fund invited 96 experienced consultants to apply for admission to the Board Consultant Institute II. This unique venture was an opportunity for practicing consultants to acquire new and strengthen their current skills as Board development consultants to nonprofit organizations. The ideal candidate had professional experience in consulting to nonprofit organizations;

exemplified high ethical standards; and, was committed to enhancing the effectiveness of nonprofit Boards.

GOAL: To train 12 practicing consultants to strengthen the governing Boards of local nonprofit organizations.

Institute components:

- ❖ Classroom Training—Twelve full days of classroom training were offered, incorporating: governance theory, guest speakers, case studies, exercises, best practices, and homework assignments.
- ❖ Group Project—The design of a 21-module governance curriculum, to which each participant contributed, was completed during the Institute. As a result, all of the participants could use the materials they helped develop and became the authorized instructors of specific workshops.
- ❖ Field Practice—All participants were afforded the opportunity to apply what they learned in a real-life setting. Small grants of \$2,500 from the Nonprofit Management Fund were awarded to organizations and matched with an Institute participant for a Board development consultancy.
- ❖ Mentoring—The instructor mentored each participant throughout the two-year Institute to assess their progress and provide guidance for their consultancies.
- ❖ Graduation—Ten participants, who completed the requirements of the Institute, were awarded a certificate of completion, and promoted as a graduate of the Institute.
- ❖ Post-Graduation Cohort—In order to nurture continuous learning, educational sessions were organized monthly during the year following the completion of the Institute. These cohort sessions addressed problems identified through consulting contracts, reviewed case studies, developed a referral network, and discussed emerging governance concepts.

As a result, a Fund investment of \$75,000 over two years, plus tuition from the participants, produced 10 graduates of the Board Consultant Institute II, who became a talent pool for BoardStar projects, in addition to strengthening hundreds of local nonprofit Boards.

"The Board Consultant Institutes were degreed programs without a degree. The caliber of learning about good governance and the resources we created to share with the sector continue to positively impact the Milwaukee nonprofit sector today."

◆ Karen Higgins
Consultant
KWH Consulting



UNDERSTANDING THE GOVERNANCE OF NONPROFIT BOARDS OF DIRECTORS IN METROPOLITAN MILWAUKEE: 2007

The Fund collected stacks of data from the diagnostic clinics and sought a vehicle to mine this knowledge. Dr. Steve Percy from the UWM Center on Urban Initiatives and Research and Pat Wyzbinski partnered on a governance research study, contributing to the knowledge in the field. Board Directors representing 43 nonprofit organizations completed 568 surveys that were administered as part of comprehensive organizational assessments and comprised the empirical base for a local research study. Each survey was administered as part of a “diagnostic clinic” sponsored by the Nonprofit Management Fund and conducted between 1998 and 2006. The surveys addressed multiple governance practices and challenges, including: pursuit of mission, recruitment and orientation, the expertise that Board Directors bring to the organization, understanding of governance roles, training needs, and assessment of fulfilling governance responsibilities.

Of the nonprofit organizations included in this study, 48% had missions focused on social and human services, 20% were arts and culture organizations, 9% were devoted to environmental protection, 6% focused on community or economic development, 5% had an educational mission, and another 10% had multi-faceted mission combining several of these categories. The number of Board Directors in these organizations varied from a few as 6 to a high of 40 Directors, with an average of 18. This range is consistent with national studies of nonprofit Boards of Directors across the United States, as well as Boards in the greater Milwaukee area.

The information gleaned from the survey provided insight into Board functioning and performance, data that can inform effective recruitment of Board Directors, learning and training opportunities for Boards, and strategies to enhance the overall effectiveness of Board governance.

Findings and Implications

The knowledge gained from this study offered an opportunity to understand the current governance practices of nonprofit organizations in greater Milwaukee, as well as areas of possible weakness that might be enhanced through capacity-building efforts. Based upon the findings and key highlights of this research, recommendations for nonprofit governance promise and practice were made.

This study showed that local nonprofits were operating with assets that can be expected to enhance organizational effectiveness and mission accomplishment. Board Directors possess extensive professional skills and personal talents, community contacts, and the experience of serving on nonprofit Boards—all of which are important assets to effective governance. Only half of the nonprofits reported having a standard recruitment process for attracting new Directors, and orientation tools to empower the Directors to be effective in fulfilling their governing responsibilities. Board Directors generally trust and work well with the staff; for the most part, Boards understood that they play roles distinct from those of staff.

Board Directors believed they are doing a good job of managing finances through such efforts as reviewing and approving financial business and monitoring the budget. Directors also rated highly their performance in affirming the organization’s mission, as well as supervising and evaluating the Executive Director.

Despite the good news of a strong asset base at many nonprofits, it was not apparent that the talents of Board Directors were being fully tapped; 44% of Board Directors reported that their skills and talents were not fully used.

In many nonprofit organizations, Board Directors contributed three or fewer hours per month to the functioning of their Boards. This amount of time may be insufficient to fulfill the breadth of governance responsibilities. Board Directors indicated substantial interest in learning more about a lengthy roster of governing responsibilities, notably, fundraising and planning. Most nonprofit executives, however, were not providing Boards with the training in which they are interested. Unfortunately, Board Directors were not necessarily finding these resources on their own.



BOARDSTAR



BoardStar



In June 2005, the Fund agreed to expand the B.O.A.R.D. Initiative, eventually morphing it into BoardStar. Over the next six months: seed money was raised, primarily from the Fund partners; a full-time Program Manager was hired; a process to select a membership database was launched; Greater Milwaukee On Board, the web-based matching service for nonprofit Board and committee vacancies was designed; procedures to log and track requests for service was instituted; "Orientation Express" sessions for the general public were scheduled; a comprehensive training schedule for 2006 was developed; and, several conferences were booked as opportunities for local Board Directors to mix, mingle, and learn from others, who in turn would participate in a "Dialogue with Directors" or "Conversation with Colleagues" session for the public.

BoardStar was designed to offer a galaxy of programs and services. During 2010, nine constellations were launched.

Membership: Primarily offered benefits to individual Directors throughout the State; corporate membership encompassed an array of services.

Educational Opportunities: A 21-module governance curriculum; workshops, Dialogue with Directors; podcasts through iTunes; and, numerous written and web-based materials were produced.

Board Recruitment: Through Greater Milwaukee On Board, a free online matching service was offered to organizations searching for candidates and individuals looking to serve. A high-touch placement service was also offered for a fee.

Consultation to Boards: Contracts covering all aspects of Board development were designed to guide the leadership of an organization in strengthening the Board's capacity to fulfill its governance responsibilities.

Professional Development for Board Consultants: Ongoing opportunities were organized for consultants to increase their governance knowledge and enhance their consulting skills.

Board GPS (Governance Practices Survey): An online Board evaluation tool was designed for BoardStar consultants to administer. Aggregate data and comparative analyses were presented to each participating Board.

BoardSparks: Single offerings that sparked a Board into action ranging from Director exit interviews to officer leadership circles to retreat facilitation to Board meeting analysis were available for a fee.

Board Doctor on Call: Questions from Directors, Board Officers, and executives were answered daily by staff at BoardStar.

"During my tenure at BoardStar I realized that the most significant impact we were having on the nonprofit sector was raising awareness of the need to pay attention to and invest in governance. Hundreds of nonprofit representatives would attend our workshops, eat a nice meal, and learn about what Boards could and should do. The next day they would call and ask for help. Nonprofit governance in Milwaukee is stronger now because of what BoardStar was able to accomplish."

◆ Robert Meiksins
Consultant
Forward Steps Consulting LLC

In June 2005, the Fund agreed to expand the B.O.A.R.D. Initiative, eventually morphing it into BoardStar. Over the next six months: seed money was raised, primarily from the Fund partners; a full-time Program Manager was hired; a process to select a membership database was launched; Greater Milwaukee On Board, the web-based matching service for



New Concept Self-Development Center

4 grants: \$23,500

"We will be celebrating 40 years of service to the Milwaukee community in 2015. Thanks in part to the management support of the Nonprofit Management Fund. The technical assistance provided to the management staff and New Concept board of directors has been instrumental in the organization's growth in leadership and fundraising. The Nonprofit Management Fund consultants really have their pulse on the challenges affecting nonprofits and they offer expert advice in solutions."

◆ Vanessa Johnson
Executive Director

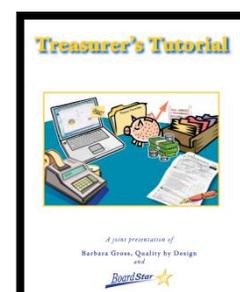
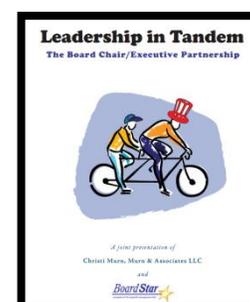
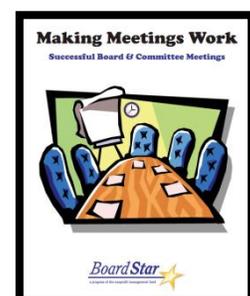
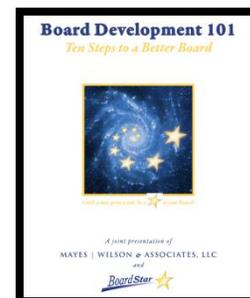


Success Story

Governance Research: Two research studies were completed and presented at national conferences. Data had been collected for a third project, and a fourth research effort was designed. Contributing governance knowledge to the field was an important aspect of keeping BoardStar known throughout the country.

While it was still under the leadership of the Fund Advisor and auspices of the Fund, the organization flourished with a whirlwind of activity. At the point of its spin off, BoardStar was a vibrant, innovative, nationally-recognized approach to developing Boards. The following list of activities were accomplished from the time that BoardStar began the incorporation process in January 2010 through its move to independence in June 2011.

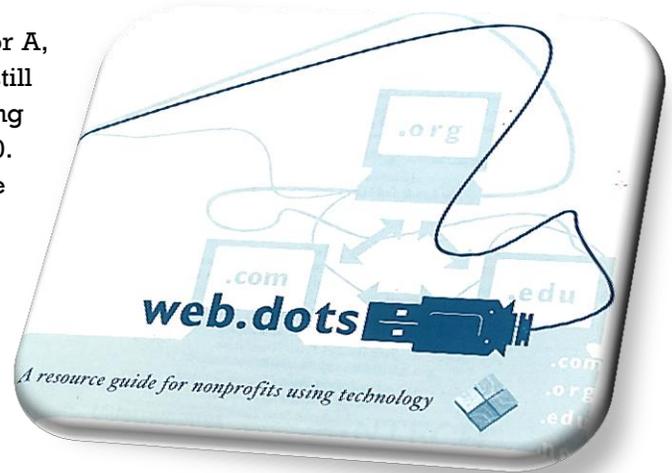
- ★ Incorporated as a non-stock corporation in Wisconsin
- ★ Applied for & received 501(c)(3) tax-exempt status
- ★ Established a 9-person Board of Directors
- ★ Activated 3 BoardStar Committees
- ★ Researched banking options, selected PNC Bank
- ★ Set up an accounting system, installed QuickBooks, and contracted with Ritz Holman CPA's
- ★ Continued to employ a full-time Board Placement Coordinator
- ★ Hired a Governance Consultant on staff
- ★ Hired individuals to implement the educational program
- ★ Commenced 30 Board development contracts
- ★ Prepared for and hosted 17 monthly Board meetings
- ★ Raised over \$300,000 from private sources
- ★ Worked with Branigan Communications; then changed to Gravity Marketing
- ★ Rewrote Orientation Express; Ready, Set Serve; and Increasing Income training manuals
- ★ Partnered on 20 educational programs with 7 organizations
- ★ Added 5 new sessions to the Governance Curriculum
- ★ Registered 1,389 participants for 76 workshops
- ★ Conducted 4 workshops for corporate employees
- ★ Acquainted 534 potential members with BoardStar at 8 conferences/events
- ★ Earned over \$140,000 in fees and contracts
- ★ Displayed at UW-Parkside, WNA's Green Bay conference, Nonprofit Center Conference, & CUIR
- ★ Redesigned the BoardStar traveling exhibit
- ★ Launched the Board GPS (Governance Practices Survey) following the 2009 testing phase
- ★ Initiated 17 GPS; completed 14
- ★ Enrolled 298 active Board Director candidates on Greater Milwaukee On Board since Jan 2010
- ★ Attracted 192 active organizations to Greater Milwaukee On Board since January 2010
- ★ Introduced BoardStar to 1,487 people through 41 outreach presentations
- ★ Created Director Connector, based on the speed-dating model; hosted two sessions
- ★ Designed the meeting analysis Spark, to launch in FY12
- ★ Hosted 5 Board Directors at the BoardSource Leadership Conference in San Francisco
- ★ Created a leadership Thank You Box as the first BoardSpark
- ★ Provided 26 custom workshops
- ★ Hosted a special event, "An Evening Under the Stars", to formally launch BoardStar with 189 guests
- ★ Earned \$43,000 with \$20,000 in sponsorships & netted \$18,000 at BoardStar's first fundraising event
- ★ Commissioned works of art from 12 artists for auction & solicited vendors and businesses
- ★ Co-sponsored a conference on *Government & Governance* with the Helen Bader Institute; and another *Beyond Accountability* with CUIR
- ★ Recorded 12 new podcasts on governance, for a total of 112, available through iTunes
- ★ Reached over 100,000 podcast listeners in 83 countries
- ★ Hosted 3 Consultant Roundtables
- ★ Engaged in 15 Board placement projects
- ★ Responded to 134 Board Doctor on Call governance situations
- ★ Updated the website & refreshed the BoardStar logo
- ★ Developed a new GPS brochure
- ★ Created 26 governance policy templates for nonprofit organizations
- ★ Expanded the handouts for Board development consultations to include more than 40 tools
- ★ Recruited 6 corporate members
- ★ Entered into partnerships with UW-Parkside, UW-Eau Claire, Center for Self Sufficiency, Family Enrichment Center (Ozaukee), WNA, Interfaith Senior Programs (Waukesha), and Schauer Arts and Activities Center (Washington)
- ★ Conducted 6 "Retreats to Move Forward"
- ★ Hosted the inaugural Nonprofit Leadership Forum at Marquette University Law School
- ★ Registered 119 attendees for the Leadership Forum & netted over \$4,300
- ★ Redesigned the general brochure & designed a new presentation folder
- ★ Featured Rob Meiksins & the Board placement program on "Business Solutions", a weekly radio show
- ★ Nominated Lynn Heimbruch for the Volunteer Center's "Fran Swigart Board Leadership Award"
- ★ Installed Donor Snap, a donor data-management system, and populated it with data on 47 donors
- ★ Achieved 100% goal of Board and staff as paid members; most also made a contribution
- ★ Installed online registration and payment system
- ★ Established a partnership with UW-Eau Claire Department of Continuing Education to train, place and support Board Directors
- ★ Facilitated Board placements at RW Baird, von Briesen & Roper, and Godfrey & Kahn
- ★ Facilitated civic engagement through Board placement of 70 next-generation women leaders
- ★ Introduced BoardStar to 128 nonprofit leaders in Madison through a partnership with Wegner CPAs
- ★ Celebrated 18 months of accomplishments!!!



TECHNOLOGY INITIATIVE

From DOS and Y2K to the Cloud

There was a time when floppy disks were inserted in drives B or A, when Windows 95 was replacing MS-DOS, when “Macs” were still novel, and when the world became apprehensive that everything from bank accounts to water supplies would implode on 1/1/00. Technology had been a topic of conversation almost since the inception of the Fund. In 1997, the Nonprofit Management Fund began an assessment that would define its work in technology. In 1998, the Fund issued the results of a survey of 80 nonprofits (44% of the potential respondents), underwritten by the Faye McBeath Foundation, on technology use in the Milwaukee-area nonprofit community. About three-quarters of the respondents had operating budgets under \$1 million.



The survey results noted a wide range in the age of computers, use of software, types of technology, and available resources. The nonprofit sector's status included these facts: one-quarter of the organizations did not have internet access; three-quarters did not have a website; and, one-half of the respondents did not have any funds budgeted for technology. A survey question about resource challenges triggered a strong response in areas such as: troubleshooting, purchasing hardware and/or software, using data effectively, and training in software applications. It was also clear that nonprofits were just beginning to use technology and were doing so only in dedicated instances, such as office administration or email. There was a strong theme of needing unbiased input on when and how to use new tools.

Following the survey, the Faye McBeath Foundation convened a meeting to discuss results and further illuminate ideas for development. There was consensus for sector-wide action, notably, for a source of independent expertise.

The vision of a tech resource person emerged, not as a salesperson, but an experienced individual who would provide services without expectation of direct payment, an equipment order, etc. In the mid-1990s, the Rockefeller Foundation launched a “circuit rider” initiative, which appeared to be a great model for Milwaukee. A second major resource fell into place when UW-Milwaukee stepped forward with an idea to engage students through their Student Technology Services. This development was exciting because much of the technology gap was generational—undergraduate students had grown up with innovations that were only slowly being acknowledged by veteran leaders in their 40s and 50s. By fall 1998, the project took shape.

What came to be known as the Information Technology Initiative was incubated at the offices of the Fund Advisor. After several attempts with part-time assistance, a full-time position of circuit rider was created.

- ❖ A “technology assessment” was designed as an interactive and diagnostic tool allowing an organization to analyze its current and potential use of technology. Recommendations from the Circuit Rider provided a plan to purchase and install hardware and software, as well as implement security and policies.
- ❖ Grants increased for technology upgrades by the Nonprofit Management Fund to nonprofits, whether or not they had a technology assessment. An organization could apply for a grant to hire a consultant, purchase software or hardware, or create a website. Over time, a 1:1 matching requirement for hardware or software funds was created to spur both homework on the applicant's part and a “buy in” from the start.
- ❖ Linkage to and brokerage of national resources, such as TechSoup services, helped nonprofits purchase hardware and/or software at greatly-reduced prices.
- ❖ Training was provided via an annual conference and periodic workshops.
- ❖ Several technology projects for groups of nonprofits were led by students, such as the development of initial websites.
- ❖ Original resources were created in print and online formats—the *web.dots* publication was one such effort.

“Back in those days, the concept that technology was connected to the mission was not as ubiquitous as it is today. The circuit rider's job was true to its name in that we spent most of our time evangelizing that technology, as in websites, backups, etc. are tools that can affect the mission, and not just necessary evils to drain the budget. We set out to change nonprofit executives' opinion about technology.”

◆ Michael Fatica
First Director of ENTECH

Fund partners invested in these services and welcomed the assistance. Over time, several partners also began awarding technology grants directly, particularly for organizations that may have worked with the Circuit Rider and/or had a grant from the Fund.

At that time, a typical nonprofit technology assessment would recommend adding virus protection software, instituting formal backup procedures, creating technology policies, and in various forms, calling for linking of independent computers through a network. At the same time, discussions among Fund partners emphasized the importance of this work in serving clientele, communicating the mission, and accounting for funds spent.



Empowering Nonprofits in Technology – ENTECH

The Fund’s work benefited from several circuit riders in the first 18 months of this initiative. As demand for services and support outstripped supply, rethinking was in order. The concept of ENTECH was born through the evaluation of services provided, the potential to grow the project, and the leadership of Michael Fatica and the Center for Urban Initiatives and Research. After a serious assessment and negotiations, the Fund spun off ENTECH, with the project becoming part of UW-Milwaukee in 2001. ENTECH convened a strategy team to advise the project, and the CUIR provided a much-needed infrastructure to grow support.

ENTECH further refined the technology assessment, served as an outlet for student staffing of consultation, and supported civic technology projects for several highly-visible efforts, such as monitoring water quality in the Milwaukee River, developing Greater Milwaukee on Board for BoardStar, and responding to trends in nonprofit technology needs and use. Thanks to support from Northwestern Mutual, and in the early days Harley-Davidson Motor Company, ENTECH was a leading distributor of computers, monitors, and other equipment donated by major corporations to local nonprofits and the Milwaukee Public Schools. Recipients included many of the small nonprofits that expressed their interest and need for services in the inaugural survey.

After the first 50 technology assessments were completed, a report summarized what was learned in technology planning, training, hardware, software, data protection and security, networking, Internet usage, information management, and policies. “Although a handful of Milwaukee nonprofits are making good use of the benefits that technology has to offer, the reality is that most are not. Ninety-four percent of nonprofits do not plan for technology needs. Most have management and program staff with poor technology training; have out-of-date hardware; use inconsistent and/or ineffective protection and security systems for sensitive information; are not networked internally; make little use of the Internet; and, have not yet take advantage of available software to help with the critical tasks of information management, such as donor management, client tracking, and case management.”

One of the concerns about the ENTECH model was its reliance on student labor, which meant limited technology experience, restricted hours, and little knowledge of nonprofit operations. For its next iteration, the University of Wisconsin-Milwaukee, the Center for Urban Initiatives and Research, and the School of Information Studies are revamping and re-launching ENTECH, as their new TechConnect project.



Riverworks Development Corporation
10 grants: \$44,059

“Over the years, Riverworks has received grants from the Nonprofit Management Fund and because of their tremendous support, Riverworks has been able to increase the organization’s capacity to help more individuals, improve the quality of life for area residents and businesses, and build the local economy as well. “

◆ Darryl Johnson
Executive Director



Success Story



SOCIAL ENTREPRENEURSHIP

According to the 1997 report entitled "Possibilities", the Fund's interest in social enterprise drew from several sources: 1) the need for a diverse income mix for nonprofits; 2) an interest by nonprofits in earned income strategies, ranging from marketing and sales to organized business ventures; and, 3) a response to external factors in the business environment, including the then popular concept of performance-based contracting.

At the time, the funding partners were divided on the merits of establishing an initiative aimed at increasing earned income. Comments from committee members in early conversations ranged from strong support to total skepticism. However, common interests in building capacity of organizations participating in finance/earned income and marketing finally forged a consensus to move ahead.

A fall 1997 report entitled "Strategic Initiatives" suggested an approach, based on interviews of local leaders and technical assistance providers. A strong interest existed among area leaders, but raised concerns that there were insufficient local consulting and training resources to support a project. Finally, a recommended project structure included support from the Fund, direct grants to selected organizations, and cash and in-kind matches from the participating groups. The following goal emerged from these consultations.

GOAL: To develop and implement a demonstration project that will provide technical assistance to a group of six Milwaukee nonprofit organizations and create a body of knowledge to build the local sector's capacity.

A well-known national intermediary, the National Center for Social Enterprise from Minneapolis, MN was selected, and after a review by Fund partners and area nonprofits, the National Center was matched with 6 groups in arts and culture, community development, and social services. Two participants wanted to develop business ventures, and 4 organizations sought to substantially improve their current earned revenues. Ultimately, 5 of the 6 nonprofits would complete the 18-month project, with one deciding to chart its own course.

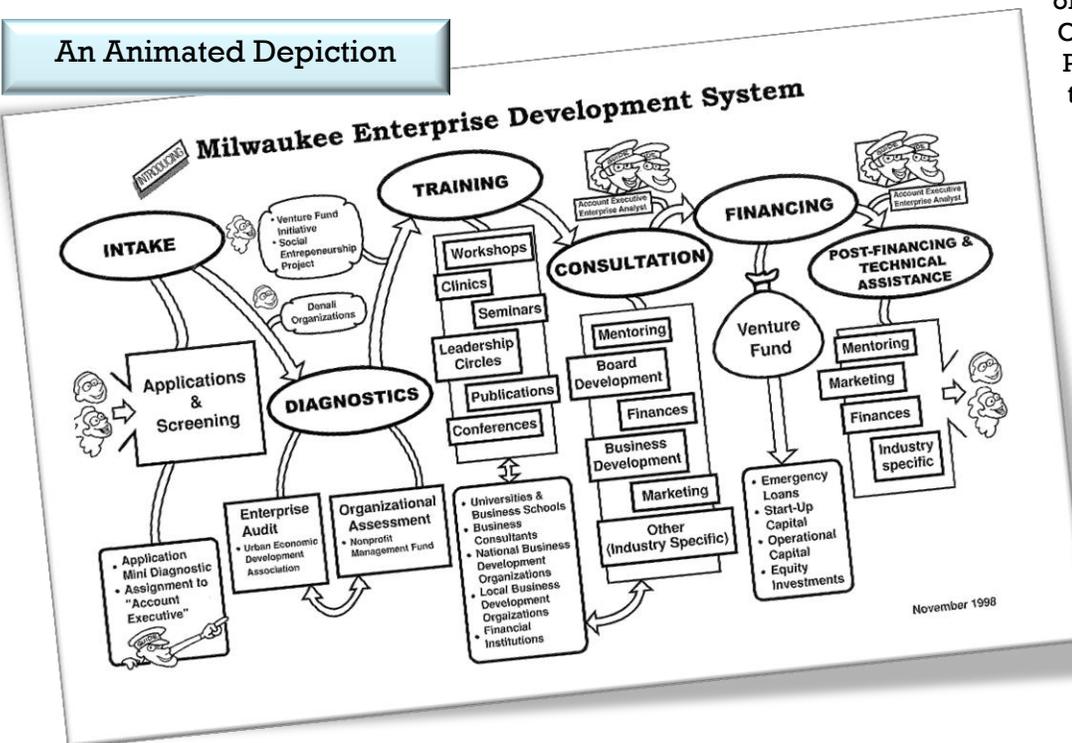
These five were: Wisconsin Women's Business Initiative Corporation, Skylight Opera Theatre, Southeastern Wisconsin Area Agency on Aging, Northwest Side Community Development Corporation, and Neighborhood House.

Financing of the full process would encompass a grant from the Fund and additional support from several of the foundation partners. While some changes in the proposed model were made to suit the Milwaukee market, the overall recommendation was to proceed with the National Center for Social Entrepreneurs using their template in a locally-based project. The expenses for 1998 totaled \$63,000, and costs for 1999 were \$33,000.

About the same time, two other signature efforts were launched locally, including a business financing or "venture fund initiative" led by the Helen Bader Foundation involving 5 nonprofits, and the Denali Initiative, which was based

on the successful Manchester Craftsmen's Guild in Pittsburgh, PA that planned to train 5 executives as social entrepreneurs. By 1998, Milwaukee was, according to many observers, a national laboratory for social enterprise efforts to build organizational capacity, enhance fiscal stability, and breed a new type of entrepreneurial leader in the nonprofit sector. While we orchestrated the National Center's project, the Fund played a secondary role with the Denali Institute and the Venture Fund projects.

An Animated Depiction



Based on the Milwaukee experience, several basic lessons emerged.

- ❖ Every project in this entrepreneurial arena must include a careful assessment “up front”. The result of the assessment should be an objective evaluation of capacity, readiness, and strategy.
- ❖ Timing is a key factor. In that a group must be motivated and interested in enterprise at both Board and staff levels.
- ❖ Feedback, reports, and services must meet high standards and be responsive to local conditions.
- ❖ Reports cannot be superficial. They should be a part of an interactive process with the organization or enterprise manager. Process and product should be given equal weight, so the nonprofit can act on its initiative and not just undertake an intellectual exercise.
- ❖ A mix of service methods specifically designed for each participating group is needed for success.
 - Teams in delivery and receipt of services
 - Audits or assessments conducted of both the enterprise and the organization’s capacity
 - Consultation to eliminate barriers and provide expert guidance
 - Training to develop needed skills
 - A network for ongoing exchange of information
- ❖ Services cannot exist without a broad educational strategy, as social entrepreneurship is a relatively new field. Financiers and civic leaders need to understand the changing landscape for nonprofits.
- ❖ Value and drawbacks are often felt simultaneously when using out-of-town sources, such as the Roberts Foundation, the Harvard Business School, or the National Center for Social Entrepreneurs.
 - It’s a special event when they visit or provide training. However, since they are from out-of-town, customization to adapt to the local flavor in services is often limited.
- ❖ Involve the Board in all aspects of the development process. Regular Board briefings and discussions with the executive must be integrated into any project that involves social entrepreneurship.
- ❖ Entrepreneurs, by their nature, will take initiative. Resources must be at “ground level” and not dictated by funders.

What became of these efforts?

In surveys of area nonprofits in 2002 and again in 2005, earned income was a prominent revenue source on the balance sheets of local organizations. There was a community-wide increase in social entrepreneurship interest, ranging from the Nonprofit Center conducting several area workshops to UW-Milwaukee’s School of Business, which sponsored a Social Entrepreneur in Residence with a grant from the Fund. A national conference on social enterprise came to Milwaukee in 2005, adding cachet to local efforts. Unfortunately, in the Fund project cohort, groups tested business ideas, yet typically found them to be marginally profitable or not to be feasible. However, most reported solid management outcomes, such as revamped financial management systems, improved capacity in pricing, rigorous cost benefit analysis, as well as enhanced marketing techniques. It could be argued that the Fund’s original goal of income diversification and its outcome was only a qualified success.

It is difficult to point to a single specific business venture spawned during this period that is viable today. Several, notably an effort to increase food distribution capacity, operated for a few years. If the evaluation metric was establishing businesses, the projects had minimal impact. Nonetheless, many seeds were planted, and several projects including the Skylight Music Theatre’s creative use of its pre-and post-performance lounge, as well as Pier Wisconsin’s educational program aboard its schooner, can trace their roots to work done during this period.

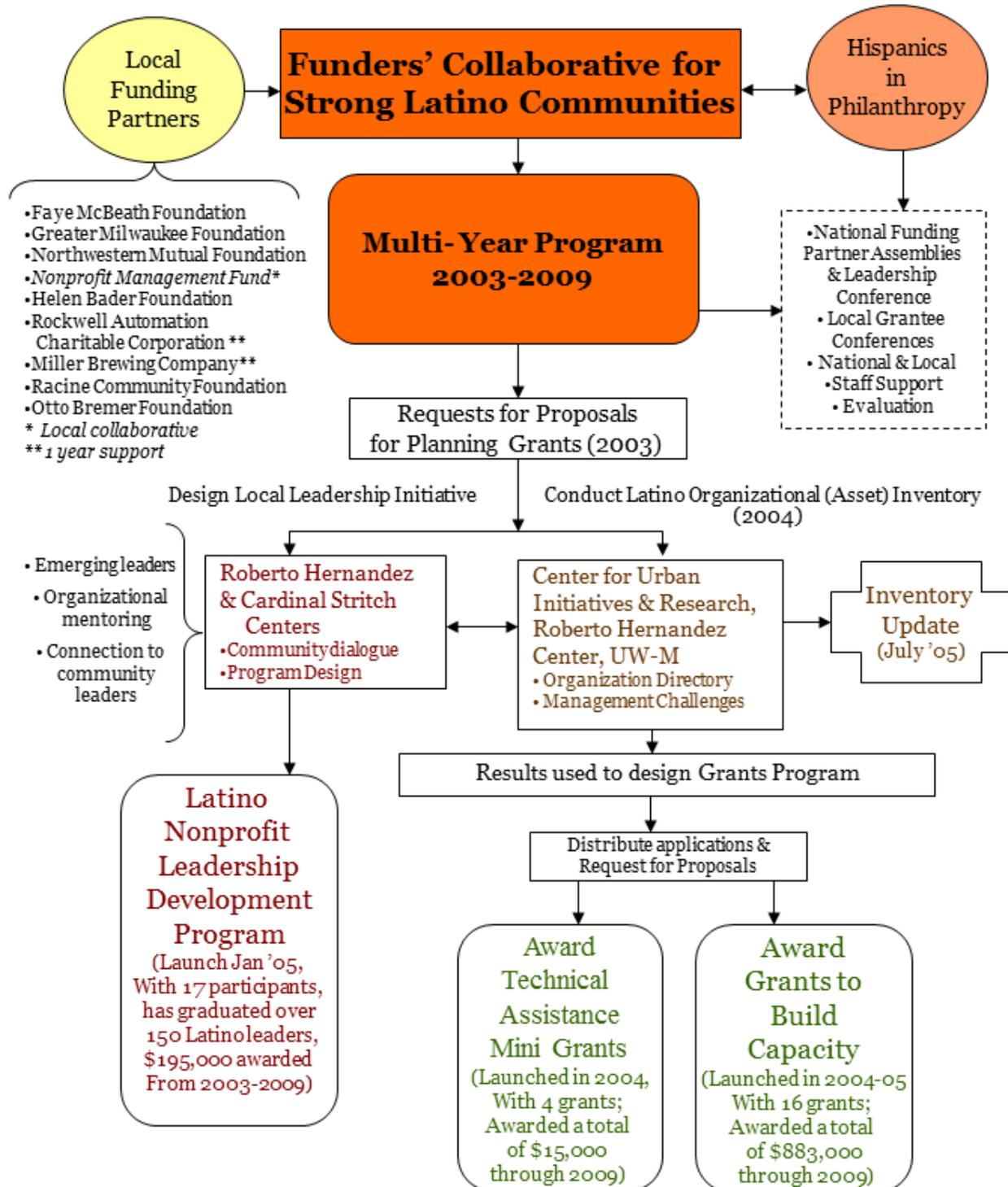
From another vantage point, if an organization pursues an idea for business activities through a serious assessment, and finds it to be only marginal or unsustainable, that can be considered a positive outcome. This approach is a small part of the counter-intuitive nature of the social enterprise recipe—philanthropy wants to be involved in launching big ideas.....reaching a conclusion to NOT start a project is often seen as an undesirable outcome. Or, perhaps from the perspective of a grant maker, this is a case of “be careful what you wish for”.

Thankfully, others continued their explorations in financing with the Helen Bader Foundation entering the Program Related Investment realm, one of the very few Wisconsin foundations to do so. Marquette University maintained an active partnership with Ashoka, an international fellowship for social enterprise leaders, until 2013. Goodwill Industries, Milwaukee Center for Independence, Feeding America of Eastern Wisconsin, Habitat for Humanity, and others have used business strategies to earn money and extend their mission. The local Feeding America leader was an active participant in the Denali project. Although, there are entrepreneurial successes in the nonprofit cosmos, there are just not as many as promised, nor are they typically generating revenues at a proportionate level to the investment. That conundrum remains.

MILWAUKEE SOCIAL ENTREPRENEURSHIP INITIATIVES

Feature	Social Entrepreneurship Project	Venture Fund Initiative	Denali Institute
Original Program Model	National Center for Social Entrepreneurs	Roberts Foundation	Manchester Craftsmen's Guild
Participants	<ul style="list-style-type: none"> ▪ Neighborhood House of Milwaukee, Inc. ▪ Northwest Side Community Development Corporation ▪ Skylight Opera Theatre (currently Skylight Music Theatre) ▪ Southeastern Wisconsin Area Agency on Aging, Inc. ▪ Wisconsin Women's Business Initiative Corporation 	<ul style="list-style-type: none"> ▪ Martin Luther King Economic Development Corporation ▪ YWCA of Greater Milwaukee ▪ Milwaukee Community Service Corps ▪ Wisconsin Women's Business Initiative Corporation ▪ Center for the Deaf and Hard of Hearing 	<ul style="list-style-type: none"> ▪ Bonnie Bellehumeur, Feeding America of Eastern Wisconsin ▪ Denise Wise, Walker's Point Development Corp. ▪ June Perry, New Concept Self Development Center ▪ Kimberly Haines-Tornel, Wisconsin Lake Schooner Association (currently Pier Wisconsin) ▪ David Espinoza, La Causa
Program Emphasis	18-month organization-wide process including an entrepreneurial audit, brainstorming and testing ideas, and business or marketing planning	Venture-focused effort involving a 6-month process to complete an audit of business activities and recommendations for stabilization or expansion	A leadership development program through a 36-month process in two, 18-month cycles to develop venture leadership and a business
Program Methods	Training, technical assistance, peer group consultation, and organized local project support	Audit review, consultation and organized local project support	30-36 days classroom training; online sessions; learning groups; community, peer and mentor support
Outcomes	Marketing or business plan for existing or new initiatives	Business audit and expansion recommendations	Business plan, financing plan, and business launch
Sponsors	Nonprofit Management Fund, Greater Milwaukee, Helen Bader, and Faye McBeath foundations	Roberts Enterprise Fund, Rockefeller Foundation, and Helen Bader Foundation	National and local underwriting including: Greater Milwaukee and Helen Bader foundations; the Nonprofit Management Fund provided staff support

FUNDERS' COLLABORATIVE FOR STRONG LATINO COMMUNITIES/SOUTHEASTERN WISCONSIN



Note: Third-party evaluation conducted by Dr. Stephen Percy, UWM/CUIR in 2008. Grant totals do not include additional Fund grants.

August 2014

HISPANICS IN PHILANTHROPY

A Capacity Building Partnership

For the most part, the Nonprofit Management Funds were focused on their own back yards, and the thinking evolved locally as well. During a 6-year stint in the early 2000's, the Fund had the opportunity to participate in an initiative that was born on the West Coast and was driven by a national affinity group. Hispanics in Philanthropy launched the **Funders' Collaborative for Strong Latino Communities**. The lead Midwest funder was the Otto Bremer Foundation, based in St. Paul, Minnesota, which looked to the Nonprofit Management Fund for local leadership.

Every partnership begins with assumptions. The group of Southeastern Wisconsin funders brought several expectations to the table.

- 1) All local dollars would be matched 1:1 with national funds.
- 2) The project would cover a geographic reach of Milwaukee, Waukesha, Ozaukee, Washington, and Racine counties.
- 3) A local committee would oversee the project, which included staffing support from the Fund, joined by the Otto Bremer Foundation.
- 4) The partners would participate in national activities, including the national funders' assembly, leadership institute, and evaluation.
- 5) A common goal to increase grantmaking activity, thereby strengthening the Latino communities in greater Milwaukee and Southeastern Wisconsin, was adopted.

"As far as the "legacy" or the charge as I would like to call it, was to strengthen Latino-led nonprofit organizations and simultaneously to enhance the governance of the nonprofits, which was such a good fit under the FUND's mission."

◆ Maria Lopez Vento
HIP staff team member

Greater Milwaukee Foundation pooled funds from local funders and administered national funds from HIP as well. Eventually, the full budget grew to \$1,138,200. Helen Bader Foundation was an early supporter of the effort and Maria Lopez Vento became part of the staffing team to guide local implementation.

The partners brought new funding, differing strategies, a more defined audience, and a fresh approach to building capacity. The Hispanics in Philanthropy theory of change focused on building nonprofit organizations as equivalent to building the capacity of the communities served. Milwaukee with its history of larger, successful Latino-run nonprofits (La Causa, United Community Center, United Migrant Opportunity Services, etc.) and a broad array of emerging groups, presented both an interesting opportunity and challenge.

What followed was a blend of national and local strategies. To join this collaborative, the local funding group dedicated its efforts to Latino-led nonprofit organizations with operating budgets below \$2,000,000. HIP had specific criterion for "Latino led" that defined the audience more clearly. Several focus group discussions were held with leaders from well-established Latino-led nonprofits and emerging organizations. It was decided to compile an "inventory" of existing organizations. The collaborative turned to the Roberto Hernandez Center at UW-Milwaukee, in partnership with the Center for Urban Initiatives and Research, to identify Latino-led groups and determine their priorities in building capacity.

Conversations also noted the absence of a local leadership program targeted to the Latino community. The committee asked the Roberto Hernandez Center at UW-Milwaukee and the Cardinal Stritch Leadership Center to co-design another project as each made a strong case: one with excellent cultural and community context, the second, steeped in development and implementation of curriculum. Three types of grants were awarded, larger capacity-building grants, smaller technical assistance grants, and mini-planning grants. The latter evolved later in the project as a way to provide the smallest Latino-led groups in the community with support. Approximately \$900,000 was awarded through these grant mechanisms during 2000-2008, with the capacity-building grants being the majority share of the funds.

In contrast to the Fund, HIP capacity-building grants: 1) did not require third-party consultation; 2) were larger, and could be multi-year, i.e., \$25,000 a year for two years; and, 3) could support existing or new staff positions assuming they were strengthening the organizational infrastructure. These were all distinctive factors of the initiative.

The pool of eligible organizations identified in the inventory was larger than expected (34 groups in the greater Milwaukee area), yet far smaller than the eligible audience of the respective funders and the Nonprofit Management Fund. A specific criterion for being Latino-led was the national origin of the Executive Director, senior leadership team, and/or Board. For instance, an organization serving the Spanish-speaking communities that lacked an Executive Director and/or majority of senior management who were Hispanic, could not qualify. The inventory report also noted that several prominent local organizations were excluded due to operating budgets above \$2 million.

Initiative Stats

Years of local engagement: 7
 Funding partners: 9
 Partners new to the Fund: 7
 Latino-led organizations identified in the inventory: 34
 National funds leveraged: **\$639,000**
 Local funds allocated: **\$639,000**
 Funders at \$50,000+: 6
 Grants awarded to community organizations: **\$882,306**
 Grantees supported: 17
 Leadership project support: **\$203,762**
 Typical grant: **\$20,000-\$30,000 per year**

Latino Nonprofit Leadership Program

In 2003, the Latino Nonprofit Leadership Program began as a joint venture of the Roberto Hernandez Center and Cardinal Stritch's Leadership Center, and it combined assets of each partner. The fact that the Director of the Stritch Leadership Center (Jeanette Mitchell) was African-American was not lost on the local funders, many of whom saw the work with HIP as a possible template for work with other minority communities. We were soon approached by the Racine Community Foundation for collaboration in the leadership component, expanding the geographic boundaries. As the chart below indicates, participants were enthusiastic about the effort.

ASSESSMENT OF OUTCOMES	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The Latino Nonprofit Leadership Program helped me understand how my Latino background enriches my capacity to be an effective nonprofit leader.	64%	23%	13%	0%	0%
My self-esteem was boosted by participating in the Program.	70%	20%	10%	0%	0%
The Latino Nonprofit Leadership Program helped me to clarify my career goals and plans.	68%	19%	13%	0%	0%
I am a more effective leader in the nonprofit world as a result of my participation in the Latino Nonprofit Leadership Program.	68%	26%	6%	0%	0%
I am better able to advocate on issues important to the communities I serve as a result of this Leadership Program.	68%	19%	13%	0%	0%
I built relationships and networks with other nonprofit professionals as a result of the Latino Nonprofit Leadership Program.	74%	19%	7%	0%	0%
My leadership skills were enhanced through participation in the Program.	80%	20%	0%	0%	0%
I developed valuable peer relationships with other participants in the Latino Nonprofit Leadership Program.	84%	16%	0%	0%	0%

What resulted partially or entirely from this work and major expenditure of local and national funds? Some of the work is well documented; other elements, such as the grantee support sessions, were staffed by HIP, and little information was made available to local funders.

The Funders' Collaborative in Southeastern Wisconsin played a key role in propelling vital projects in Milwaukee-area Latino communities. Major grants were awarded to Hispanic Professionals of Greater Milwaukee for its trailblazing work connecting professional and management-level residents of Hispanic descent. Support was provided to launch Voces de la Frontera, an important advocacy voice on the Spanish-speaking communities, especially in immigration and employment issues. Third, the Latino Nonprofit Leadership Program was incubated and sustained through early HIP grants and continued support from several partners. On the other hand, there were grants to organizations that have since departed—Latino Health Organization, Latino Community Center, and Latino Cultural Alliance.

A policy legacy of this initiative was the adoption by the Nonprofit Management Fund of the HIP definition of a minority-led organization. Now, there was a consistent approach to minority-led applicant organizations. The infusion of national funds and complimentary ideas provided an additional dimension to the Fund's work.

ARTS IN EDUCATION INITIATIVE

Beginning in 2008, the Helen Bader Foundation's Board of Directors established a multi-year *Arts in Education* initiative with the primary goal of bringing the arts into the lives of Milwaukee's low-income, disadvantaged children, in both school and after-school community settings. To accomplish this goal, the Foundation originally allocated \$1.5 million to this initiative, and subsequently continued with another multi-year financial commitment.

The Nonprofit Management Fund was a partner in the Helen Bader Foundation Arts in Education Initiative from 2008 through 2011. Other partners included: The Milwaukee Public Schools, United Neighborhood Centers of Milwaukee, Arts at Large, and the Creative Alliance Milwaukee. As the Nonprofit Management Fund completed its assigned objectives, it withdrew from participation in the collaborative; the Milwaukee Artists Resource Network took its place by assuming a new role.

One of the key challenges identified was "*Small and medium-sized arts organizations in greater Milwaukee will need help to build organizational capacity if they are to participate effectively in both educational and community settings.*" The role of the Nonprofit Management Fund was to strengthen the infrastructure of 15 arts organizations, five groups for each of three years. The project model was designed for the first step to be an assessment of the management and governance capacity of each organization through a diagnostic clinic checklist. Fourteen groups were approved for funding from the Nonprofit Management Fund to receive a diagnostic clinic including: Artists Working in Education, Walker's Point Center for the Arts, Inc., Woodland Pattern, Inc., Milwaukee Public Theatre, Skylight Music Theatre, Inc., African American Children's Theatre, Wild Space Dance Company, Milwaukee Children's Choir, Present Music, Milwaukee Artists Resource Network, Milwaukee Chamber Theatre, Express Yourself Milwaukee, Danceworks, and Arts at Large.

Common Strengths: Almost all 14 organizations shared strengths that helped the organizations survive and endure over time.

- ❖ **Passionate leaders** committed to the mission of the organization.
- ❖ **Excellent programming** presented to the schools and to the public.
- ❖ **Board Directors** willing to roll up their sleeves and fulfill governance responsibilities.
- ❖ **Financial resources**, while scarce, were well-managed and stretched to support programs.
- ❖ **Staff members** were described as dedicated, creative, and hard working.

Challenges: The 14 organizations received comprehensive reports that contained an average of 47 primary recommendations and 83 secondary suggestions. The total number of recommendations ranged from 107 to 158. The list of challenges with which small and mid-sized arts groups must grapple, is extensive; the Fund encouraged all of these organizations to request grants to address their most critical organizational challenges.

Every group received a series of recommendations to increase awareness of their organization and their programs, thereby, attracting more supporters, selling more tickets, and involving more program participants. As a reward for their willingness to address these concerns and to enhance promotion through printed material and on the web, 13 of the organizations received a media kit, with a camera, video camera, microphone, flip video, etc. enabling them to expand their exposure and increase their revenues.

Five of the organizations recruited new Board Directors, and 8 of the nonprofits sent Board Directors to training sessions provided by BoardStar.

Overall, these groups were given a blueprint designed to improve management efficiency and governance effectiveness. There is no doubt that these organizations are more stable due to their participation in this initiative and involvement in the diagnostic clinic process. As a result, these 14 arts organizations are more prepared to continue offering high quality arts programming.



Milwaukee Public Theatre
13 grants: \$56,040

"We will forever be grateful to the Nonprofit Management Fund. Your support was essential in helping Milwaukee Public Theatre navigate through the ever-shifting issues of management, growth, funding, public relations, board development, marketing, long-range planning, succession planning, and...and...Could we have survived 40 years without you? I don't even want to think about it...!"

◆ Barbara Leigh
Executive Director



Success Story

“THE IMPORTANCE OF BEING SMALL”

Milwaukee is justifiably proud of the number and scope of arts organizations in the area. Over the years, the Nonprofit Management Fund has funded nearly 100 different small and mid-sized arts groups. This rich cultural landscape is one of the aspects that makes Milwaukee a great place to live, work, play, and visit.

A study conducted in 2011 by the Nonprofit Management Fund documented that small, nonprofit arts organizations were finding it difficult to survive, let alone thrive. *“The Importance of Being Small”* identified assets in Milwaukee that supported the arts, however, it also found that small to mid-sized arts groups were struggling to obtain even the most basic physical and financial resources. The report’s recommendations included several suggestions encouraging arts organizations to work together to create a strong and influential presence, establish an endowment and raise operational funds, as well as build organizational capacity.

In September 2012, a group of more than 40 representatives of foundations and arts organizations came together to discuss the report and its recommendations. As a result, three task forces met on the most-pressing areas of concern.

The Most-Pressing Needs

Space: Conduct a review of existing spaces, starting with Creative Alliance Milwaukee’s recent space study and other space research. 1) Does the space needed by small arts organizations already exist? 2) If the answer is yes, why is it not being utilized? 3) If not, what will it take to create accessible, affordable space? 4) Develop a plan for long-term financial sustainability of the facilities.

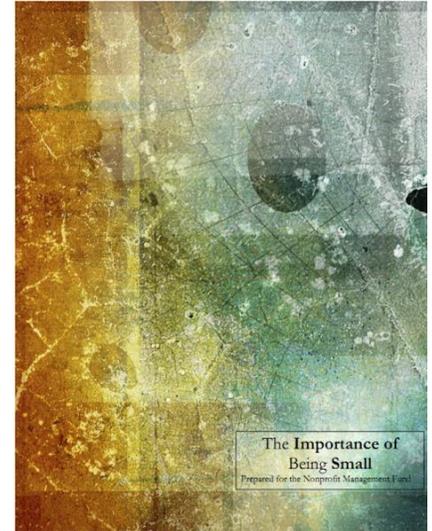
New Revenue Streams: Milwaukee’s small visual and performing arts organizations, especially those not eligible for funding from the United Performing Arts Fund, urgently need reliable sources of operating revenue. The recession and other circumstances have significantly reduced charitable funding for the arts; some foundations that have traditionally supported the arts are giving to only large-budget/large-reach organizations, others are “sun-setting” soon; and, public arts funding from county, state, and federal sources had been severely curtailed by budget cuts. These organizations fiercely compete for scarce dollars, while providing significant economic, educational, artistic, and social benefits to the public.

Public Awareness: Currently, the smaller arts organizations were often overlooked as providing important educational and creative artistic forms of expression. There was no single individual or organization extolling the virtues of these small arts organizations. The small groups needed a vocal champion—someone to validate their vitality and promote their importance to Milwaukee’s arts ecosystem.

The long-term goal was to ensure that an infrastructure, which promotes the sustainability of nonprofit arts organizations, exists. This infrastructure should offer access to shared administrative and/or presentation space, cooperative fundraising, joint marketing and advocacy, and technological tools that the organizations could not afford independently.

Initial steps to build the necessary foundation were: 1) Create a new, annual revenue stream to support operations of the small arts organizations in Milwaukee; and 2) Enhance visibility for and understanding of small arts groups and how they benefit the community. Over the long term, the collaborative efforts and the infrastructure were expected to lead to the establishment of a joint endowment to fund operating expenses of participating groups.

Most importantly, the key element was to coordinate the many and varied participating arts organizations, whose only commonality for the most part was their budget size. Someone needed to meet with leaders in the arts community to encourage their support and enlist their efforts, and of course identify a vocal champion. The coordinator also had to create mechanisms to share ideas, cooperatively implement the project, and jointly make choices that benefited individual organizations and small arts organizations as a whole. This coordination was the first step in establishing a cooperative infrastructure that could sustain these organizations in the longer term. The Fund Advisor, and an independent contractor, coordinated the first crowdfunding effort—art\$upport.





Why support small arts?

A strong nonprofit arts ecosystem adds value to Milwaukee. Although the arts ecosphere in Milwaukee is diverse and exciting, it can be healthier. An umbrella fundraising mechanism for small and mid-sized nonprofit arts organizations will strengthen the organizations themselves, build a web of integrated creativity, and support more individual artists. Local nonprofit arts and cultural organizations allow and encourage artists to discover and nurture complementary talents that spark innovation, launch careers and build community. They push our community in ways we wouldn't expect – using race, socio-economic, and gender issues to spur conversations. We must nurture subsequent generations of Milwaukee artists by supporting smaller or experimental organizations. If young, inexperienced, or transitional artists leave our community to gain their experience, they may never return.

What is art\$upport?

To support small and mid-sized arts groups, the partners of the Nonprofit Management Fund have created an inaugural event that has the potential to be a new, ongoing revenue stream for local arts organizations — **art\$upport** — a pop-up art event to realize how much the arts make Milwaukee a great place to live, work and play. A pop-up art performance is a spontaneous, artistic activity — singing, dancing, reading, drawing, painting, image projection — lasting 3-5 minutes.

What happened?

✿38 organizations ✿131 performances ✿60 public and private venues ✿

✿36 hours from Thursday through Saturday, 25-27 July 2013✿

✿8,000 cards distributed to potential supporters✿

Who funded?

Three fundraising mechanisms were employed, large dollar proposals sent in advance, online contributions and a \$10 text solicitation. In advance, the Nonprofit Management Fund allocated funds to cover all expenses. In addition, Chris Abele, Greater Milwaukee Foundation, Daniel M. Soref Charitable Trust, Spirit of Milwaukee, Faye McBeath Foundation, and the Helen Bader Foundation made grants totaling \$61,500 for distribution in August 2013 to participants. Online contributions and text donations were not very successful, raising only about \$2,000 which was re-granted in December 2013.

Who partnered?

The Nonprofit Management Fund partnered with: onmilwaukee.com for website creation and promotion; 88.9 RadioMilwaukee for event promotion and texting partnership; Historic Third Ward Association for an ad in Gallery Night, and electricity throughout the Third Ward; Creative Alliance Milwaukee for website collection of contributions through Razoo Foundation; the United Performing Arts Fund, Bucketworks, and Art Milwaukee for general promotion.

Comments about 2013

"The 2013 art\$upport event provided a tremendous opportunity to highlight the amazing talent and art resources that benefit the greater Milwaukee community." - *Betty Brinn Children's Museum*

"Everything went off without a hitch at both locations! Thank you for making us a part of such a great event."
- *NomadicLIMBS*

"We all really enjoyed the event and are grateful to have been a part of it." - *Beintween*

"Thank you for arranging this. It was a challenge for our artist, but it really pushed her to think outside the box." - *Above the Clouds*

"First of all, thank you both for all your efforts in making this possible. This really was a significant undertaking, and it was also a tremendous opportunity for arts groups like ourselves. We are very grateful to you for including us." - *RUACH*

"We had fun doing it and I really love the idea. I look forward to next year's event." - *WMSE 97.1*

Recommendations for the future

- ☀ Promote the event heavily at least 1 week in advance, using traditional and alternative media outlets.
- ☀ Organize the participating groups at least 3 months in advance, so their artists have time to prepare.
- ☀ Host an organizing session to explain the logistics and to build enthusiasm for the idea about 3 months before the event; and about 3 weeks after the event, have a party to say thanks, share the results and celebrate the success!
- ☀ Find a sponsor for each venue who will pay a sponsorship fee for performances at their location and assist in promoting the performers.
- ☀ Conduct a training session for the volunteers who will pass out the contribution cards; share a script with all of them.
- ☀ Invest in more consistent signage, such as a sandwich board, at each venue announcing performance times.
- ☀ Do not piggy-back on Gallery Night, most of the people that go to Gallery Night have an expectation of art for free.
- ☀ Encourage even greater creativity by the artists, thinking outside the box is good!
- ☀ Coordination with venue managers Employees and performers both need to know the restrictions and limitations.
- ☀ Post a host at each venue that works with the venue manager, performers and handing out postcards.
- ☀ Pray for good weather; have alternative indoor venues.
- ☀ Think about going state-wide and having it at a different location one weekend a month.
- ☀ Create an expansive social media presence. Encourage people to upload video, photos and tag themselves and art\$upport. Tie in a mini-campaign such, as a sponsor that will donate for each person who promotes the venue and performance via social media.



Participating organizations that benefit from your donation:
 • 88.9 Radio Milwaukee
 • 91.7 WMSE
 • Above the Clouds
 • African American Children's Theatre
 • Artists Working in Education
 • Arts @ Large
 • Artworks for Milwaukee
 • Creative Alliance Milwaukee
 • Eairy Music Now
 • Ensemble Musical Offering
 • Express Yourself Milwaukee
 • Figureheads
 • Gallery Grand at Grand Avenue Club
 • Haggerty Museum of Art
 • Optimist Theatre
 • Polish Heritage Alliance
 • Redline Milwaukee
 • Riverwest Artists Association
 • Ruach
 • School Factory
 • Tessa's Black Entertainment & Youth Center
 • Bad Soviet Habits
 • Beintween
 • Betty Brinn Children's Museum
 • Charles Allis and Villa Terrace Art Museums
 • Coalition of Photographic Arts
 • Concord Chamber Orchestra
 • Hansberry-Sands Theatre Co.
 • Irish Fest
 • MacDowell Club of Milwaukee
 • Milwaukee Artist Resource Network
 • Milwaukee Youth Theatre
 • NomadicLIMBS
 • True Skool
 • Uprooted Theatre
 • Walker's Point Center for the Arts
 • Woodland Pattern
 • Youngblood Theatre Co.

art\$upport
 Participating organizations that benefit from your donation:

LEADERSHIP SCAN

During 2012, the Fund partners authorized a small-scale undertaking that would assess the current leadership programs for local leaders and scan the country to find interesting leadership development models. In contrast to most Fund grants, this project was launched to understand programs for *individuals, not organizations*.

With two small grants from the Nonprofit Management Fund, the IMPACT Planning Council compiled an inventory of nearly 70 local leadership development programs, and the Center for Urban Initiatives and Research at the University of Wisconsin-Milwaukee conducted a literature review of national professional development models for nonprofit leaders.

People are accustomed to accessing information online. This comfort level is causing a sharp increase in demand for more nimble websites and mobile applications that allow customers to find the information they want quickly and easily. The information gleaned from the Milwaukee Leadership Development Inventory, if it is to be used by the general public, must be made available in a searchable, interactive format. The optimal design would allow individuals to search on a variety of fields from the inventory, such as credentialed or non-credentialed, long-term or short-term, and price. The platform should also make it easy for the programs in the inventory to update their own information, thus keeping the inventory relevant, current, and accurate.

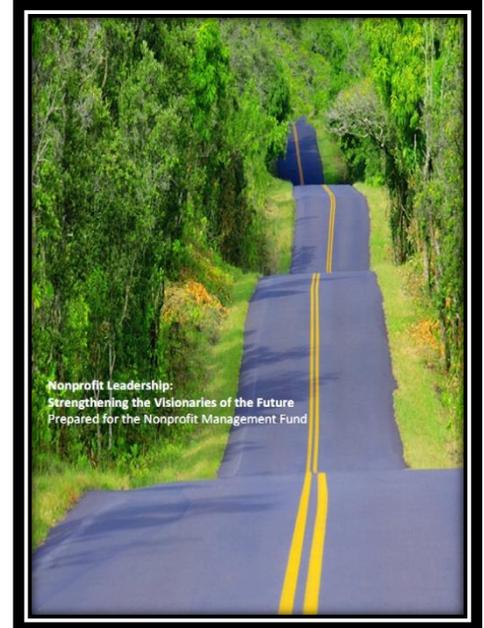
The Center for Urban Initiatives and Research compiled an overview of national trends in professional development for nonprofit executives, and made recommendations for programs that could be implemented in Milwaukee to complement the programs that are currently available. They also identified leadership development programs designed for second-tier managers in nonprofit organizations and foundations. Several recommendations were made to move forward in this arena.

- ❖ Share knowledge about leadership development in the nonprofit sector and how to plan for it.
- ❖ Encourage nonprofit organizations to incorporate leadership development into human resources practices, strategic planning, and operations.
- ❖ Strengthen existing leadership development programs.
- ❖ Consider funding sabbatical programs for veteran executives.

Milwaukee's nonprofit sector has many experienced and talented leaders, but if national trends hold true, two-thirds of these leaders anticipate leaving their current positions within five years. As an old guard changes, new and emerging leaders must have a way to learn the skills needed to operate successfully in an environment in which organizations must do more with less. To support nonprofit leaders, local foundations have been instrumental in creation of many community- and college-based leadership development programs, but are these opportunities keeping up with the new paradigm? Do Milwaukee's current and potential nonprofit leaders have access to the types of training and support they need? If there are so many opportunities to enhance a nonprofit executive's ability to lead...why does it seem that we have too few leaders?

To begin to answer these and other questions, the formulation of a definition of leadership was required. This was no small undertaking, as there are many definitions of leadership being used just in the nonprofit sector. However, after thoughtful deliberation, the following definition was accepted by the Committee.

Leadership is inspiring, motivating, and engaging others to collaborate toward a shared vision.



Metropolitan Milwaukee is home to over 6,000 nonprofit organizations. Certainly, this many nonprofit managers deserve a cohesive effort to encourage their development into leaders who will address our social woes and add vibrancy to our communities.

Every sub-sector from the arts to education and from social services to philanthropy has challenges that could benefit from vocal and talented champions, and of course, each organization has a greater chance of flourishing if it is led by a strong and skilled person at the helm.

Although rudimentary in its design, a systemic approach to nonprofit leadership development in Milwaukee would equip our local leaders with necessary skills to advance their visions for a stronger and more robust community. The following eleven “apps” can each unlock potential within individuals and/or organizations. Together, they complement each other’s contributions and simultaneously achieve greater community impact. They just need to be developed, funded, and implemented!

- ❖ Fund career-capstone fellowships for transitioning or retired leaders that would benefit the community and capture their advice for future leaders.
- ❖ Assist nonprofits in creating succession plans for emergency situations, continual growth, or planned departure transitions.
- ❖ Strengthen networking and service opportunities with professional development associations.
- ❖ Partner with southeastern Wisconsin academic programs in nonprofit management, ensuring that the curricula includes courses on leadership.
- ❖ Publish the leadership program inventory online, with the ability to mix and match offerings and provide feedback loops.
- ❖ Organize diverse leadership cohort sessions.
- ❖ Facilitate mentoring and coaching relationships, beginning with an online matching process and a high-touch personalized process as well.
- ❖ Design a sabbatical program for experienced leaders to be reinvigorated with new ideas to implement locally.
- ❖ Create a second-in-command program that would enhance collaboration and cultivate relationships.
- ❖ Promote web-based leadership resources, including best practices and affordable initiatives.
- ❖ Award grants for leaders to attend national, regional, and local conferences, then share what they learned with their peers.



A serious investment in a nonprofit leadership development system would help ensure that the leaders of tomorrow would be more skilled and better equipped to move our community forward. Foundations, corporations, and others could advance a community-wide effort to coordinate myriad pathways for new, emerging, and veteran leaders.

PROJECTS & PARTNERSHIPS

Childcare Administrators Credential Training

In the first year of the Fund, it began leveraging its investments. The Nonprofit Management Fund made a grant to Neighborhood House for \$14,148 to underwrite the development of a training module on “Financial Management and Planning” for nonprofit child care centers serving Milwaukee County. Presented during spring 1996, the module was designed by a Planning Committee of representatives from five child care centers. The format and contents of the training sessions were based on what had been learned through the Milwaukee Child Care Directors Peer Consultant Training project, which found that professionals experienced their most valuable learning while working in small groups on a common problem. The executive directors identified the major management challenge of their child care centers as “planning for long-term financial stability”. Pamela Boulton, Director of UWM Child Care and Development Center, coordinated the workshop series and scheduled presentations by ten professionals with expertise in the agenda topics.

“The grant from the Fund was absolutely critical to the timely and thorough development of this credentialing program. The Fund gave us the ability to develop and test the curriculum as well as learn methodology. That small grant was the beginning of a very successful endeavor! As much as we have accomplished so far, there is still a lot to do.”

◆ Pam Boulton
Project Coordinator

The module was presented in three, two-day sessions during March, April, and May 1996. Session I covered budgeting, personnel management, breakeven analysis; Session II included staff retention, strategic planning, and using computers; and, Session II focused on income planning including fundraising, proposal writing, and special events. The sessions were attended by 29 representatives from 24 day care centers, which constituted an investment of approximately \$589 per center.

The support of the Nonprofit Management Fund not only helped the individual child care centers that participated, but continue to serve as the module of the credentialing course for child care administrators. In the words of the project coordinator, “We were delighted to have this opportunity to ‘field test’ the course, and to evaluate its content and delivery.” From those beginning, the number of participants in the Wisconsin Professionals Credentials for Child Care Administrators grew; ten years after the pilot project, over 400 child care administrators had completed the credential process, and over 500 more were enrolled.

Collaboration Conference, November 2004

The Nonprofit Management Fund, together with the Greater Milwaukee Foundation, the United Way of Greater Milwaukee, and the Center for Urban Initiatives and Research at UWM, co-hosted a forum, “*Nonprofit Collaboration and Mergers: Finding the Right Fit*” for 400 nonprofit leaders to explore issues and concerns about strategic restructuring.

With its origins in a 2001 book by Peter Drucker on meeting what he called the “Collaboration Challenge”, the United Way of Greater Milwaukee began a Collaborative Learning Project. Two events, one in the evening for Board Directors, sponsored by the Fund, and the second during the day for executives provided a summative event for a three-year study process facilitated by the United Way. According to the report, among the key lessons from this study were the following: 1) funders cannot demand collaboration and expect positive outcomes; 2) successful partnerships must have commitment at both Board and staff levels; and, 3) loss of key leadership was perhaps the greatest obstacle to a successful outcome.

The event touched on a number of themes for the Fund. First, it was driven by a Fund partner that had requested and received assistance in planning, marketing, and supporting the conference. Second, the Fund helped underwrite a special evening for the Directors of nonprofits Boards, a relatively new phenomenon for Milwaukee events (except those sponsored by the Fund!). Third, the conference was itself a collaboration with five sponsoring partners!

Emerging Partnerships for AODA Agencies

In 2002, at the encouragement of and with special funding from the Helen Bader Foundation, the Fund designed a project to increase the capacity of five grass-roots Alcohol and Other Drug Abuse organizations. First, organizational strengths and weaknesses of each of the agencies were identified, and second, a comprehensive technical assistance plan was produced that suggested areas of individual agency focus, as well as joint opportunities.

Once the diagnostic clinics were completed on each of the participating groups, each agency received a Fund grant to address the most-pressing challenge that was identified in the assessment. Additionally, all five groups enrolled a staff member in the Professional Certificate program at the University of Wisconsin-Milwaukee. The Fund partnered with the Helen Bader Institute for Nonprofit Management to design a special cohort for this group, providing additional support throughout the 18-month educational experience.

The Fund followed the five agencies for the next few years—Guest House, Harambee Ombudsman Project, The Open Gate, Matt Talbot Lodge, and Teen Challenge International-Wisconsin—with 16 grants totaling \$78,322. Unfortunately, two of these organizations closed their doors forever within five years of the project.

Technical Assistance Directory

From the beginning, the Fund printed a directory of technical assistance providers available to nonprofit organizations. For the first four years, an annual directory was distributed to nonprofits in print. Through a partnership in 1998, with several organizations and U.S. Web Corporation, a searchable database of consultants, trainers, and management resources was launched online. The web-based version listed over 200 consultants from all types of backgrounds including independent contractors, nonprofit intermediaries, as well as firms. Until its September 2004 transfer to the Nonprofit Portal, maintained at UW-Milwaukee, the Directory was second only to the page for downloading a funding application in the number of “hits” on the Fund’s web site. Although a directory could still be a useful reference, no entity has pledged to expand it and maintain it.

“The money and support you have provided has had a profound impact on both the recipient organizations as well as the communities they serve. While it is impossible to convey in a simple letter the overall impact your support has had, here is one example of the work: helped an organization build a model website for ADA accessibility that also increased donations to 10Xs the prior year within 1 month of launch.”

◆ Christopher Wisniewski
Principal
Apexx Group, LLC

University of Wisconsin-Parkside

Over the course of about 10 years, staff at the Center for Community Partnerships benefited from a collegial relationship with the Fund. The director of their nonprofit development program participated fully in the Diagnostic Clinic Consultant’s Institute. After that effort, the Fund Advisor taught several classes at UWP and many of the consultants trained by the Fund began to contract with Racine-Kenosha nonprofits. When UWP-CCP applied for a federal Compassion Capital Fund grant, the Fund Advisor shared our process, application, and tools for awarding capacity-building grants. Their formal certificate and informal educational programs for nonprofits drew upon the expertise of Milwaukee’s consultants as instructors, who also taught sessions at their annual nonprofit conference. The nonprofit organizations in Kenosha and Racine counties were significantly strengthened as a result of this partnership.

“The Nonprofit Management Fund provided mentoring, training, and resources for UW-Parkside to build its nonprofit capacity-building program at a time when the nonprofits of Kenosha and Racine had no local source for this kind of support. Pat Wyzbinski’s mentorship of me when I was building the Nonprofit Development program at UW-Parkside was an invaluable contribution to the success of our program, and ultimately, to the success of our nonprofit community.”

◆ Debra Karp
Interim Executive Director
Center for Community Partnerships
UW-Parkside

Helen Bader Institute of Nonprofit Management at UW-Milwaukee

As early as 1997, it was acknowledged that the vital role played by management staff in building and maintaining a successful nonprofit organization, must include opportunities for increasing skills and expanding knowledge. As the nonprofit sector became more established and increasingly sophisticated, demands on management also escalated. These demands multiplied when one factored in the environmental trends affecting the economy in general, and nonprofit organizations specifically. As well, dramatic changes in public policy often de-stabilize the status quo, creating substantial strains on program design and service delivery.

"The Nonprofit Management Fund's investment into the development of leaders in the nonprofit sector is crucial to provide future growth opportunities to deserving emerging and veteran leaders. Without the Fund's involvement in this effort, this project has no wings with which to fly. It is important to understand not only the problems that exist in our local nonprofits, but the great potential that lies in Milwaukee leaders that are ready and willing to move this city forward."

◆ Anique Ruiz
Graduate Student Intern
Helen Bader Institute for
Nonprofit Management at UWM

Nonprofit managers are expected to sail smoothly through this choppy sea, efficient with their time and effective in their endeavors. Yet, all too often, the manager has risen through the program or production ranks of a nonprofit organization without the benefit of any specialized training in how to be a manager.

Scarcity of time to attend and financial resources to pay for such training affect the likelihood of nonprofit managers obtaining further education. Yet, perhaps a more serious concern is the availability of appropriate educational opportunities.

As a basis for studying continuing education for nonprofit managers in the Milwaukee area, it was noted that although there are numerous workshop opportunities, however, there wasn't a *nonprofit management certificate* program currently offered.

In 1999, Chancellor Zimpher's announcement of the Milwaukee Idea and the University of Wisconsin/Milwaukee's expressed interest in university/community initiatives; the Milwaukee philanthropic community had an opportunity to participate in elevating the quantity and quality of nonprofit management education in the area.

Two years later, focus groups organized by the Fund were conducted to gather information and opinions from the nonprofit community regarding nonprofit management education. Executive directors of 65 Milwaukee-area nonprofit organizations were invited to attend, of which; 39 (60%) responded. The organizations were selected to represent a variety of types and sizes of nonprofit organizations.

A key finding was that executives expressed stronger interest in nonprofit management education opportunities for their upper level managers than for themselves. This finding led to a second set of three focus groups of second-tier managers and line staff.

While the Fund played a key role in the early days of planning, it was just laying the ground work for the Helen Bader Foundation, Faye McBeath Foundation and other partners to organize the "Big Bang" planning process, which provided the impetus to create the Helen Bader Institute for Nonprofit Management at the University of Wisconsin-Milwaukee.

Once HBI was established and offering certificate as well as degree programs, the Fund embarked on a different type of educational partnership with the Institute. A series of thought-provoking forums on the Milwaukee nonprofit sector were planned, hosted, and analyzed over several years. Topics ranged from "Proposals of the Senate Finance Committee for Changes in the Law to Improve Governance and Oversight of Charitable Organizations" to "Financing Nonprofits: Putting Theory into Practice".

Success Story



Alliance Française de Milwaukee

6 grants: \$27,560

"Over the past 15 years, the Alliance Française de Milwaukee has received several capacity-building grants, which helped us grow, flourish, and become the organization we are now. We would not have been able to achieve this growth without the support and guidance of the Nonprofit Management Fund. "

◆ Anne Leplae
Executive Director



Building Capacity of Faith-Based Organizations

As of October 2001, 56 faith-based organizations had submitted 81 applications to the Fund. This level of interest warranted some research by the Fund Advisor and further discussion by the Fund partners as to how to best address the need for strengthening management and governance in an often nontraditional nonprofit structure. Many of the individual partners did not support faith-based organizations through their current areas of interest. The engagement of two partners—the Lynde and Harry Bradley Foundation, along with that of an anonymous donor with a mission emphasis on central city, faith-based organizations—focused the conversation for all funding partners. The diversity of views around the committee table led to a series of discussions about how this important facet of community life could be supported without appearing to proselytize or promote any religious belief per se.

The work was informed by several conversations with leaders of faith-based organizations in 2001 and 2002. Although, faith-based organizations identified similar management challenges as other nonprofits—fundraising, collaboration, Board development, financial management, etc. They often presented a different organizational structure. Some were ministries of an existing church; others were separately incorporated with a Board dominated by a family, a founder, or the pastor and a small group of the church hierarchy. Mainstream thinking among nonprofit leaders is that these are not sustainable organizational structures. On the other hand, visits to these groups confirmed a genuine, long-term commitment to serving central-city neighborhoods.

The partners wrestled with the question of how one distinguishes what was sometimes a fine line between promoting religion and providing service. This is relatively easy when a separately incorporated entity exists. It becomes harder for unincorporated “ministries” that are implemented within a single church structure. Gradually, some clarity emerged, resulting in the Fund playing a substantial role in underwriting management and governance projects, guided by the following policy.

“Religious organizations will be considered for projects that serve the general community or neighborhood beyond the membership of the applicant.

Projects to promote a particular denomination or faith will not be considered.

This policy is not intended to discourage faith-based community or social service organizations from applying to the Nonprofit Management Fund.”

Grantmakers in Aging

Working in tandem with the national affinity group, Grantmakers In Aging, the Fund awarded a small grant of \$2,500 in August 2006 to underwrite an outreach effort to nonprofit Board Directors of organizations in the field of aging encouraging them to attend the final plenary luncheon of their national conference held in Milwaukee in October. The Fund Advisor actively participated on the conference Host Committee, along with a stellar cast of our local colleagues from the Donors Forum and the Faye McBeath, Helen Bader, Northwestern Mutual, and Greater Milwaukee Foundations.

These dedicated volunteers certainly showed funders from across the country that Milwaukee has much to offer ranging from great site attractions, to hard-working grant makers, to a collaborative spirit, to exemplary projects in the field of aging. Of the 75 nonprofit leaders who attended the luncheon, at which Dr. George Vaillant, professor at Harvard Medical School presented theories from his research “Aging Well”, 46 were recruited through the Fund’s direct efforts.



Both Sides NOW! Win-Win Strategies for ACTIVE and FRAIL Older Adults

Annual Conference
October 25-27, 2006
Milwaukee, WI

A PROGRAM OF
GIA Grantmakers In Aging

2006

Wisconsin Nonprofits Association

A statewide steering committee of 22 nonprofit leaders from around the state began its work at the end of 2004, to examine the issues of the state's 30,000 nonprofit organizations and to determine the need for a statewide service and advocacy association. The Fund was supportive of this effort from the beginning

by bringing a representative from South Carolina's state association to tell the story of their development and accomplishments. Over the years, a total of \$60,000 was invested by the Fund in the establishment of a statewide association of nonprofits.



A feasibility study in 2005, paid in part with a grant from the Fund, surveyed over 1,000 nonprofit leaders through personal interviews, 11 focus groups held around the state, and an online survey. In addition, an economic impact scan was conducted. Participants represented nonprofits statewide from small cities to rural and urban locations, small and large organizations, and every nonprofit sub-sector. Both needs and challenges, as well as interest in a state association of nonprofits, were identified.

Concerned with the welfare and future of their state's nonprofit community, 40 local nonprofit representatives of diverse positions and backgrounds, met to discuss options for the sector. Executives and Board Directors from the Wisconsin AIDS Fund to the YWCA of Metropolitan Milwaukee to the Nonprofit Center to the Food Pantry of Waukesha County, brainstormed ideal visions as well as identified obstacles to securing the sector's future. What made this event special was that 100 similar town meetings were being held across the country as part of an unprecedented four-phase effort to unite nonprofits and enhance the charitable sector.

These planning activities focused energy around creating a state association in 2006, and accomplished several objectives with the support of the Fund and other financial partners.

The Wisconsin Nonprofits Association's purpose is to strengthen Wisconsin's nonprofit sector collectively, and in turn help individual nonprofits reach their fullest capacity and better serve their constituencies. The state association was designed to enhance building capacity, increase access to knowledge and resources, giving a state and national voice to nonprofits, and leveraging resources for all nonprofits in Wisconsin.

In June 2008, the Wisconsin Nonprofits Association held its first statewide conference with over 250 nonprofit leaders in attendance and two national leaders keynoted. The report "More than Charity" was distributed at the conference, providing the first statewide profile of the nonprofit sector that highlighted: Wisconsin has over 31,000 nonprofits; the nonprofit workforce in Wisconsin is 13th in the nation; the value of assets of Wisconsin nonprofits increased by 173% between 1995-2005; 38% of Wisconsin nonprofits are human service agencies; and, program service revenue (fees and contracts) account for 82% of Wisconsin nonprofit sources of income.



Prior to BoardStar branching out on its own, the Fund and the Wisconsin Nonprofits Association had numerous negotiation sessions to merge BoardStar into the Wisconsin Nonprofits Association, as a fully-operational program. After nearly two years of meetings, it was ultimately decided by both groups that it was not the right time for such a collaborative effort.

Both the Fund and BoardStar continued to be supportive of the Wisconsin Nonprofits Association, making grants, offering pro bono services to the Association, and participating in the annual nonprofit summit.

UWM Nonprofit Pre-Design Assistance Center

The Nonprofit Pre-Design Assistance Center at the University of Wisconsin-Milwaukee was established in 2006 as a community service program to provide pre-design architectural assistance for nonprofits throughout greater Milwaukee. The Center assisted staff and Board in assessing an organization's space needs, including rented and owned facilities.

For two years, the Fund Advisor had several conversations with Brian Schermer, a professor at the University of Wisconsin-Milwaukee's School of Architecture. The conversations centered on a nonprofit organization's ability to work with architects, and to some extent contractors, in both design/build or facility-renovation projects. Identified issues were: need for an architect; who should approve contracts; how to interview architects; how to manage projects; and, building Board involvement in oversight of facility management.

The project was intended to produce a pre-design assistance guidebook for nonprofits. In 2007, a New Idea grant of \$2,800 was awarded, but all that was received was a detailed outline of a manual: "*The Place of Nonprofits: A Guide to Planning for Architectural and Organizational Change.*" This project remains an untapped resource.

Local Initiatives Support Corporation

The Fund, through the efforts of the Fund Advisor and several grants, maintained a steady partnership with the Milwaukee office of the national organizations—Local Initiatives Support Corporation. From serving on its Advisory Council to conducting assessments of key community development corporations to teaching workshops to sponsoring a conference, the working partnership spanned about 10 years.

A key joint project in 2003 was the development and sponsorship of several workshops for nonprofit leaders on "*Breaking Ground: A Board Director's Introduction to Real Estate Development and Finance.*" For the most part, LIISC focused its programs on the staff of nonprofits, so we were truly "breaking ground" by shifting the emphasis to Board leaders, with the help of the Nonprofit Management Fund.

Marquette Legal Initiative for Nonprofit Corporations (M-LINC)

It was determined through a community-wide analysis, funded by the Helen Bader Foundation, that Milwaukee lacked a comprehensive service to address the legal needs of nonprofit corporations. The Nonprofit Management Fund awarded two grants to the Milwaukee Bar Foundation to underwrite a planning process aimed at creating a program with Marquette University's Law School, addressing the legal needs of local nonprofits. A three-tiered service delivery model was aimed at: 1) increasing awareness of the value of legal advice among area nonprofits; 2) reducing access barriers to high-quality legal services for nonprofits that cannot afford such services; and, 3) instilling in graduate and professional students a desire to serve their communities through working with nonprofit organizations. Once the program was established at Marquette Law School, the Fund made client referrals, provided input to a steering committee, and worked on joint educational efforts.

Creative Alliance Milwaukee

From 2002-2004, the Fund participated in a city-wide effort to establish a coalition that would advocate for a healthy arts and cultural sub-sector in Southeastern Wisconsin. Through a laborious process of interviews, focus groups, and an environmental scan, the effort focused on answering a few key questions.

1. How can the arts and cultural community, as well as a local cultural alliance, be a resource and tool to help civic and business leaders strengthen the overall economy?
2. What are the top three tasks to strengthen metro Milwaukee's cultural community?
3. What are the biggest barriers/obstacles the alliance will have to overcome to be successful?
4. What should the major focus be for a local cultural alliance?

The Fund has continued to be supportive of the Creative Alliance Milwaukee through its various iterations, including its most recent emphasis on "Connecting Creatives and Commerce".

IN MEMORIAM

Most nonprofits follow an evolutionary cycle, encompassing several stages. Sometimes, it may be in the best interests of the community to let an organization peacefully (or not) expire.

Over the past 20 years, many nonprofit organizations in the Fund's database have been rendered inactive. For the most part, these organizations have dissolved officially or unofficially; some have been absorbed by a larger organization; and, still others have moved, or just not kept their contact information current.

Nationally, the press highlights the demise of nonprofits in most communities from coast to coast. Unfortunately, Milwaukee has not been spared from similar losses. Since the Fund started awarding grants in 1994, 113 of its grantees are no longer with us, which seems to be a very large number on its own. This figure represents approximately 14% of the total number of applicants to the Fund over the past 20 years.

For example in 2008, three of these organizations closed their doors permanently. The Fund received the last evaluation report from each, followed by a phone call thanking the Fund for helping them throughout the years, and then assisting each in dying with dignity.

The Latino Health Organization

"With great disappointment and concern, I must tell you that LHO will no longer be able to operate as an agency due to financial difficulties. We close with our mission unaccomplished and with the hope that others will carry it forward. We transferred our proposals to other agencies that work to improve the well-being of Latinos in Milwaukee, Racine and Kenosha... Thanks again and we hope you continue to support efforts that benefit the Latino community in Wisconsin."

The Leaders Forum

"Based on discussions that took place during three planning sessions, a collaborative relationship with an existing organization should be pursued. This organization should be free of prospective conflicts, have a compatible mission, and is primarily structured to assure administrative stability. One or several local foundations can provide capacity - building grants to absorb costs associated with this arrangement... Despite these planning efforts, we can no longer sustain operations. Thank you for your support along the way."

Metcalf Park Residents Association

"I learned through this project some very difficult lessons. When we started, we hoped we could clean up the financial reports to a point that merger or partnership with another organization might be possible. The sad thing is, the organization voted to dissolve at its January meeting, but is committed to doing so with as much grace and dignity as we can. We will have to see if we have any outstanding obligations that still exist and work toward insuring any knowledge or tools for community organizing are passed on to the next provider."

Sometimes, the reason to close your door is because the mission has been accomplished. More likely, however, the reasons are: the debt is too high; the passion of the leadership wanes; the Board and/or staff are too ineffective; there is just not enough money to cover core operations; the "angel donor" changed funding priorities; or, mismanagement or lack of governance caused an investigation that could not turn around the inevitable.

Certainly, inefficient or ineffective organizations should not continue to receive philanthropic dollars, but just because that organization is large or this group has been around a long time are not reasons to fund only the high-performing or mature nonprofits.

If our community's nonprofit/public/commercial sectors are healthy, our quality of life is enhanced. It takes small, medium, and large businesses, governmental departments, and many sizes of nonprofit organizations to create a dynamic, vibrant, and prosperous ecosystem in every community.

Why did we lose so many nonprofits?

Did we make bad grants? Were our grants too small?
 Were the organizations too far gone when we started funding them?
 Was it a case of survival of the fittest?
 What would it have taken to ensure a positive turnaround?

So many organizations...so many questions.

While we mourn our losses, and salute those that tried, we also need to drive ahead.

IN MEMORIAM

10-34 Wisconsin Inc.	Day Care Advocates of Milwaukee	Midtown Neighborhood Association
3RTech	Delphi House Inc.	Midwest Professional Research & Educational Services
Abundant Life Ministry	Elder Care Line Incorporated	Milwaukee Center for School Change
Addition Fighters Inc.	Emotional Liberty Foundation	Milwaukee Consumer Advocates Network
Adopted Kidz Inc.	ESHAC, Inc.	Milwaukee Housing Assistance Corporation
Agape Center for Academic Excellence	Everlasting Mercy Fellowship	Milwaukee Indian Economic Development Association
American Dream Corp	Excel Academy	Milwaukee Graphic Arts Institute
Andre Lee Ellis & Company	Fair Lending Coalition	Milwaukee Inner City Arts Council, Inc.
Artist Series at the Pabst	Faith Works Milwaukee, Inc.	Milwaukee Rock Opera Company
Asha Family Services	Faith Partnership Network, Inc.	Milwaukee Shakespeare
Assisi Community Organization	Foothold Dance Performance	Modjeska Theatre Company
Aurora Weier Education Center	Golf Foundation of Wisconsin	Neighborhood Children's Sports League
Barnabus Ministries Milwaukee	Great American Children's Theatre	Neighborhood Housing Services
B.U.D.D.Y. House, Inc.	Great Lakes Future	North Ave Community Development Corporation
Ballet Wisconsin	Great Lakes Opera Company	Office Technology Academy, Inc.
Bese Saka Performing Arts Academy Inc.	Greater Milwaukee Education Trust	Port Washington: The Maritime Experience, Inc.
Bialystock & Bloom Theatre Company	Greater Milwaukee Nonprofit Institute	Project Equality of Wisconsin, Inc.
Bottomless Closet	HBC Services Inc.	Rapha Ministries, Inc.
Brass Players Academy	Heritage Chorale of Greater Milwaukee	S.A.F.E. Group Services, Inc.
Broken Wings Ministries, Inc.	Hmong Educational Advancements, Inc.	Southeast Wisconsin Citizens & Organizations Active in Disaster
Capital Christian Center	Homeboyz Interactive, Inc.	The Open Gate, Inc.
Cats International	Honor Our Neighbors Origins and Rights Inc.	The Red Bus Corporation
CCTR Group Inc.	Hotel Milwaukee	Teen Approach Inc.
Centro Primo	Incarnation Development Corporation Inc.	Theatre X, Inc.
Changing Lives Ministry Inc.	Inner City Youth Serving Agencies	Transitions: Men of Tomorrow
Children's Discovery Center	INNERWORKS	Village Adult Services Inc.
Christian Family Gathering	Institute for Child and Family Development	Vision Unida Incorporated
Christian Family Social Services, Inc.	Islamic Family and Social Services	Walker's Point Development Corporation
Christos Ministries Inc.	LaFarge Lifelong Learning Institute	West Allis Community Media Center
Citizens Against Drug Impaired Drivers	Lake Park Friends	Westside Housing Cooperative
Citizens for a Better Environment	Latino Cultural Alliance	Wheelchair Recycling Program
City Ballet Theatre	Latino Community Center	Wings for Wishes, Ltd.
City-Wide Planning Group	Latino Health Organization	Wisconsin State Association of Colored Women's Clubs, Inc.
Collaborative Effect, Inc.	Leaders Forum Ltd.	Women & Children's Project, Inc.
Community Coordinated Child Care Inc.	M.A.R.R. Community Foundation	Women's Political Voice Foundation, Inc.
Community Enterprises of Greater Milwaukee	M&S Clinical Services, Inc.	
Community Villages Ltd.	Mary Mahoney Health Services	
Cooperation West Side Association	Matt Talbot Lodge	
Cricket Academy	Metcalfe Park Residents Association	

NONPROFIT MANAGEMENT FUND OF WAUKESHA COUNTY

Siblings. Those brothers and sisters whom you love and cherish most of your life are also those individuals with whom you compete, fight, collaborate, and support, and depending where you are in the household pecking order, you might lead, follow, or ignore them.

The Nonprofit Management Fund in Milwaukee understands familial relationships as it spawned a sister fund in the neighboring county. In 1998, five funders from the Milwaukee Fund partnered with three local entities to establish the Nonprofit Management Fund of Waukesha County.

For the most part, the big sister fund led the way, modeling grant-making behavior, and launching initiatives that would benefit the full metropolitan area. Each partner enriched its own grant-making efforts through learning to analyze nonprofit management needs and results. With a track record of success and the satisfaction of observing measurable improvements in many local nonprofits, the partners acknowledged 16 years of strengthening Waukesha County nonprofits and quietly stopped making grants in August 2013.

From the beginning, the two funds paralleled each other's goals and guidelines, as well as proposal and evaluation formats. Primarily, only two aspects distinguished the funds: the grant range in Waukesha was \$500-\$7,500 (Milwaukee \$1,000-\$10,000), and the Committee only met twice a year in Waukesha, compared to the standard six annual grant cycles in Milwaukee.

Whatever the future may hold for Waukesha nonprofits, it's worth celebrating awarding 296 grants for a total of \$1,439,590 to 80 different organizations. An incredible 83% of 356 applications were funded, with an average grant size of \$4,860.

Consultation and training were provided by 197 different consultants, with 10 of those consultants helping grantees on 5 or more projects.

While statistics from all counties mirrored each other, the Waukesha committee members generally followed the lead of the older sibling when it came to funding initiatives that provided assistance and resources to all local nonprofits, including strengthening Boards, enhancing technology, conducting organizational assessments, and training consultants.

As the Milwaukee committee plans for the next generation, it should consolidate the family business and bring the little sister into the fold as one Fund covering the four-county metropolitan area.

Partners in the Waukesha Fund

<i>Partner</i>	<i>Dates</i>
<i>Greater Milwaukee Foundation</i>	<i>1998 → 2013</i>
<i>Faye McBeath Foundation</i>	<i>1998 → 2011</i>
<i>Stackner Family Foundation</i>	<i>2000 → 2013</i>
<i>Lynde and Harry Bradley Foundation</i>	<i>1998 → 2004</i>
<i>Northwestern Mutual Foundation</i>	<i>1999 → 2012</i>
<i>United Way in Waukesha County</i>	<i>1999 → 2013</i>
<i>Waukesha Hospital/ProHealth</i>	<i>1998</i>
<i>Anonymous</i>	<i>1998 → 2008</i>
<i>Waukesha State Bank</i>	<i>1998 → 2002</i>



STRATEGIC ALLIANCE FUND



There was a departure from the “following” role when the Waukesha Fund announced at its 10th anniversary that it was launching a new private/public partnership--the Strategic Alliance Fund. This Fund would award grants to local human service agencies to establish a formal collaboration, negotiate a strategic alliance, co-locate to share back-office and other administrative functions, or restructure organizationally through a merger. Although this Fund only made a few grants, the partners continued to focus on a mantra of merge or establish a formal alliance.

The partners in the Waukesha Fund were well aware of the enormous economic and environmental pressures that weigh on nonprofit organizations. Several discussions at the Nonprofit Management Fund of Waukesha grant meetings focused on possibilities

PARTNERSHIP AND PROGRESS

of collaboration, similarities of missions, decreased funding opportunities, and potential duplication of services. Rather than continuing to talk, the funding partners chose to take action.

In 2008, the Nonprofit Management Fund of Waukesha County launched a new initiative to address these concerns. Three of the Fund partners joined resources with the Waukesha County Department of Community Development to establish a distinct funding pool to enable nonprofit organizations to consolidate resources and enter into formal partnerships.

Nonprofit organizations that received a 501(c)3 tax designation and located in Waukesha County were eligible. The lead organization had to have an operating budget under \$3 million, and a mission that emphasized human resources.

The Strategic Alliance Fund intended to cover some of the costs that would be incurred by organizations ready to implement a formal collaboration, negotiate a strategic alliance, co-locate to share back-office, and other administrative functions, or restructure their corporations through a merger. Grants were awarded up to \$20,000 to supplement the organizations’ own investments and that of other funding sources. Contracts from any technical assistance provider used in the project had to be attached to the application.

Each proposal was reviewed by the Fund Advisor before forwarding the proposal to the funding partners for consideration. Applicants were asked to make a brief presentation to the funding partners at the time of their committee deliberations. An evaluation report describing the activities performed under the grant, along with financial documentation, had to be submitted upon completion.

A tool kit was designed to help nonprofit organizations in Waukesha County determine whether a partnership of some type would further their missions in a more cost-effective manner. The toolkit included descriptions of partnerships, ranging from informal cooperation to the creation of a new entity through the merger of existing organizations, as well as definitions to increase understanding of various options for collaboration. It identified areas of responsibility for the Board and staff, from preliminary discussions through formalizing the relationship, and included six case studies of successful partnerships among Waukesha County organizations. These case studies illustrated different kinds of partnerships, such as cooperation, collaboration, coordination, strategic alliance, and merger, describing the process and impact upon the organization.

Interestingly, only three proposals for mergers were received and two were funded.

- ❖ Easter Seals of Southeastern Wisconsin absorbed the Waukesha Training Center.
- ❖ Pregnancy Support Connection & Healthy Families of Waukesha merged to become: Safe Babies Healthy Families.



Over 16 years, our grantees have had a lot to say...

"The finished product was beyond our expectations at the WAUKESHA COUNTY HISTORICAL SOCIETY & MUSEUM."

"Now, key staff are better equipped to lead change from within INTERFAITH SENIOR PROGRAMS."

"The FOOD PANTRY expects to become a more focused organization with measurement and evaluation, as well as a more formalized structure."

"We greatly appreciate this funding source and the improvements it has helped make for TEN CHIMNEYS FOUNDATION."

"It takes resources to build the capacity of nonprofits. FAMILY SERVICE AGENCY OF WAUKESHA COUNTY is appreciative of the continued support."



It's a sweet 16 celebration!

**Nonprofit Management Fund of Waukesha County
1998-2013**

HAPPY BIRTHDAY



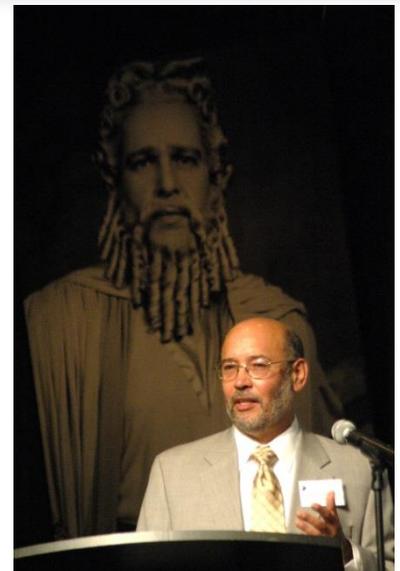
With technical expertise in a variety of management areas...

197 different consultants have been used on grantee projects.

10 consultants have helped grantees on 5 or more projects.



Grantees were diverse with 175 grants totaling \$845,540 to health and human service organizations; 70 grants were made to arts & culture groups for a total of \$366,739. Over the 16 years, 57 grants for a total of \$230,720 focused on technology; 49 grants enhanced fundraising for an investment of \$265,582; 45 grants were made for marketing totaling \$221,881 and another 45 for planning adding to \$251,470. And, 17 nonprofits received a diagnostic clinic.



We've got Reasons to celebrate...

The Nonprofit Management Fund of Waukesha County has made **296 grants** for a total of **\$1,439,590** to **80** different organizations.

We've funded **83%** of the **356** applications we've received since 1998.

Grantees have received an average grant of **\$4,860**.

You've all shared a lot with us...

United Way in Waukesha County
Greater Milwaukee Foundation
Stackner Family Foundation

And so have others...

an anonymous donor
Faye McBeath Foundation
Lynde and Harry Bradley Foundation
Northwestern Mutual Foundation
ProHealth Care (formerly Waukesha Memorial Hospital)
Waukesha State Bank

We've helped in a lot of ways...

We've made **57** grants for a total of **\$230,720** for **Technology** projects.

Fundraising projects have received **\$265,582** across **49** grants.

Over 16 years, **45** grants have been made for either **Marketing** for **\$221,888** or **Planning** for **\$251,470**.

17 **Diagnostic Clinics** have been conducted by the Fund Advisor or participants from the Fund's Diagnostic Clinic Consultant Institute.

Our grantees are diverse...

Health and Human Services organizations received **175** grants for a total of **\$845,540**.

The Fund has granted **\$366,739** in **70** grants to **Arts & Culture** groups.

Other organizations, such as **Civic, Environment, Historic Preservation, Animal Welfare, or Recreation** groups, have received **23** grants for **\$99,192**.

Success Story



Interfaith Senior Programs, Inc.

16 grants: \$89,805

"Multiple grants from the Nonprofit Management Fund of Waukesha County between 2002-2013 increased the capacity of the Board of Directors, marketing, technology, and staff, resulting in a strong organization with cash reserves that is serving four times the clients and poised to grow again to meet the needs of the community's growing senior population. "

◆ Kathy Gale
Executive Director



LESSONS LEARNED

This year, 2014, marks an important milestone: the Milwaukee Fund achieves its 20th Anniversary of building the capacity of small and mid-sized nonprofits. For 20 years, the partners have been engaged in Wisconsin's first, and now longest-standing, funders' collaborative. By making small grants for technical assistance and supporting initiatives that expand the resources available for effective nonprofit management and governance, the funding partners broke ground on multiple levels, not the least of which was to sit at the same table—despite great philosophical differences—and make grants to nonprofits using only the guidelines of the Fund rather than their own philanthropic lens.

The Fund has a distinctive niche in the philanthropic sector. It provides support directly to nonprofit leaders who identify projects to remediate organizational weaknesses. Since 1994, the Funds together have awarded approximately \$9 million through nearly 1,900 grants to just under 800 nonprofits. Using a marketplace model is somewhat unique among funders, in that the Fund puts the purchasing power in the hands of local nonprofits with budgets under \$3,000,000 to engage a consultant of their choice to achieve an outcome of organizational change.

As Fund partners paused to consider the future, there was a rich data trove and significant archive of more than two thousand projects, including: proposals, strategic plans, management assessments, marketing campaign blueprints, and many other work products. The Fund's attention to designing, implementing, and evaluating projects created this archive. The Nonprofit Management Fund can now reflect upon the lessons that have been learned by nonprofit managers, consultants, Board Directors, and partner funders, as it plans for the 2.0 version.

The Fund Model

- ❖ The Fund built a new level of trust between applicant and donor by establishing a safe zone to discuss management challenges without fear of reprisal. At the Fund, a public acknowledgement of management challenges resulted in an applicant-controlled solution strategy buoyed by outside funding.
- ❖ The Fund served as a resource for its partners by encouraging them to identify organizations that they believed had solid programs, yet suffered from administrative or leadership challenges. Every partner finally had a resource to which it could make a referral.
- ❖ Funders with widely varying philosophic and philanthropic viewpoints, as well as an extensive range of funding interests, can in fact work **very well** together.
- ❖ The Fund, at its best, was a team.....which is a step above a collaborative. Debating the allocation of pooled resources, all the while learning from each other, were critical elements in building this team.
- ❖ The Fund partners had to develop a tolerance for failure, which admitted or not happens in every grant-making organization. Interestingly, the Fund experience is that the failure rate is relatively low, even when you take risks.
- ❖ Compromise and common vision are key elements of a successful collaboration.
- ❖ An intolerance for and avoidance of “re-granting”, as in not being allowed to have the sole final decision, was a major, but not the only, reason that the Fund found it difficult to attract new partners in its later years.
- ❖ The willingness of a single partner, the Greater Milwaukee Foundation, to provide administration and grants management, as well as financial support, was vital to the Fund's success. With rare exception, they did this without becoming a “first among equals”. For the Fund to continue as an effective collaborative, filling this role is paramount.

Boards

- ❖ Board Directors are a specific market and valuable segment of the nonprofit sector, with interests and service needs distinct from the nonprofit organizations that they serve.
- ❖ Board Directors will take ownership for seeking and managing resources, particularly Fund grants. The high level of Board involvement (approximately 35%) in grant applications is unique to the Fund.
- ❖ Board Directors want to do a good job of providing oversight of their organizations, and are hungry for information on how to excel at governance.
- ❖ Governance and management challenges are ever present in small and mid-sized nonprofits; the focus and scope of these concerns may shift, but they are always present.

Grantmaking

- ❖ Small grants can and will make a BIG difference. Awarding multiple small grants in the same year as secondary phases or building blocks, partially overcomes the concerns about the absence of larger grants.
- ❖ Funding for management or governance projects is only part of the solution to address organizational challenges. Consistent and strong leadership in the organization are equally important.
- ❖ While there is no single predictor of success in a capacity-building project, an organization's readiness to learn and accept change come closest.
- ❖ Providing purchasing power through grants is a huge motivator for Board and staff leaders; it removed an element of what leaders often called begging for consultation and other pro bono work.
- ❖ Over time, it became clear that applicants were not willing to fully disclose an accurate rating of the consultant, and on occasion, the grants project, because they were afraid of jeopardizing future grants. This issue may be a design matter to address in continuing a marketplace model.
- ❖ The Fund became known for its flexibility, adaptability, and straightforward approach to making grants, which was consistently noted by grantees in their evaluation reports.
- ❖ Participating funders enjoyed the discussions where they learned from each other, which in turn enriched their proposal review skills and grant decisions at their respective foundations.

Initiatives

- ❖ In hindsight, perhaps each Fund initiative should have been launched with an external partner, in addition to Fund support and leadership. This approach allowed ENTECH to flourish for a number of years under the UW-Milwaukee umbrella, because its leader learned from the Fund Advisor. Unfortunately, this was not the case with all initiatives.
- ❖ The Hispanics in Philanthropy and Fund effort provides a template for those who believe in larger capacity building grants and/or ones targeted to a more defined audience. The combination of a comprehensive inventory of organizations and their challenges, along with supporting a leadership program and grants to address concerns is a useful model to consider.
- ❖ Diagnostic clinics were often considered more valuable than cash, and making follow-up grants to address deficiencies made significant progress toward stability.
- ❖ The need for Board development will never wane, as Boards are the only commonality of all nonprofits. Support for a comprehensive, and not lowest common denominator, approach must be sustained.

Consultants

- ❖ The Fund should have offered professional development opportunities for consultants earlier and consistently throughout its history.
- ❖ Intermediaries in many ways were (and perhaps still are) as needy as the organizations they are supposed to help.
- ❖ The combination of rapport and expertise in the technical assistance providers is tantamount to successful consultation.

Resources

- ❖ The Fund analyzed and identified leadership resources and gaps in the community. As one example, coaching was a phenomenon with a very low profile when the Fund was launched; today, it is a prized resource for leaders. Other leadership development efforts should be supported.
- ❖ The landscape of "intermediaries" has changed since the Fund's launch in that there are more resources available to nonprofits. Some of these additions can be attributed to the Fund, and others are natural evolution of a community. An assessment of intermediary capacity should be considered as part of planning the Fund's next phase.
- ❖ For the most part, national resources are limited in local applicability.
- ❖ It is important to recognize that organizational change takes a considerable amount of time and money, as well as a range of resources. There is no one model or approach that fits all organizations.