



Montana Nonprofit Association

2005 Report of Activities & Accomplishments October 4, 2005

Board Development Committee, Curt Klotz, Acting Committee Chair

Tom Jacobson, Ry Sorensen, Members

The primary focus of the Montana Nonprofit Association's Board Development Committee is the recruitment and retention of qualified candidates for the Board of Directors. This year's slate of candidates was electronically sent to the membership on September 14, 2005 in accordance with our Bylaws. A copy of the slate of candidates is attached.

The Board Development Committee continues to seek new leaders for the board, particularly from the geographic locations of Billings, Missoula, Kalispell / Flathead, and eastern Montana and the focus areas of health services and environment / natural resources. However, all who are interested in exploring service on the MNA Board are encouraged to contact any member of the Board Development Committee or MNA's Executive Director, Brian Magee.

In addition to continued recruitment for the MNA Board of Directors in the fall, the Board Development Committee will be recommending a slate of officers for 2005 to be presented at the upcoming Annual Corporate Meeting, the first meeting of the Board of Directors following the "Meeting of Members."

Finance Committee, Tom Jacobson, Committee Chair

Dick Rule, Sue Herman, Phil Grimm, Members

The Finance Committee, a standing committee required by the Bylaws of MNA, directs the budgetary and fiscal affairs of the Corporation. MNA's financial situation remains stable and healthy demonstrating steady revenue growth particularly in the areas of membership dues and conference sponsor/vender fees. Efforts to secure funding for a Member Services Director were successful this year enabling us to hire Brad Robinson to that position. This has allowed our Executive Director, Brian Magee, to concentrate more effectively on other functions such as advocacy, public policy, and the annual conference. We believe that these efforts have been rewarded with the increases in membership and conference attendance. The hiring of Brad will further allow Brian the opportunity to concentrate on additional grant funding for the upcoming fiscal year. Financial statements through August 31, 2005 are attached.

- As shown on the Statement of Financial Position, as of August 31, 2005 MNA had a net asset balance of \$45,679 up from \$19,256 in 2004. Of this amount, \$19,240 is unrestricted while \$26,439 is designated by donors as temporarily restricted for use in specific program areas.
- The five columns presented on the Budget vs. Actual statement show
 - actual figures through the month of August,
 - year to date budget,
 - the year-to-date variance between actual and budget,
 - percent of year to date budget, and
 - the full annual budget approved by the Board of Directors.

- To better understand the true costs of delivering programs, the finance committee began identifying expenses that were directly related to specific programs and indirect expenses relating to the general cost of operating the association. These expenses, direct and indirect, are delineated in the budget and Statement of Activities.
- For the first eight months of 2005, revenues have outpaced expenses. As of August 31, the year-to-date net income was a positive \$13,651. Membership dues and conference registrations in September and October are expected to drive revenue up even further. Though grant funding has been below expectations, associated expenses in the 2004 budget will compensate for this shortfall.

A proposed Operating Budget for 2006 is attached which proposes revenue of \$259,170 and expenses of \$220,008. See the Notes column for assumptions used in developing the budget. The Finance Committee is recommending that the Board adopt the budget on the condition that all spending is contingent on secure and adequate funding.

Membership and Development Committee, Dick Rule, Committee Chair

Mike Schechtman, Sue Herman, Ry Sorensen, Members

Overview

Over the first 3 quarters of 2005, MNA has generated approximately \$126,000 in revenue to support MNA's operations. MNA is grateful for several foundation grants from the Mountain Sky Guest Ranch Fund, Lora L. and Martin N. Kelley Family Trust Foundation, and the Otto Bremer Foundation. These foundation funds have allowed MNA to hire a Member Services Director and expand advocacy and public policy programming. Revenues in most other categories continue to grow substantially including those from membership dues, member services, conference sponsorships, and training registrations.

As an underlying philosophy, the committee has endorsed the approach that support for basic operations should be funded, in the long term, from non-foundation and grant related resources. Under this approach, foundation grant support would be limited to "Special Projects" and start-up activities. This philosophy coupled with last year's carry over funds, challenge grant, and the successful Otto Bremer Foundation grant has led to the creation and filling of the Member Services Director position to direct efforts in this capacity. It is anticipated that this position will develop additional revenues sufficient to become self-funding.

Membership

MNA's membership recruitment and retention efforts continue to be strong. At this time last year, our membership stood at 178 organizations. With new benefits, increased visibility, and additional staff, membership now stands at 254 organizations – an increase of 43%. MNA has welcomed 91 new members since our last conference and we expect to end the year with an 85% retention rate. MNA has set an ambitious goal of 300 members by the end of 2006 and 400 members by the end of 2007. Please help us recruit within your own networks by spreading the word about the benefits of joining MNA – you are our best advocates and we appreciate your efforts. A complete list of member organizations is available on MNA's website at www.mtnonprofit.org.

Finally, the committee developed and formalized an Associate Member membership dues structure that allows for individuals, governmental and other exempt entities, and businesses to join MNA as members. The committee is now considering specific benefits for these groups.

Member Services Committee, Joy McGrath, Committee Chair

Curt Klotz, Charney Gonnerman, Melinda Ross (ad hoc), Members

Member Services Director – Accomplishing our priority goal and a huge boost for the work of the committee as well as MNA as a whole was the hiring of our first Member Services Director this spring. The key responsibilities for this position are building and supporting the MNA membership base, strengthening current member services, establishing new member services, and building our communication links and tools for connecting with our membership and other nonprofits.

Health Insurance Plan - Launched in the spring of 2004, this benefit continues to attract interest from our members and the nonprofit sector generally. In 2005, MNA made some adjustments to the plan offerings which now include an HSA eligible high deductible plan. Health insurance will continue to be a major focus of our attention as we expend staff and board energy to improve this offering so it can meet the needs of more MNA members. Stop by the New West Health Services information table at the conference for details on current plan offerings.

Directors and Officers (D&O) insurance – Following last year's conference and informative presentation by Montana's Insurance Commissioner John Morrison, we endorsed Monitor Liability Managers, partnered with Payne Financial Group and introduced a discounted Director's and Officers Insurance benefit. This benefit has been well received and is now providing coverage to 42 members of MNA. Although Montana's Good Samaritan Laws may serve as some protection for organizations in terms of legal settlements, coverage for legal defense does warrant this special coverage by nonprofits. Check out the information booth at the conference or the MNA website link to learn more.

Unemployment Insurance Update - MNA's offering of unemployment insurance through First Nonprofit Companies (FNC) was first introduced in 2003. The program now serves 46 nonprofit organizations across Montana, collectively saving them \$243,000 in 2005. We continue to look toward expanding this service to enroll more Montana nonprofits. Cecilia Piazza from FNC is at the Conference, please plan to visit her.

GrantStation Insider - MNA, in partnership with GrantStation, has been emailing members since late in 2004 the *GrantStation Insider* each week. The *GrantStation Insider* provides the latest information on new funding programs, upcoming grant deadlines, conferences, trainings, and relevant information for grantseekers.

Society of Nonprofit Organizations - MNA has developed a partnership with the Society of Nonprofit Organizations (SNPO) for discount memberships of \$29 (50% off the regular membership price). SNPO offers many benefits including subscriptions to Nonprofit World (nationally recognized leadership, management, and governance focused magazine for the sector), monthly Funding Alert, access to the Nonprofit Career site for job posting and more. Members also have access to archives on hundreds of management articles, discounts on all materials offered through the Resource Center, and tuition discounts to SNPO's on-line delivered Certificate in Nonprofit Leadership and Management, with 4.8 CEUs awarded by Michigan State University. More information is available at the MNA table.

BoardSource - MNA and BoardSource, the premier resource for tools and training on nonprofit governance, have partnered to offer MNA members one-year memberships at significant savings. MNA and BoardSource have extended this offer until the end of the year. This service provides: resources to nonprofit leaders through workshops, training, and an extensive web-based database; governance consultants who provide technical assistance; the most comprehensive selection of material on nonprofit governance; and a biennial conference that brings together approximately 700 board members and chief executives of nonprofit organizations from around the world. More information is available at the MNA table on this great benefit.

Communications – MNA made significant strides in the area of communications with the completion of our website and the launch of the MNA Advocacy and Information Network. MNA's website now receives over 20,000 hits a month and serves as a platform for program delivery. Through the Advocacy and Information Network, MNA now has the ability to quickly deliver through electronic means timely information about nonprofit news, MNA programs, and policy alerts with the click of a button. The Network is open to all with a sign-up accessible from MNA's homepage.

New Program Announcements:

Mini-Medical Plans – In partnership with Symetra, Insurance Coordinators of Montana, and Mountain West Benefit Solutions, MNA has launched a mini-medical plan program that will provide limited, affordable medical plans for under \$200. These plans do not cover catastrophic claims, but will provide some coverage for customary

expenses such as hospital and doctor visits, surgery, vision, life insurance, and more. Premiums cover dependents at no additional charge and overall premiums are much more stable from year to year when compared to major medical insurance. This program is primarily geared towards nonprofits that cannot currently afford major medical coverage. Be sure to visit the Mountain West Benefits Solutions table at the conference to learn more about this great new program.

MNA Nonprofit Career Center – The MNA Career Center is now operational on the MNA website. The Career Center brings together nonprofit jobseekers with nonprofit recruiters through a web-based system that is managed by the end user (jobseeker or recruiter). Recruiters can post jobs and organizational information as well as review uploaded anonymous resumes from individuals looking for opportunities. Jobseekers can upload resumes and cover letters and customize their job search with alerts. Job posting fees are deeply discounted for members and further discounts are provided for bulk purchasing. A further posting discount is currently provided to help populate the system. Resume posting is free. Be sure to see the demonstration at the MNA exhibitor table.

Coming in 2006:

In response to the recent survey of members on what services they are most in need of and interested in having MNA roll out, the Committee will be researching various products and vendors to better serve the nonprofit sector in Montana. Keep reading your MNA Member eNewsletters and watch what we have coming up.

Public Policy Committee, Sheila Hogan, Committee Chair

Phil Grimm, Gary Owen, Andrea Vernon, Pat Grimm (ad hoc), Members

MNA's Public Policy Program made significant strides in 2005, both in terms of infrastructure development and actual policy work. The goals for MNA's public policy program are:

- (1) To create a voice for MNA members on public policy issues.
- (2) To educate nonprofit organizations and legislators regarding the public policy issues which affect the nonprofit sector as a whole, their rights and responsibilities as advocates, and the skills needed to engage effectively in advocacy.
- (3) To build a representative body of nonprofit organizations in which diverse points of view are represented and engaged in public policy debates on issues that affect the sector as a whole.
- (4) To enable the MNA membership to weigh in on significant national policy issues through federal lobbying and participation with the policy activities of the National Council of Nonprofit Associations (NCNA).

With these goals in mind, MNA accomplished the following:

2005 Montana Legislature

- Monitored legislative activities with assistance from professional lobbyist
- Opposed (successfully) changes to the Charitable Endowment Tax Credit
- Monitored closely other bills pertaining to accountability and nonprofit regulation
- Updated our membership through Public Policy eNews
- Performed general advocacy – distributed Montana Nonprofit Sector Report to all legislators and visited personally with legislative leadership regarding the sector and MNA

Federal Legislative Activity

- Monitored federal legislative activity regarding charitable reform and philanthropic giving
- Worked with NCNA to move forward a federal initiative for “capacity building funds” directed at nonprofits – efforts continue
- Invited and participated (Executive Director) as member of the national Panel on the Nonprofit Sector’s “Small Organizations Work Group” that is advising the U.S. Senate Finance Committee on charitable reform measures

- Convened (in partnership with the Montana Community Foundation, Montana Society of CPAs, and Governor’s Task Force on Endowments and Philanthropy) a state forum in Helena and roundtable discussion on nonprofit reform measures and the work of the Panel on the Nonprofit Sector
- Coordinated several forums with U.S. Senate Finance Committee staff and state leadership to provide feedback on reform efforts

Communications

- Established the electronic MNA Advocacy and Information Network (open to all) for quick distribution of important information
- Provided policy updates on the MNA web page “Public Policy Section” along with web-based resources for advocacy and public policy information
- Built bridges with key in state partners including the Montana Community Foundation, the Montana Society of CPAs, and Governor’s Task Force on Endowments and Philanthropy
- Established relationships with elected officials, particularly staff of the U.S. Senate Finance Committee focusing on charitable reforms

Public Policy Council

- Established policies and protocols for MNA’s public policy work and Council
- Completed recruitment for MNA’s Public Policy Council which includes 17 leaders from around the state with a first meeting slated for November

Annual Conference Planning Committee, Terry Profota, Committee Chair

John Baber, Charney Gonnerman, Andrea Vernon, Gail Brockbank (contractor), Members

MNA’s 4th Annual Conference - “Mission Driven: Building Effective and Accountable Nonprofits” – will be held in Missoula, MT beginning Monday, October 3rd and wrap up Wednesday, October 5th. The conference commences by offering three pre-conference full-day workshops: *Getting it Right -Fundamentals for the New Executive Director*, *Creating Boards that Lead*, and *Beauties & the Beasts* presented by the national fundraising organization Access Philanthropy. Tim Delaney, President and Founder of The Center for Leadership, Ethics, and Public Service, will open the full-conference on Tuesday with a plenary workshop entitled, “Leadership Lessons from Hercules: How Nonprofits Can Defeat the Snarling Heads of the Hydra Monster.” Fifteen breakout sessions will be offered featuring workshops focusing on Fundraising, Governance, Communications, Operations, and Advanced Executive Directorship. Networking opportunities will also abound through breaks, an evening reception at the Missoula Children’s Theatre, and a networking breakfast on Wednesday morning. The conference concludes with a panel discussion on funding for nonprofit capacity building and closing reception.

At the conclusion of this year’s conference the Committee will review the evaluations and begin planning for the 5th Annual Conference planned for Helena, MT in early October 2006. The committee respectfully requests each attendee’s cooperation in completing the evaluation forms in order to assure the continued development of the conference as a training resource. Member’s interested in serving on this Committee are welcome to volunteer with any member of the Board of Directors or Brian Magee, MNA’s Executive Director.