Nonprofit Strengthening Projects are an innovative partnership enhancing a funder’s ability to meet its strategic interests and goals by increasing the capacity of the organizations it supports. Using Charities Review Council’s 25 Accountability Standards® and online capacity building tool the Accountability Wizard®, organizations are able to assess and improve their current practices, policies, and procedures. Nonprofit Strengthening Projects demonstrate the value of investing in the administration and infrastructure of historically under-resourced nonprofits. These projects strengthened the capacity of Youthprise grantees, their relationships with each other, and with the supporting funder, Youthprise.
OVERVIEW

In 2012, Charities Review Council (the Council) partnered with Youthprise to design a Nonprofit Strengthening Project that would build capacity for the nonprofits they fund. The project included the Strengthening Workshop Series, access to the Council’s online capacity building tool, the Accountability Wizard®, and customized one-on-one support. The project was very successful, engaging more than 35 Youthprise grantees. Upon project completion, 26% of participating grantees had successfully completed the Accountability Wizard®, thus earning the Meets Standards® seal, a visual marker of nonprofit strength; 63% of participating grantees had completed the Accountability Wizard® and were working on tangible action steps needed in order to meet all 25 of the Council’s Accountability Standards®.

Building on the success of the 2012 project, the 2014 Nonprofit Strengthening Project engaged an additional 21 Youthprise grantees. Currently, 9% of participating grantees Meet Standards®, and 57% are working on action steps needed in order to Meet Standards®. We anticipate that the remaining organizations will Meet Standards® by 2016.

KEY PROJECT STRATEGIES

Community Engagement: Project goals were co-created with Youthprise and other high quality partners, such as MAP for Nonprofits, Nonprofits Assistance Fund, Pollen, and community-based expert consultants.

Peer Learning Communities: Using culturally affirming programming, these projects reinforced our ability to learn from one another while building a stronger sense of community. 23% of participants either created partnerships and/or met with other participants in the program.

Customized Workshops: Capacity building subject-matter experts facilitated the workshops, utilizing adult learning techniques such as honoring time and knowledge, leveraging motivation, and presenting practical tools/learnings that can be used right away.

Individual Consulting Sessions: Council staff met with organizations to guide them through the Accountability Wizard® online assessment, offering non-judgmental support to stream-line the process of becoming a Meets Standards® organization.

Built-in Assessment & Incentives: Traditional capacity building services often lack proper incentive and assessment. These projects provided both by:

- Using assessments to identify an organization’s strengths and gaps, project resources and workshops were then designed to address identified barriers
- Enabling organizations to demonstrate their strength and accountability to a wider audience by earning the Meets Standards® seal, a visual marker of nonprofit strength recognized by donors, funders, and community members.
2014 STRENGTHENING WORKSHOP SERIES

Like the previous project, the 2014 Strengthening Workshop Series was designed to be a capacity building opportunity for nonprofit professionals at all levels of the organization. The workshops included subject-matter experts and small groups sessions structured to address participants’ needs and interests.

“I think it’s great these workshops are open to more than just the Executive Director of organizations. I learned a ton as a young relatively new nonprofit professional.”

“I liked the cohort model. It allowed us to really get to know each other.”

Accountability Standards® & Nonprofit Sector Self-Regulation
An introduction to the Council’s 25 Accountability Standards®, which are co-created benchmarks of nonprofit governance, finance, fundraising, and public communications, the first workshop was created in partnership with nonprofit legal, finance, and governance experts.

“I am taking away many new learnings. We are a growing organization and items learned will help me reach a new level.”

Taking it to the Next Level
The second workshop of the series focused in on participants’ self-reported capacity building needs, with sessions on budget planning, acquiring and retaining talent, and building an individual donor plan.

Celebrating Through Storytelling
The final workshop focused on building a stronger donor-nonprofit relationship through clear, concise, accessible and compelling communications. Sessions centered on organizational story-telling, building and maintaining trust online, and creating an organizational culture of excellence.

Project Celebration
Acknowledging participants’ commitment to building their organizational capacity, the project ended with a celebration where each organization was awarded a Nonprofit Strengthening Project Certificate of Completion.

What is One Word You Would Use to Describe the Strengthening Workshops? (2014 Participants)
ONE-ON-ONE SESSION IMPACT

A key strategy for accelerating the Accountability Wizard® review process was the implementation of the one-on-one consulting sessions. Both projects included the unique opportunity for one-on-one support from Council staff, which streamlined the participants’ course to becoming a Meets Standards® organization. The sessions allowed the time and space to ask questions specific to their organization and gain non-judgmental support and resources for implementing change when needed. Participation in the one-on-one sessions increased the likelihood of a participant’s satisfaction with the overall project and lessened concerns regarding the Legal Compliance Accountability Standard® specifically.

92% of 2014 project participants completing the post-assessment indicated that the Nonprofit Strengthening Project is very valuable.

IMPACT OF PROJECT PARTICIPATION

Participation in the Nonprofit Strengthening Projects helped organizations learn, develop, and implement plans to make important improvements to their processes, practices, and policies.

In line with overall Accountability Wizard® trends, more than 40% of 2012 and 2014 project participants required action to meet the following Accountability Standards®:

- **Annual Reporting and Communication** requires that nonprofits provide annual report information to the public. Project participants learned about the importance of an annual report as a tool for nonprofits to share their story in a meaningful way.

- **Board Fiduciary Oversight** specifies that the governing board of a nonprofit organization is responsible and accountable for the financial management of the nonprofit. Specifically, the board must approve an operating budget prior to the beginning of each fiscal year and should be reviewing financial reports, at least quarterly. Staff from Nonprofits Assistance Fund walked through the budget planning process, mission-money matrix, and discussed in greater detail the importance of understanding the true cost of running programs.

- **Board Orientation and Assessment** calls out the importance of orienting new board members within one year of initial election so they can effectively contribute to the organization’s board. Orienting project participants to the Accountability Standards in the first workshop laid the groundwork for understanding the role of the board in effective organizations. In small group-sessions on legal compliance, finance and governance, participants gained an increased insight into board roles and responsibilities.
Chief Executive Assessment & Compensation requires the Board of Directors to annually review the Chief Executive’s performance and compensation. This process is a means for continual organizational growth which builds public trust, assuring donors that compensation decisions are carefully considered and that the pay is reasonable. Performance measurement, effective leadership, and strategic planning/visioning were just a few of the key areas outlined as a means for achieving organizational ‘excellence.’

“Your workshops have strengthened me as a staff member for my organization but also as a member of other groups as well.”

More than 80% of 2012 and 2014 project participants were able to meet the following Accountability Standards® upon first review (i.e. no action was needed):

- **Balanced Reserves** specifies an organization’s unrestricted net assets (for current use) should not exceed more than three times the current or next year’s budgeted operating expenses. Maintaining excess unrestricted reserves may indicate that a nonprofit is not maximizing the use of its resources in pursuit of its charitable mission.
- **Financial Health Management** notes that in order to pursue its mission, a nonprofit must successfully navigate through different kinds of economic circumstances and be able to demonstrate healthy financial management to donors.
- **Legal Compliance** requires that a nonprofit commits to complying with relevant laws and regulations.
- **Voluntary Board Service** affirms the nonprofit’s board is made up of board members who serve without compensation, and that reimbursement for expenses is reasonable.

**IMPACT ON RELATIONSHIP WITH YOUTHPRISE AND CHARITIES REVIEW COUNCIL**

Participation in the Nonprofit Strengthening Projects increased Youthprise grantees’ knowledge of and appreciation for both Youthprise and Charities Review Council’s key work, organizational goals, and resources for nonprofit capacity building.

- 31% of participants indicated that Youthprise was an ‘essential resource’ to their nonprofit’s success; 46% indicated that Youthprise was a ‘good resource’.
- 54% of participants indicated that they have participated in a Charities Review Council event(s) and/or work
- 46% indicated that they are now aware of Charities Review Council’s work
- 77% of participants indicated that they would refer other organizations to Charities Review Council

“Youthprise’s support for youth and organizations is extremely important. They have helped our organization build our capacity in many ways.”
A CLOSER LOOK AT THE DIVERSITY, EQUITY AND INCLUSION ACCOUNTABILITY STANDARD

Being representative and inclusive of the population identified by a nonprofit’s mission and goals is key to maintaining public trust, supporting organizational sustainability, and fostering effectiveness. Meeting the Diversity, Equity and Inclusion Accountability Standard® and building upon the overall cultural competence of the nonprofit organization is important to achieving long term impact. Our Standard asks that a nonprofit board and key staff collect and review information about its participants, volunteers, vendors, staff, partners, board, practices, and programs, in order to identify goals, opportunities, gaps, and progress in being truly representative of the community served.

Of the organizations who have completed the Accountability Wizard® in 2014, only 8% met the Diversity, Equity and Inclusion Accountability Standard® upon initial review. In comparison, 46% of Youthprise Nonprofit Strengthening Project participants met the Diversity, Equity & Inclusion Standard upon initial review. 21% are currently working to fulfill requirements in order to address this Standard. We look forward to continuing to provide support and resources to the organizations who are taking steps to not only meet this Standard, but also to better represent the community identified by their mission.

What is One Word You Would Use to Describe the Nonprofit Strengthening Project? (2012 & 2014 Participants)
NEXT STEPS

Our partnership with Youthprise and Nonprofit Strengthening Project participants doesn’t end here. We look forward to staying connected with the organizations who Meet Standards® and continuing to provide support to the organizations working on their customized plan on obtaining the Meet Standards® seal.

At this time 51% of the Nonprofit Strengthening Project participants have action items remaining in the areas of governance processes and policies, public disclosure, and financial activity. According to the Council’s Nonprofit Strengthening Project post-assessment results, the most concern lies in the area of financial activity. We hope to continue partnering with Youthprise to provide capacity building tools, resources, and in-person learning opportunities to address these areas of concern.
MEETS STANDARDS®

ACES (Athletes Committed to Educating Students) (2012)
Asian Media Access (2012)
Banyan Community (2012)
Bolder Options *
COMPAS (Community Programs in the Arts) +
Conservation Corps
DinoMights
EMERGE Community Development (2012)
FamilyMeans *
Family Partnership *
Friends of Hennepin County Library
In Progress (2014)
Jabbok Family Services (2012) +
Kaleidoscope Place (2012)
MIGIZI Communications (2012)
Opportunity Neighborhood *
Plymouth Christian Youth Center
Redeemer Center for Life (2012)
The Sanneh Foundation (2012) +
Urban Arts Academy (2012)
Urban Roots MN (2012)
Youth Farm (2012)

REVIEW IN PROGRESS

American Indian Family Center (2012)
Casa de Esperanza (2014)
CLUES (Comunidades Latinas Unidas en Servicio) (2014)
Cultural Wellness Center (2012)
Genesys Works-Twin Cities (2014)
Greater Minneapolis Council of Churches *
Hmong American Partnership (2014)
Intermedia Arts (2012)
Neighborhood House (2014)
Patchwork Quilt (2012) +
Pillsbury United Communities *
Project SUCCESS *
Reve Academy (2012)
Somali American Parent Association (SAPA) (2012) +
St. Paul Area Council of Churches *
Tennis & Education Inc. (2012)
Tree Top Kids (2014)
Urban Boatbuilders (2014)
Walker West Music Academy (2012)
WellShare International (2014)
West 7th Community Center (2014)
Women’s Initiative for Self-Empowerment (WISE), Inc. (2014)
Youth Performance Company (YPC) (2012) +

ACCOUNTABILITY WIZARD®

AfroEco (2014)
American Oromo Community of Minnesota (2012)
Check Yo’ Self Health & Wellness Center at High School for Recording Arts (2012)
Cycles for Change (2012)
Dream of Wild Health (2012)
Eco Education (2012)
El Colegio High School and Youth Development Program (2014)
Full Circle Community Institute (2012)
IFP Minnesota (2012)
Juxtaposition, Inc. (2012)
Ka Joog Nonprofit Organization (2012)
Kwanza Community Church, PCUSA *
Little Earth of United Tribes (2014)
Mentoring Young Adults (2014)
Project Sweetie Pie (2014)
Tamales y Bicicletas (2012)
Urban Ventures (2014)
WE WIN Institute, Inc. (2012)
Youthrive (2012)

NO ACTION TAKEN IN ACCOUNTABILITY WIZARD

Kulture Club Collaborative
Legacy Keepers
Little Earth of United Tribes
Minnesota African Women’s Association
St. Paul Almanac
Science Museum of Minnesota

+ Improved status since previous strengthening project report.
* Participated in strengthening project sponsored by another funder

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