SPEAK UP

Tips on Advocacy for Publicly Funded Nonprofits

THE CENTER FOR AN URBAN FUTURE
The Center for an Urban Future endeavors to create workable policy solutions to the critical issues facing our cities. We know that some of the best insight into how urban policy actually works can be found at the grassroots level, but we also know that community-based organizations and nonprofits are often unwilling to speak up because of fear of jeopardizing their government funding.

This project was inspired by the Annie E. Casey Foundation’s Rebuilding Communities Initiative, a seven-year effort to empower community-based organizations to transform their local neighborhoods. The Casey Foundation’s interest in nonprofit advocacy grew out of a recognition that the RCI groups would, over the long term, be dependent on government funding to provide a core set of services in their communities. At the same time, however, these groups were advocating on behalf of their constituents as part of their mission. The lessons from RCI sites in successfully bridging this tension have been instrumental in our research.

We give examples from three RCI sites in this report: the Marshall Heights Community Development Organization in Washington, DC, Germantown Settlement in Philadelphia, and NEWSED in Denver.
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INTRODUCTION

At the heart of it, the question simply is: If you don’t do it, will anybody?

Sadly, the answer is probably no. When it comes to advising government agencies and elected officials on how to make policies that improve the lives of those in need, nonprofits are frequently the only game in town. Who but your organization has the knowledge or the mission to advocate on behalf of your constituents?

This is especially important considering the populations that most community organizations serve: the poor, immigrants, children, the disabled, the elderly. “People served by nonprofits receive less representation in the political process, and the only groups that will speak for them are nonprofits,” says Jeff Berry, a professor researching nonprofits at Tufts University.

As community-based groups around the country have discovered, successful advocacy can change laws and regulations, allocate funding for needed programs, and improve how services are delivered. If that kind of influence sounds appealing, but you’re worried that speaking out will take too much time and resources or even endanger your government contracts or nonprofit status, please read on. This manual lays out why you should consider nonprofit advocacy, you shouldn’t feel that this work is a drag on your organization’s effectiveness. “Advocacy strengthens you as an organization in the minds of the people you serve, and it gains you support in the broader community in that they see you more, know you exist and work with you more,” says Grace Hou, executive director of the Chinese Mutual Aid Association of Chicago, which has been involved with many nonprofits or lawmakers is critical to helping the communities and the issues you care about.

For many local organizations, however, one of the biggest hurdles to doing advocacy is the Catch-22 that comes from being involved too closely with government. Nonprofits have been increasingly funded by government grants over the last few decades. Today, for example, government funds pay for more than 50 percent of the entire budgets of nonprofits performing social and legal services.

Many agencies that use government money to provide services are concerned that speaking up will endanger their legal status or put philanthropic and government funding in jeopardy. And groups often find that expending the resources needed to service government contracts means less time, focus and funds to do advocacy.

So, advocacy is vitally important but can feel almost impossible. Is there a way out of this conundrum? With the help of a grant from the Annie E. Casey Foundation’s Rebuilding Communities Initiative, the Center for an Urban Future has explored this question over the past year. We found that while many nonprofits aren’t active in advocacy, everywhere we looked, some were. We interviewed more than fifty experts, including many executives at nonprofits around the country that both hold government contracts and conduct advocacy. They have a lot to say about the importance of advocacy on behalf of their clients, communities and organizations, and offer many ideas about funding, strategy and mission that you can employ at your own agency.

While we want to be clear about the pitfalls surrounding nonprofit advocacy, you shouldn’t feel that this work is a drag on your organization’s effectiveness. “Advocacy strengthens you as an organization in the minds of the people you serve, and it gains you support in the broader community in that they see you more, know you exist and work with you more,” says Grace Hou, executive director of the Chinese Mutual Aid Association of Chicago, which has been involved with many campaigns over the years, including joining a coalition that kept the State of Illinois from cutting 80 percent of a $5 million budget for services to non-citizens.

In other words, advocacy is good for you, good for your constituents and good for society. That isn’t to say that marshalling the time, resources or will to do advocacy is always easy. But we have some advice on how to make it easier.

Because nonprofits work directly with people and communities, they have a unique view of how policies play out—information that is needed by government decision makers. Berry’s research has shown that in many cities and states, nonprofits play a crucial role in creating public policy in social services, education and health care. “[They] help us to really hear all the issues that are out there that we might not otherwise hear,” says Linda Gibbs, commissioner of New York City’s Department of Homeless Services and formerly with New York City’s child welfare agency (see “How’ve The Kids Doing?”). In fact, Gibbs says she relies on consistent feedback from nonprofits to best do her job.

These days, making government more effective is more important than ever. Government funds support the great majority of education, social service and community development programs throughout the country, and the rules and regulations set by local, state and federal government agencies directly affect the lives of millions of citizens. Clearly, then, advocating for change to government agencies or lawmakers is critical to helping the communities and the issues you care about.

When New York City’s Administration for Children Services (ACS), which oversees the country’s largest child welfare system, went forward recently with a major restructuring, the agency made sure to get input from the nonprofit agencies that provide most ACS services. New York City wanted to create a system in which children and families received services in their home neighborhoods, even when kids went into foster care. This was an almost 180-degree switch from the way things had been done for decades.

So ACS set up an advisory board to create a forum for input from the nonprofits. “It gave them the opportunity to influence policy direction and also counts on them as partners to keep it moving and in the direction that everyone has agreed upon,” says Linda Gibbs, the agency’s former deputy commissioner.

The restructuring is still in process, but both government officials and provider agencies can already point to some key places in which nonprofit feedback made for a better system, especially around the crucial (but often ignored) issue of ensuring a minimum of disruption to a child’s education during foster care. With input from the nonprofit agencies, ACS has created a school attendance database, a handbook for foster parents on school enrollment, and a system to train child welfare workers on school enrollment.

The Wide World of Advocacy

You may be confused by our example of New York’s child welfare system. Why are we talking about attending an advisory meeting? Isn’t advocacy doing things like lobbying a state senator, or holding a press conference? In its broadest sense, the term “advocacy” includes all sorts of actions aimed at benefiting your clients, your community and even your group itself (thereby allowing you to provide more effective services). Advocacy can be relatively innocuous, behind the scenes and quiet, or it can be radical and attention getting. The common factor is that the work translates the needs of your constituents into messages to people who make government policies.

(For more on the levels of advocacy, see “Choose What’s Right for You” on page 5.)
SECTION ONE
Why You Should Care About Advocacy

We should be clear. Throughout this manual, when we talk about advocacy, we’re referring to a wide array of actions, everything from lobbying for additional funding for your agency to helping organize neighborhood residents around an issue. “There is a tremendous amount of room for nonprofits to be involved in education and advocacy,” says Carol Johnson at St. Mary’s Center, a nonprofit providing social services to the elderly in Oakland.

For example, your group is doing advocacy if you:

- Speak with state legislators to support a bill establishing charter schools.
- Sit down with a local official to talk about how to improve the paper work to apply for public housing.
- Start a letter-writing campaign in favor of creating a new homeless shelter in your neighborhood.
- Hire a lobbyist to approach a government agency about resolving conflicting contracting rules.
- Testify in public forums about the value of after-school programs for teenagers.
- Allow a neighborhood coalition against crime to meet in your offices.
- Organize a group of constituents to come down to City Hall to lobby legislators against budget cuts.

Lobbying and advocacy are terms that get used interchangeably, but you should understand the legal difference. Your clients. You can even lobby for a legislative allocation that will directly result in more money for your agency’s programs. Be aware, though, that there are limits to the amount a 501(c)(3) nonprofit can spend on lobbying, which we explain in “Understanding the Legal Framework” starting on page 17.

The Unique Role of Nonprofits

Why is getting involved so important? Frequently, nonprofit organizations are the only institutions with a view of both the concerns most important to their constituents and the day-to-day realities of how government programs function. “We discover very quickly that something doesn’t work on the ground when a policy is implemented,” says Eric Schwarz, executive director of Citizen Schools, a Boston-based nonprofit working with children and youth.

In 1995, the Fifth Avenue Committee, a community-based organization in Brooklyn that provides housing, job training and social services, was seeing a disturbing new trend. Apartment buildings for local low-income tenants were being abandoned and left without heat or services. With some investigation, they discovered the culprit: a bank in the neighborhood was offering “low-documentation mortgages” that couldn’t be afforded by some landlords. When the owners went into foreclosure, the bank refused to take care of the buildings. “We knew what was happening in these buildings, and we knew that [the bank’s] low-doc loans were responsible,” says Dennis Colon, a tenant organizer at the agency. “We believed that if we called enough attention to the situation, people would see what we saw and demand change.”

After a two-year campaign with a few other local nonprofits that included stories in the local media and a neighborhood tour with bankers and regulators, the New York State Banking Department conducted its own study of the issue and confirmed the problems. The final result was new laws requiring banks to give borrowers more explicit and comprehensive information about their loans.

Choose What’s Right for You

There’s no official scale of the different kinds of advocacy for nonprofits. Below we’ve offered a rough guide to the intensity of involvement. As you read it, think about what kind of voice your community needs and what your group feels comfortable with. Don’t forget, you can always get more involved with later projects.

Level 1
At its most basic, advocacy starts with learning more about an issue or initiating an informal dialogue with a government official you already know. Examples might include:
- Attending regular meetings with elected and/or appointed officials to inform them about how government policies affect your community.
- Recruiting people to write letters to legislators.
- Helping lead a coalition of other nonprofits and/or community members.

Level 2
To become more involved, consider becoming active in an existing advocacy coalition or taking a public stand on an issue. Examples include:
- Designing and taking a lead role in a campaign to pass or defeat a legislative bill, or change a specific government policy or regulation.
- Organizing an annual lobby day at your state capital with a set agenda of items and recommendations to legislators.
- Conducting research and sending the results to government officials to support a particular public policy.
- Hiring an experienced lobbyist to help you strategize and conduct advocacy at the local or state level.
The Growth of the Contract State

Over the last 100 years, the structure and role of nonprofits has changed dramatically. These institutions have taken on a central role in ensuring society operates smoothly, but they are also increasingly reliant on government support to carry out their missions.

In the late nineteenth and early twentieth centuries, nonprofit organizations—child welfare agencies or neighborhood settlement houses for the most part—sprang up in significant numbers around the country, most with the mission of helping society’s poor and disadvantaged. Government support was a relatively small part of their budgets, if it was there at all. Even the New Deal in the 1930s, which established public subsidies to the poor, increased government funds for direct service nonprofits only temporarily.

Until the 1960s, yearly grants from government to nonprofits were atypical (exceptions included a few specific fields such as child welfare). The War on Poverty and the Great Society were a turning point in the relationship between nonprofits and government. In 1964, several major new federal initiatives poured hundreds of millions of dollars into both existing and newly established nonprofits to eliminate poverty and improve social services. From 1965 until 1970, the annual amount the federal government spent on social services went from $812 million a year to $2.2 billion, according to Nonprofits for Hire by Steven Rathgeb Smith and Michael Lipsey. And changes to laws and regulations made it more attractive for government to contract with nonprofits to provide these services.

As funding for services such as Head Start, foster care prevention, and community-based health, mental health and substance abuse treatment grew in the 1970s, so did the size and number of contracts with nonprofits to deliver these services. Federal spending on community mental health went from $415 million in 1969 to $14 billion in 1979. Federal funds for equal opportunity and community action initiatives rose from $50.7 million in 1965 to $2.3 billion in 1980; state spending on social welfare went from $3.6 billion in 1975 to $4.8 billion in 1980. The politics and policies of the last 20 years have only accelerated the connection between government funds and nonprofit work. During the Reagan years, the federal budget for social issues was cut, but states to a great extent picked up the slack, and overall, spending still grew in the 1980s. And in 1996 welfare reform somewhat inadvertently gave nonprofit contracting a big boost. The new rules provided states a set amount of federal dollars even when there was a decrease in the rolls of welfare recipients, creating a large new pool of funds for services for the poor. One result was significant increases in contracted services, such as childcare, to assist people to find and keep jobs. Twenty-six of the 50 states now spend a majority of their welfare funds on services rather than cash assistance, according to a recent report by the U.S. General Accounting Office. In 1991, that wasn’t true in a single state.

Because of these trends, government is now a primary funder for nonprofit work in communities. For example, government contracts paid for 52 percent of all revenue received by nonprofits performing social and legal services in 2001, according to the Washington, D.C. group Independent Sector. In other words, if every nonprofit that had a government contract refused to do advocacy, there wouldn’t be many voices from the nonprofit sector.

including information on New York City rent regulations that covered the buildings. For tenants, it has meant more stable ownership—and a much better place to live. Nonprofits aren’t simply a type of government vendor with a quirky legal structure and a balance sheet that always adds up to zero. Private companies that have a government contract are responsible to government to deliver the product and responsible to their owners to make a profit. But organizing tenant councils or running a childcare facility isn’t the same as building a highway. Nonprofits are not only responsible for delivering on their commitments; they are also responsible to the individuals, families or communities that they serve.

“Many officials see advocacy as something that enhances their relationship with nonprofit contractors. There has to be a constant dialogue between both partners in terms of enhancing the services, what is an obstacle to providing quality services, what will make things work better,” says Lilliam Barrios-Paoli, who has run both New York City’s housing and public assistance agencies.

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advocacy show that groups that organize themselves to do advocacy are four times more likely to be approached by government officials for their input than groups that don’t have a staff person assigned to the task.

Whether you choose to have a quarterly meeting, with your government liaison or bus hundreds of protesters to the state capitol, advocating on behalf of your constituents can bring notable results:

- In coalition with other agencies, Planned Parenthood of Lincoln, Nebraska, convinced the state’s governor and legislature to supplement federal funds to educate Nebraska residents about their family planning options.
- Germantown Settlement, a nonprofit based in Philadelphia, has trained hundreds of community members to successfully do their own advocacy around neighborhood issues such as safety, zoning and school reform. Their victories include turning a former mill into housing for elderly neighborhood residents rather than the condominiums planned by a developer and a successful campaign to bring a charter school to the neighborhood.
- Connecticut’s Council of Family Service Agencies, a statewide trade association of social service providers, collected stories about families unable to support themselves as they transitioned off welfare. After a few years of sharing these tales with policymakers in reports, testimony and at meetings with government officials, their advocacy helped secure funding for new programs to work with the families having the greatest difficulties.

It’s clear that nonprofits of all stripes have a responsibility and a right to advocate on behalf of their constituents. And we hope you’re convinced that this advocacy can have impressive results. Still, we recognize that moving into advocacy at whatever level can seem like a daunting task.

To successfully add advocacy to your agenda, you need to have a clear idea of what might lay ahead. We’ve paid special attention to groups that are funded at least in part with government money, because these organizations face specific challenges. Before you begin to get involved in advocacy (which we’ll discuss in Section Three), you should be aware of what potential problems to avoid.

Money

Pay for advocacy is difficult. Government funds themselves don’t cover it (except in very rare cases when it’s actually included in the contract), and private foundations rarely fund it. Discretionary funds that are flexible enough spend on advocacy effort are becoming more rare—and nonprofits often already tap that money for other functions that are hard to raise money for.

“Many nonprofits’ budgets are so restricted that there is no discretionary cash to engage. And often grant letters from private foundations will contain restrictive language that goes well beyond either the tax code or state definitions of lobbying,” says David Arons, co-director of Charities Lobbying in the Public Interest at Independent Sector in Washington D.C. Lacking specific funds to pay for advocacy, even groups that are devoted to it can find themselves stretched.

“People don’t fund for advocacy, and organizing is not a hot funding item. Funds are scarce, and it’s difficult identifying resources,” admits Patricia LeGrande at Germantown Settlement in Philadelphia, which nonetheless has made advocacy a core function of the agency.

Concern Over Losing Nonprofit Status

Keeping 501(c)(3) status is a big concern for nonprofit service providers. Being a nonprofit exempts an organization from paying most taxes and gives those who donate money to the group a tax write-off. Most foundations will only give money to nonprofits. And the language of the Internal Revenue Service code that originally governed nonprofit lobbying is vague, saying that agencies can spend “no substantial part” of their funding on lobbying activities.

The language about nonprofits and their IRS status was better defined and clarified in a 1976 regulation, but some confusion does linger. And even with the new rules, groups must stay on the right side of the distinction between advocating on government policies and legislation and getting involved with candidates and elections. Even when groups are very involved in advocacy, they have to be careful and stay away from overt political partisanship and endorsements.

Time

In our years of experience with nonprofit agencies and during the dozens of interviews we did to create this manual, we haven’t found a single nonprofit with extra resources on its hands. There’s never enough money to accomplish everything that needs to be addressed, and there’s never quite enough time in the day, either. Often groups don’t become advocates because they simply haven’t found the extra hours—sometimes even just to come up with a plan for how to begin.

The time crunch can be especially pronounced for agencies working with government money. In Nonprofits
The end result is that agency staffs spend many more hours doing things like filing reports, writing funding proposals, gathering data on services provided and certifying staff qualifications. Fear of Government Retribution At times, agency executives hesitate to speak out on policy issues because they fear that public officials will respond puntingly: taking away contracts or not awarding them in the first place. Kathy Goldman, at the Community Food Resource Center in New York City—which does everything from running programs feeding the elderly to government contracts translates into increased regulation. Everything from running programs feeding the elderly to assisting poor families that are in danger of losing their homes to people to move from working from a nonprofit to govern- ment, or vice versa. When a nonprofit professional has the same mindset about administration as a government representative—and if he or she might be interested in taking that job someday—it can be hard to put pressure on an agency or legislator, even if that pressure is applied to improve conditions for the community.

SECTION THREE
To Get in the Game

Don’t get too discouraged by the litany of problems in Section Two. Our interviews with nonprofit executives, academicians and foundation executives made clear that many nonprofits view public policy advocacy as a vital function. These groups aren’t only speaking up about how government rules and regulations can be improved, they’re bringing about important changes through their advocacy.

Agencies that have successfully integrated advocacy into their work have five specific recommendations:
1. Be clear about your organization’s mission.
2. Diversify your funding streams.
3. Be politically savvy.
4. Approach government as an equal partner.
5. Understand the legal ramifications.

By following these pointers, your group can address worries about legal status and potential payoff from aggregated government officials, create an organizational culture that supports doing advocacy, and better ensure that you have the time, focus and resources needed to advocate. None is a silver bullet. But together, they represent a sound strategy to work with government to increase or improve services to your constituents.

1) Clarity of Mission
Deciding to advocate usually starts with having some discussions with your constituents, staff and board, testing the waters when opportunities come up.

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community organizing and be more outspoken about policy issues required a discussion with the agency’s board and staff about the potential ramifications. “We basically said that we feel like this is important work to do, and we can imagine that there might be times when it would cost us government money,” he says.

Lander adds, though, that the decision has allowed the group to affect government policies in a number of areas, including regulation of the cost of rental housing, more protection for bank loans to low-income individuals, and city policies on hiring and paying workers receiving welfare benefits. Their high profile on these important issues has also paid off in more active and engaged community members. And Lander’s sense is that becoming more active hasn’t actually decreased the organization’s access to government funding.

**2) Money From Many**

Having a wide range of funding sources is generally considered a good management practice at any nonprofit—it’s one way to lose their organization or have to close a valuable program because of a decision made by a single government or private funder. But diversifying funding is even more important for a nonprofit’s ability to advocate on policy issues, especially as you take more public positions. “If we didn’t raise funds directly that are discretionary, we wouldn’t be able to do the kind of advocacy or public policy work that we do,” says Catholic Charities of Denver’s president, Jim Mauk.

Government money is rarely available to pay for advocacy, which leaves a few options—raising funds from individual donors, writing grants to foundations for general operating support and/or specific projects that include advocacy, and recruiting volunteers or staff members to donate their time when they’re not working. People in the field acknowledge the difficulties involved in finding the resources to cover the costs of doing advocacy. But even in the most restrictive situations, there are ways to build it into your work that don’t create problems with your funders. For example, Catholic Charities of Denver talks about its advocacy in its appeals to individual donors for money to cover general operating expenses, and also brings in individual donations and grants to pay for specific advocacy projects. At one point, an individual gave money to develop a plan for training court personnel how to interact with the developmentally disabled (whether offenders, witnesses or victims), the agency itself was the logical place for a new government-funded program to carry out the work.

If starting a whole new fundraising campaign is too much of a burden, nonprofits can also turn to government money, which leaves a few options—raising funds from individual donors, writing grants to foundations or individuals—be clear on what you hope to accomplish and how it will help your constituents. Let them know that you’re not advocating just to be a gadfly; your goal is affecting critical changes to government policy.

**TIPS**

- If you have no history of advocacy at your organization, start a discussion with staff and board members about the topic. You can give examples of recent issues with which your organization would be interested in becoming involved.
- Judge whether or not your organization’s mission either explicitly or implicitly directs the organization to conduct advocacy. If it’s unclear—or absolutely doesn’t support advocacy—take up the possibility of modifying it with your board and colleagues.
- Regardless of what happens with your mission, the exercise of sitting down, thinking through the kinds of advocacy that are important to the agency and considering its implications for funding and daily operations is a valuable exercise.

Diversifying funding is even more important for a nonprofit that wants to advocate on policy issues.

Some nonprofit executives say that becoming more active in advocacy can actually make diversifying your funding easier.

**3) Money From Many (Continued)**

The ARC of Dallas, Texas, an agency that advocates for and provides services to the developmentally disabled, for many years chaired a committee on juvenile justice issues. When the committee eventually developed a plan for training court personnel how to interact with the developmentally disabled (whether offenders, witnesses or victims), the agency itself was the logical place for a new government-funded program to carry out the work.

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**TIPS**

- Lessen your advocacy costs by joining up and working with like-minded groups that have more resources or flexible funding.
- Investigate the private foundations in your area (the local Foundation Center is usually the best source) with an eye toward who funds programs and agencies in your field and who supports advocacy-related projects. Cultivate new relationships with these philanthropies and educate them about your agency.
- Look at the profile of your current individual donors and/or those you think might be interested in giving to your organization. Would these donors be more or less interested in giving money to your organization if they thought it would support advocacy? The answer should help you shape your strategy.
- For any pitch to raise money for advocacy—to foundations or individuals—be clear on what you hope to accomplish and how it will help your constituents. Let them know that you’re not advocating just to be a gadfly; your goal is affecting critical changes to government policy.
3) Politic About Politics
Regardless of the level of advocacy your group engages in, you have to exercise some political acumen if you want to raise your voice without jeopardizing your ability to provide services. The good news is, we found politically savvy organizations that are able to maintain their public sector contracts while being outspoken about views that are at times diametrically opposed to the government agencies that fund them.

In 1999, when police harassment of teenagers on the streets of Chicago became an issue in the youth advocacy community, there were different opinions regarding how to respond. The city had passed an ordinance saying that no more than three teenagers could congregate on the street at a time, and the Chinese Mutual Aid Association frequently heard complaints about it from teens in its programs. The association got together with other local groups to figure out how to respond—on particularly activist group said it wanted to plan things like street protests and picketing. “They wanted to be really hard loudmouth protests by digging in its heels instead of

When considering speaking up, also think about who you’re speaking against. Many say it’s easier to advocate with government agencies and elected officials who don’t directly fund you. Lenox Hill Neighborhood House in New York City is fighting the city’s decision to sell a former armory that now houses a homeless shelter to a private developer who wants to use the building for luxury housing. Nancy Wachstein, the group’s director, says her organization thought long and hard about how to come out publicly against the sale without jeopardizing programs. “We really would like to be lobbying on this issue, but it’s a tough battle, but at least you will have thought through the implications of what you’re doing—and have a better idea of what it will take to win.”

Many organizations that both provide services and engage in advocacy see themselves as partners with government on issues of common concern. When they don’t agree with the government’s policies, these nonprofits start a discussion based on the assumption that they are dealing with their peers. “We’re equal partners—we’re arrogant enough to come to the table believing that,” says Loretta Tate, who heads the Marshall Heights Community Development Organization in Washington, D.C.

Sounds good, but how do they do it? In part, it’s simply a matter of presentation—some say that when they see their own group as equal to a government agency or official in stature and authority, government sees them that way as

The Time Is Right
Consider all the factors that might have an impact on your advocacy. For Paige MacDonald, who runs Families Together in New York State—an organization of parents of children with serious mental health problems—the issue was timing. When the governor came out with a proposal to close down children’s psychiatric hospitals and send the kids to adult facilities, her group was strongly opposed. But the state mental health agency is her organization’s primary funding source. Still, she looked at the calendar and realized she could take the politically risky position. “I wasn’t worried about my funding. Next year is an election year and it wouldn’t be good politics for the Office of Mental Health to pull contracts based on the positions people take,” she says. “That was the reason I wasn’t too concerned.”

4) Come to the Table as a Partner
Many organizations that both provide services and engage in advocacy see themselves as partners with government on issues of common concern. When they don’t agree with the government’s policies, these nonprofits start a discussion based on the assumption that they are dealing with their peers. “We’re equal partners—we’re arrogant enough to come to the table believing that,” says Loretta Tate, who heads the Marshall Heights Community Development Organization in Washington, D.C.

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Listen Before Talking
Much of the trick of interacting with government officials isn’t tricky at all—it’s simply exercising good common sense. For one thing, don’t automatically assume that an official is going to disagree with your organization. “I always say to the advocates when I was a commissioner—don’t call The New York Times before you see if I even agree with you on the issue,” says Lillian Barnitt-Paul. At the very least, show the agency or commissioner enough respect to tell them your position before making it public.
buckle when you present your demands. But don’t feel like
ever and understanding of your constituents’ needs and
have seen firsthand what works in the real world—that’s
crucial information for government officials who want to
effectively set policy. “The fact that this agency provides
services to 200,000 Coloradans in a variety of areas, that
gives us a level of credibility because we know from our
firsthand experience what, in fact, is the situation,” says
may not agree with our conclusions, but they can’t dis-
count where we’re coming from.”

Don’t ignore your group’s other potential sources of
power and authority. You may legitimately claim to
represent and even speak on behalf of a community of
voting constituents—whether from a particular neigh-
borhood, ethnic group, age group or other affiliation.
For example, Germantown Settlement in Philadelphia
has formal, structured sources of constant feedback from
the community, including a large community advi-
sory board. The organization’s allies have even fielded
successful candidates for political office. In Denver,
when NEWSED organized against the development of a
university dormitory on Denver’s West Side, residents
allowed the nonprofit to put up signs on the issue in
virtually every front yard. Ultimately, the group won
that battle.

Moral authority is another source of power. Sr. Paulette
LoMonaco, the executive director of Good Shepherd Services,
a child welfare agency in New York City, freely
admits that being a nun gives her leverage to get govern-
ment officials to listen and respond when she lobbies. But
just as important as her religious affiliation, she says, is
that she represents a nonprofit agency with a solid
reputation and a long history of working with poor and
disadvantaged children and families in the city. “If I go
down to City Hall the night before the budget is passed
to lobby, it counts,” she says. “When the City Council sees
me there, it helps.”

You may legitimately claim to represent and even speak
on behalf of a community of voting constituents.

Wise Counsel

In New York City, thousands of kids, mostly teenagers, live in
foster care group homes run by nonprofit agencies. During the
mid-1990s, the state trimmed the rate paid to these nonprofits,
and several agencies had to close their homes because they
couldn’t raise enough private money to make up the difference.
When the governor proposed another, larger, rate cut for foster
care services in January 1997 to help close a budget deficit, some
of the agencies’ executive directors began meeting over deli
sandwiches after work to come up with an advocacy strategy to
ensure sufficient funding for quality care and to ensure the safety
of teens and staff.

Several evenings and five trips to the state capital later, the
group emerged victorious. At a time when foster care services
were in peril, the executive directors succeeded in convincing state officials not to touch the budget for group
homes. “Had that not happened, we would have seen the
destruction of the group care system that we have,” says Sr.
Paulette LoMonaco of Good Shepherd Services, one of the pri-
mary strategists in the effort.

Why were they successful? It wasn’t enough that they had a
good argument on their side. The advocates all headed non-
profits that had been in the child welfare field for decades and
had excellent reputations, so no one could dispute their expert-
ise and credibility. And the fact that the group consisted
completely of chief executives made a statement to legislators
that the issue was important enough for them to take signifi-
cant amounts of time out of their busy schedules.

5) Understanding the Legal Framework

If your organization does advocacy, you need to know
some basic information about government regulations,
including the kinds of activities that are considered
“lobbying” and the limits on how much money your non-
profit can spend on lobbying activities (which could be as
much as $1 million a year, depending on the size of your
group’s budget).

Many activities that fall within the bounds of public pol-
icy advocacy aren’t actually considered lobbying at all,
including:

- Telling legislators or government officials your opinion
  of an issue that isn’t related to specific legislation.
- Educating your organization’s membership about a piece
  of legislation.
- Publishing analysis of a legislative proposal.

On the other hand, sending a letter to people in your com-
unity that encourages them to contact a specific legislator
about a bill is considered lobbying, as is taking out an adver-
tisement about a specific bill.

Much of the confusion about nonprofit lobbying stems
from language in the original 1934 Internal Revenue Service
code, which stated that “no substantial part” of a nonprofit’s
activities could be taken up with lobbying. The term “substantial”
was left undefined. A federal law passed in 1976 to help clarify this phrase set very specific
rules about what does and does not constitute lobbying
by 501(c)(3) nonprofits, giving organizations wide latitude
to lobby within a specific regulatory framework and to spend
a certain portion of their annual budgets on lobbying.

One slight complication: In order to fall under the defini-
tions of lobbying in that law, you must fill out the one-page
IRS Form 5768. If you don’t, the vague “no substantial part”
terminology still technically applies to your organization.

You should also be aware of any applicable lobby disclo-
sure laws. Many states and municipalities have instituted
rules that require anyone paid to influence legislation—on
staff, as a consultant or even a volunteer reimbursed for
expenses—to register and report the amount spent on lob-
bying. These rules (and the IRS limits on lobbying) are not
nearly as onerous as they might seem at first glance, the
reporting requirements for most government contracts are
much more time consuming.

The one thing you can’t do—because it will jeopard-
ize your organization’s nonprofit status—is favor or
dorsate a candidate for political office by making a
public statement in favor of that candidate’s election,
inviting him or her to address a public forum without
SECTION FOUR

Resources

As you have read, nonprofit advocacy can be a powerful tool for change. It might take some work to get started, but there are a lot of excellent resources to help. Below are some of the best we’ve found, with research and debate about the role of nonprofits in society, advice on effective advocacy strategies, and detailed information about legal and regulatory issues.

“The Nonprofit Lobbying Guide” This excellent book by Bob Smucker at Independent Sector offers good general advice on how to lobby effectively, as well as clear concise information on the intricacies of federal regulations. Visit their website to buy the book or download an electronic version (clpi.org).

Lobbying Without Regrets The Grantsmanship Center posts this short and clear explanation of the IRS rules for lobbying, including a chart of the spending limits for groups of various sizes and exact boundaries for issues like grassroots lobbying and nonpartisan analysis (tgcinfo.com/publications/96summer/lobbying.html).

Charity Lobbying in the Public Interest Run by Independent Sector, this project’s website provides all sorts of valuable information on public policy advocacy, legal and regulatory information, including tips on how to be effective with just three hours a week of work (independentsector.org/clpi/index.html).

“How—and Why—to Influence Public Policy: An Action Guide for Community Organizations” For a real grassroots guide on organizing around public policy issues (from an overtly leftist perspective), read this 60-page manual on the Center for Community Change website. Go to their site and look up the title on the Publications page (communitychange.org).


Alliance for Justice This site includes a wide array of news on nonprofits and advocacy, including information on workshops and technical assistance and timely updates on regulatory and legislative issues (afj.org).

OMBWatch This group provides up-to-date information on federal actions that affect the ability of nonprofits to conduct advocacy (ombwatch.org).

“Nonprofit Advocacy and the Policy Process” Beginning in February, 2000, the Center on Nonprofits and Philanthropy ran this ten-part seminar series, which discussed issues from funding to international examples. The ideas are interesting, but tend to be presented in very academic language (urban.org/advocacyresearch/about_seminars.html).

CONCLUSION

Nonprofits like the National Rifle Association and the Sierra Club are powerful voices in Washington, D.C., and state capitals. But you may be unfamiliar with the nonprofit advocacy done by community-based organizations. As you’ve seen, however, local groups can make a difference through a wide range of actions. And with some forethought and strategic planning, advocacy can allow your organization to better the lives of your constituents without doing any harm to your funding or legal status.

We hope that this manual has been persuasive about the opportunities that advocacy offers. Our goal was to show that you don’t have to be a national organization or a lobbying powerhouse to make a difference. We also wanted to help your group plan on how and when to speak up for what you think needs to change. If you’re ready to begin, we recommend you take some time to look at the resources listed on the next page. Not only will you get some great tips on how to do the best job possible, these websites and publications give examples of nonprofits doing advocacy in communities across the country.

TIPS

- You don’t need to become an expert on the legalities of lobbying, but it’s good to have the basic information. We list several books and websites in the Resources Section (see page 19) that are excellent guides.

- File the short, simple IRS Form 5768 to register under the 1976 law. You’ll be subject to a clear set of rules about what is allowable.

- If you get a legal opinion on your options, make sure the lawyer you’re consulting knows the law and how other nonprofits have handled your situation, so he or she doesn’t unnecessarily limit your activities.
The Center for an Urban Future is a New York City-based think tank that uses journalistic reporting techniques and traditional policy analysis to produce in-depth reports and workable policy solutions on a range of critical issues now facing our cities. For more information, visit www.nycfuture.org.

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