



...making communities stronger.

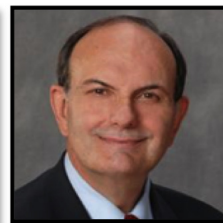
MASSACHUSETTS
NONPROFIT
NETWORK

2008
ANNUAL REPORT

January, 2009



William Walczak
President



David P. Magnani
Executive Director

Dear Community Leader,

Budget and membership are traditional measures of success for associations, and the Massachusetts Nonprofit Network's accomplishments in these areas were indeed dramatic. These successes empower the mission of the MNN. They do not substitute for it.

Our goal is to make a strong Massachusetts; a prosperous, vibrant and just state that is truly serving the "common wealth" of its citizens. We imagine a place with lively neighborhoods, where healthy people create unique and purposeful lives. We see young people achieving all they set out to do as they are met with opportunities and not limitations. We know institutions that support culture, learning, and creating are key to neighborhood strength. We know community is built by engaged citizens, and we know that nonprofits provide opportunities for people to connect and serve.

Our theory of change -probably yours, too- is that nonprofit organizations are essential to achieving this sort of community. While much of the sector is seeing increased demand for services, future funding is uncertain. We have already seen the sector unite around generating solutions. Working together is what makes us stronger, and a strong nonprofit sector makes Massachusetts stronger.

The Massachusetts Nonprofit Network will continue to lead in these times. In 2009 we will continue to advocate for nonprofits. We will continue to provide services to strengthen nonprofits. We will continue to improve public awareness of the value of the sector. We will continue to work with all of our colleagues in increasing the ability for nonprofits to do what they do best -- meet the needs of those we serve. We invite you to let us know how we can more effectively do this critical work.

Thank you for your support during our first full year of operations.

A handwritten signature in black ink, reading "William J. Walczak".

A handwritten signature in black ink, reading "David P. Magnani".

Making communities stronger: the first full year of operations

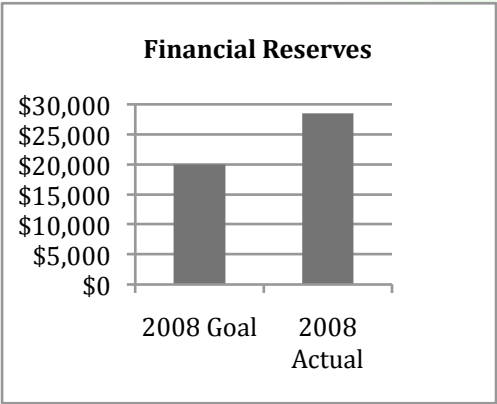
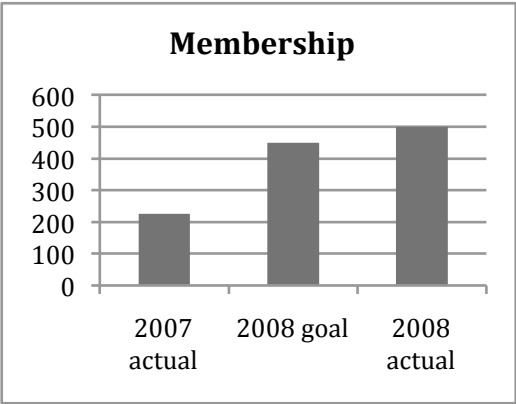
The mission of the Massachusetts Nonprofit Network is to make Massachusetts communities stronger by increasing the effectiveness of the Commonwealth’s nonprofits. Ultimately, the goal is to allow nonprofits to better serve their constituents. The major elements of the mission are Policy and Advocacy, Public Awareness, and Member Service.

In January the Board adopted the following priorities:

- Holding State House Lobby Day
- Calling statewide regional meetings
- Building memberships though addressing member needs
- Representing the regions of the state and the nonprofit sub-sectors
- Fundraising
- Improving the image of the sector and of MNN

This report will describe how each of three elements of our mission and the resulting activities were accomplished. Significant achievements were made in all of these areas during 2008.

2008 by the numbers:



INTRODUCTION
a year of outstanding growth

Making communities stronger: teaching the value of nonprofits

MNN focused on improving the public appreciation of the sector, stressing the value of the sector to the commonwealth and, most importantly, the impact of nonprofits on citizens and their quality of life. MNN's review of existing research showed that the public needs to understand that the sector is efficient (does more with less), effective (does good and does it well), and essential (not just nice, but necessary).

With the help of external consultants, an underlying frame for the sector and for MNN was adopted: **"making communities stronger."** This became the new MNN tagline, and was launched in October.

Comprehensive **press coverage** for the sector and for MNN occurred throughout the year. Regional meetings afforded MNN staff the opportunity to meet with editorial boards of the papers of record outside of Boston. The meetings yielded multiple news stories, three cable TV appearances, as well as an interview on a radio talk show. In the Boston area, many important news sources cited MNN, including the *Boston Business Journal*, the *Boston Globe*, *Commonwealth*, and the *State House News*. A press clipping file is available online.



Above: MNN in the news.

Beginning in 2008, MNN began working with a national consulting firm based in Washington D.C, GreenMedia Toolshed, in an effort to explore new ways of developing community in the nonprofit sector. Martin Kearns, founder and executive director, conducted a full day session for the MNN Board. He demonstrated how to make the most of social networks in order to build an active and effective movement.

Both online and in-person activities were suggested. The project began with increasing the capacity of the web site. A contract for a complete re-design has been finalized, with a particular focus on creating networking opportunities to actively connect and engage members.

“Sometimes scandals distort the public’s understanding of our work, our ethics, and our efficiencies. By creating a professional association like MNN, we can both speak up against these misconceptions and impart the true stories of our successes.”

-Jim Canavan, United Way of Berkshire County

Communication materials created include:

- **A digital presentation** on MNN’s history, current activities and plans
- **A membership recruitment brochure**
- **Regional meeting programs highlighting sponsors**
- **2008 highlights and accomplishments flyer**
- **A first annual conference program**
- **Comprehensive informational folders**

When meeting with elected leaders, funding sources, and potential supporters, the Executive Director brings these materials as well as research, press clippings, and other supporting material so that the full story of the MNN can be told.

Making communities stronger: advocating for the greater good

MNN enacted into state law a bill that would **raise the threshold for a required external financial review** from a \$100,000 budget to \$200,000. This saves more than 2,000 small nonprofits in Massachusetts about \$5,000 per year. In five years, the bill will save Massachusetts nonprofits approximately \$50 million. Money raised and donated to these organizations can better spent fulfilling their missions and serving their constituents.

MNN remained an active partner in the Coalition for Our Communities' effort to **stop the repeal of the state's income tax**. Such repeal would have devastated many nonprofits around the state, but of most concern, would have harmed those they serve. MNN held five regional meetings on this issue, placed more than 100 volunteers into the campaign, and informed thousands through its online advocacy.

The MNN joined the *CareVote* effort to **increase voter registration** and turnout. Additionally, MNN conducted training for nonprofits on the rules of **lobbying**. Lack of clarity on these regulations prevents organizations from advocating for their consumers, even when this is the best way to assist them.

MNN monitored and advocated on the **Cost of College Reduction Act (CCRA)**. A CCRA provision allows nonprofit employees to cap tuition repayment requirements at 15% of earnings and to have up to half of all remaining loans forgiven if they work in the sector for at least ten years (not necessarily continuously). Repaying student loans will no longer preclude young people from working for the greater good.



Right:
Conference
attendees
at one of the 29
workshop
sessions

As **severe state budget cuts** loomed, MNN took the lead in approaching the Governor on behalf of the sector and those it serves. MNN Board Members advocated for the entire nonprofit community throughout the process of budget reduction. The Governor accepted MNN's offer to meet and asked Board Members to visit with him in his office. MNN was asked to invite other representatives from the sector to participate as well. While the cuts were still very difficult to absorb, MNN established a role with the Governor that may yield long-term benefits while fulfilling one of its original mandates, to be "a voice for the sector."

In March, MNN held its first **Legislative Day at the State House**. Approximately 60 nonprofit organizations participated. Participants visited all legislative offices. The State House News Service, the *Boston Globe* and several other major newspapers covered the event. **During the 2008 legislative session, all of the initiatives advocated for were made into law.**

In June, MNN will celebrate the first annual **Nonprofit Awareness Day** at the State House. The Commonwealth is the first state to establish such a day statutorily. The Governor, Speaker, and Senate President are expected to appear during the presentation of outstanding nonprofit service awards. The event will heighten policymakers' understanding of the role that nonprofits play in their constituents lives.

MNN also weighed in on the effort to improve federal **tax treatment for nonprofit volunteers**. MNN contacted the offices of Senators Kerry and Kennedy to request their support for increasing the travel allowance deduction for nonprofit volunteers. MNN asked that the rate be increased \$0.14/mi to \$0.58/mile, matching the business deduction rate. A measure tripling the rate to \$0.41/mile is currently before the senate.

MNN joined the *National Council of Nonprofit Associations' (NCNA) Nonprofit Congress*, an organization that addresses **national nonprofit policy issues**. The Network collaborated with the *Massachusetts Providers' Council* to conduct five "Town Halls." These regional meetings elicited input from local organizations on federal issues.

MNN based public policy activities on an early membership survey. Activities also focused on issues that arose during 2008, including nonprofit salaries and PILOT (payment in lieu of taxes).

Building strong organizations to better help those we serve

The year 2008 saw an expansion of services begun in 2007. The **online training clearinghouse** lists between 30-45 training events at any given time. The list is searchable and describes the topic, location, cost, and date of each event. People looking to acquire skills or information have a single place to find information.

The **Resource Directory** lists member organizations that are not themselves 501(c) (3) organizations, but provide services to nonprofits. Currently, 60 providers are listed.

The **group-purchasing program** and our partner, the Commonwealth Purchasing Group, recently expanded its offerings. The program now has more than 30 vendors that offer generous discounts on a host of items needed by nonprofits. A savings of 44% on office copiers is an example of the benefits offered.

Our first Annual **Conference and Expo**, *Strengthening Nonprofits in an Age of Precious Resources*, was an outstanding success, according to participant feedback. The conference provided a vehicle for public awareness, public policy advocacy, and member services. Original plans called for representation from 200 organizations, but ultimately over 300 different organizations attended. Registration had to be limited in the days before the event because 400 individuals had signed up.



Pictured Above (L-R): **Gloria Larson**, President of Bentley University, and keynote speakers **Liz Walker**, **Steve Grossman**, and **Kip Tiernan**.

The **conference** expanded online presence, generated new memberships, promoted and publicized both the sector and MNN. The exposition provided opportunities for more than 30 organizations to exhibit their services, with exhibitor revenue keeping the cost of workshop trainings low.

Twenty-nine workshop sessions were conducted on a broad range of topics, including board governance, strategic planning, how to complete the new IRS 990 forms, the uses of social networking, and volunteer management.



Above: Attendees applaud **Paul Grogan**, recipient of the Lifetime Nonprofit Service Award.

Right: **David Magnani** thanks Board Member and Conference Chair **Georgia Antonopolous**.



Highlights of the day were the **keynote speakers**; **Liz Walker** of WBZ, **Kip Tiernan**, founder of Rosie's Place, and **Steve Grossman**, long-time state and national leader and analyst on presidential campaigns.

In addition, conferees were not only able to access training to help them in their positions but also helped shape the future of MNN. Attendees were asked to suggest to MNN what public awareness activities should be undertaken, what public policies should be pursued, and if MNN should pursue a standards of excellence model.

Early in 2008, MNN collaborated with *The Boston Foundation* and *The Braver Group* to conduct a survey of nonprofits regarding the status of **employee benefits**. The survey also asked which organizational areas had the greatest need for assistance.

The first item identified was better access to quality and affordable **health care** for employees. Not surprisingly, due to the financial constraints of most organizations, nonprofit employees are often without health care. Those who do have health insurance pay about 40% of the cost of their care, despite modest incomes.

To address this issue, MNN approached the Blue Cross/Blue Shield Foundation for an initial planning grant to explore methods of providing insurance.



Left: Kristen McCormack and Bill Walczak, discuss standards of excellence for the nonprofit sector.



Above: Bill Pinakiwicz, Joan Honig, Jackie Cefola, and Jonathan Spack discuss the advantages of renting, owning, or collaborating workspace.

This project will be undertaken in collaboration with Access, a Boston-based organization founded to expand health care access throughout the U.S.

Finally, the Executive Director recently attended a national conference on the provision of **retirement benefits** for nonprofit employees. MNN is exploring options with the State Treasurer on how the Commonwealth might assist in efficiently providing retirement benefits for the nonprofit sector.

Improved methods of providing nonprofit employee benefits allow the sector to offer a security net for our own employees. Strong communities are built by all of their members having access to health and retirement plans.

Making communities stronger by working together

MNN was pleased to receive its **501(c)(3)** designation this year. The Network was fortunate to continue under the fiscal sponsorship of Third Sector New England, and Boston After School and Beyond remains the landlord. Additional space was necessary because staff grew to 3.5 FTE's at the end of year, with **interns** from local colleges and universities helping to augment staff efforts. These collaborative relationships have assisted in MNN's growth and development.

Membership growth was aided by collaborating with the United Way and the Hunt Foundation. Both generously offered to fund a portion of MNN membership for their grantees.

"MNN is helping to make Massachusetts communities stronger by uniting us to share our strengths and ideas."

-George Bachrach, Environmental League of MA

As the year began, MNN Board of Directors completed a comprehensive **strategic planning** process. NGO Futures' President Ken Phillips generously facilitated this on a pro-bono basis. Management support from the Executive Service Corps, led by Phil Jutris at Regis College, has also been much appreciated.

At MNN's Annual Meeting in May, the Founding Board completed its work. The first **MNN Board of Directors** was elected. Board terms are for three years, with the first board elected to 1, 2 or 3 year terms. The Board also created six subcommittees to carry out its work. The Board meets monthly at locations throughout the Commonwealth.

The Board approved a motion to create an **MNN Advisory Board**. The Advisory Board is intended to provide ballast for MNN decisions and increase the stature of the new statewide organization. Board members will be drawn from the highest ranks of the nonprofit, philanthropic, for-profit, academic and government sectors.

Thank you for helping us make communities stronger

Many organizations, both large and small, were crucial to the success of 2008. Thank you to the major donors who provided general operating support:

- The Boston Foundation
- State Street Bank Foundation
- Hunt Foundation
- Hyams Foundation
- The Irene E. and George A. Davis Foundation
- Citizens Bank Foundation
- an Anonymous Foundation

Deep appreciation also goes to those institutions that provided support for our regional meetings held across the Commonwealth:

- United Way of Cape and Islands
- MetroWest Community Health Care Foundation
- Sudbury Foundation
- MetroWest Nonprofit Network
- Crossroads Community Foundation
- United Way of Central Massachusetts
- Assumption College
- The Irene E. & George A. Davis Foundation
- The Boston Foundation
- United Way of Cape and Islands

The Blue Cross/Blue Shield Foundation is committed to the Health Care Access Project in 2009.

"We, as a nonprofit sector, employ 14% of the state's work force, play a vital role in our communities, and are an important piece of the economic engine of the Commonwealth. MNN can increase the appreciation of nonprofit organizations that improve the quality of life for all of us"

-Michael Weekes, MA Council of Human Service Providers

Organizational Statement of Revenues and Expenses, FY08

REVENUE SOURCE	REVENUE
Contributions	2,226
Foundations & Grants	408,100
2008 Conference	31,474
Membership Dues	31,122
Other Revenue	743
TOTAL REVENUE	\$ 473,665

DIRECT EXPENSE SOURCE	EXPENSES
Total Personnel	233,304
Contract & Professional Fees	21,039
Office, Administrative & Rent	17,910
Travel / Conference & Meeting	25,260
Staff Dev and other Expenses	1,756
TOTAL DIRECT EXPENSES	\$ 299,269

INDIRECT EXPENSE SOURCE	EXPENSES
Fiscal Sponsorship	11,749

TOTAL EXPENSES	\$ 311,018
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CHANGE IN NET ASSETS	\$162,647*
NET ASSETS, BEGINNING 2008	\$ 41,185
NET ASSETS, BEGINNING 2009	\$ 203,832

*Includes \$125,000 revenue from TBF for work to be completed in 2009

“Today the nonprofit sector in our state has more going for it than ever before. Until recently MA was just one of a few states without an association to represent the interests of its nonprofit associations. But in 2007, hundreds of nonprofits statewide began to find their voice and speak as one when the Massachusetts Nonprofit Network was created to strengthen the sector through advocacy, capacity building and public awareness.”

-Paul Grogan, The Boston Foundation

M N N S T A F F

Executive Director	David P. Magnani, Ed.D
Director of Programs	Heather Hartshorn
Operations	Robert Chase
Director of Special Projects / AmeriCorps VISTA	Gregory Callanan

MNN would like to thank *Third Sector New England* for their support as our fiscal sponsor during our first full year of operations.

President	Bill Walczak <i>Codman Square Health Center</i>
Vice President	Michael Weekes <i>Massachusetts Council of Human Service Providers</i>
Treasurer	Sylvia de Haas-Phillips <i>Davis Foundation</i>
Clerk	Julia Burgess <i>Martha's Vineyard Community Services</i>

- | | |
|--|---|
| ♦ Georgia Antonopoulos
<i>Center for Nonprofit Management,
Stonehill College</i> | ♦ Joe Kriesberg
<i>Massachusetts Association Of CDCs</i> |
| ♦ George Bachrach
<i>Environmental League of Massachusetts</i> | ♦ Carol Lavoie Schuster
<i>Associated Grant Makers</i> |
| ♦ Jim Canavan
<i>Northern Berkshire United Way</i> | ♦ Crista Martinez Padua
<i>Families First Parenting Programs</i> |
| ♦ Rebecca Donham
<i>MetroWest Nonprofit Network</i> | ♦ Eva Millona
<i>Massachusetts Immigration and
Refugee Advocacy Coalition</i> |
| ♦ Susan Egmont
<i>Egmont Associates</i> | ♦ Geeta Pradhan
<i>The Boston Foundation</i> |
| ♦ Tim Garvin
<i>United Way of Central Massachusetts</i> | ♦ Stephen Pratt
<i>My Turn</i> |
| ♦ Jim Hunt
<i>Massachusetts League of
Community Health Centers</i> | ♦ David Shapiro
<i>Massachusetts Mentoring Partnerships</i> |
| ♦ Dan Hunter
<i>Massachusetts Advocates for the Arts,
Sciences, & Humanities</i> | ♦ Jonathan Spack
<i>Third Sector New England</i> |
| | ♦ David Turcotte
<i>Nonprofit Alliance of Greater Lowell</i> |

MASSACHUSETTS NONPROFIT NETWORK

*To strengthen
Massachusetts through
nonprofit advocacy,
public awareness
and capacity building.*



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