

Overview

Peer Sharing Conference Call

February 2, 2016

Attendees: **Bob Schrage**, ESCC, Cincinnati; **Paul Moore**, ESCCO, Oklahoma City; **David Factor**, ESC of Southern California; **Darlyne Koretos**, Member-at-Large; **Trudy Smith**, ESC-Triangle, Durham, NC; **Amber Cote**, Center for Nonprofit Excellence, Colorado Springs; **Julie Crockford**, ESC of New England, Boston; **David Palmquist**, ESC of Tri-Cities, Albany; **Jan Burrell**, 501 Commons, Seattle; **Burt Hering**, ESCH, Houston; **Yvonne Van Haitsma**, ESC Bayer Center for Nonprofit Management, Robert Morris University, Pittsburgh

Trudy: 70% of revenues come from client fees. They use a sliding fee \$35-50 per hour. Board Leadership Program – underwritten by Blue Cross Blue Shield Foundation -- brings in \$50K per year. \$25k per cohort, 2 cohorts per year – six sessions presented by consultants – 12 agencies per cohort – 2 persons per agency - \$250 per NFP, refunded on satisfactory completion – business builder with NFP’s – 40 agencies so far.

Bob: Nonprofit Leadership Institute of Greater Cincinnati (merged leadership program with another large nonprofit in Cincinnati -- funders encouraged them to join forces). Charge \$1500 - \$300k. Brings in \$40K in revenue. Budget, about 25% grants. Client fees are #1 source. Diversifying funding by going after corporate sponsors. Will expand to serve nonprofits beyond the 501(c)(3) classification.

Burt: ESCH affected by downturn in oil industry. Project fee income about 30%. Historically strong support from individuals while foundation income going down. Funders concentrating on STEM programs and faith-based organizations. Bringing back four former board members who were large donors. Trying to increase the number of projects. One source of some revenue and new business connections: charge \$150 to do a business plan and help with state filings for potential new nonprofits.

Yvonne: Two successful programs: (1) Working with corporations to use their employees (20 at a time) to help nonprofits. ESC adviser assigned to each team – quality control. Find five nonprofit to assist and charge them a fee. Typical three month project costs \$12,500-\$15,000. (2) Board Training – one day training and then match participants up with a nonprofit. \$8500 to train and place 20 employees. Hired staff to do the matching process. Nonprofits pay \$1K for a four-hour customized retreat. Now asking companies to be “champions” to pay for 10 nonprofit retreats. Earning about \$300K income from this program, \$55,000 in project fees.

David Palmquist: Very small ESC with new, PT ED. Raised project fees to \$50-\$100 an hour. Projects often serve distressed local governments and faith-based organizations. Also partnered with local attorney with nonprofit specialty to her practice to do workshops to raise money and visibility.

Jan: Largest revenue source underwriting by UW, Microsoft, others. Have a successful cohort program that groups subjects together rather than people (i.e., volunteer improvement, fundraising, technology improvement, HR.) Topics are chosen by the nonprofits. Small fee paid by nonprofits. About 80 service hours per cohort.

Paul: Best source of funding is the foundation partners. Derive \$150K from foundations. It is a two-way communication with the program officers. We listen to understand what problems they see affecting the nonprofit community and we work to develop products to address those needs. (Example: Organizational Focus Workshop. We bring nonprofits together for a few hours to solve the most pressing problem. Seven-hours with organization over two days net a SWOT analysis, a marketing plan and an action plan. We charge \$2500.) We are now working on bringing together nonprofits doing similar work to see what synergies can be identified and developed.

Julie: Two most successful programs are ENCORE and Discovering What's Next. Still in process of folding these two programs into the organization. Key is listening to foundations to see what they believe is needed (that they will fund). They have prioritized programs providing training to mid-level people. Client fees generate 50% or more of income.

David Factor: Individual giving has doubled over the last three years. We have been told (by our consultants) that we need to do a better job of stewarding consultants as donors. Family foundations are a huge source of our revenue – two-thirds of revenue comes from grants. Trying to grow project revenue – really focusing on quality improvement and repeat/follow-up business with clients. We receive lump sums from foundations as restricted “sponsorship” grants to help nonprofits in a particular area of the foundation's interest. They may suggest or provide the clients, or we may be responsible to do so.

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