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Nonprofit Funding Vital to Support of Schools

by Richard Koontz, LAWINRC Director

Children and young adults are headed back to school, and it is important for Iowans to recognize how vital Iowa’s community schools and related nonprofits are. While 1,383 schools in Iowa are public schools, there are also 261 private schools, that is, private nonprofits. (Source: Private School Review at <http://www.privateschoolreview.com/iowa>) These include Bergman Academy (Des Moines), Quad Cities Montessori School (Davenport), St. Albert Catholic Schools (Council Bluffs), and Heritage Christian School (North Liberty).

Along with the schools that are nonprofits are various kinds of private nonprofit organizations that provide funding for schools. One category of such funders is the affiliated fundraising nonprofits, or school foundations. The National School Foundations Association, located in Naperville, Illinois, lists 165 school foundations in Iowa. (See <http://www.schoolfoundations.org/iowa>) Many of these support the public schools. For instance, the Spencer Community School Foundation provides scholarships for students and funding for educational programs to the six schools within the Spencer School District.

School budgets are often tight and choices must be made about what programs can survive without funding. The Spencer Community School Foundation’s mission includes providing “enhanced learning opportunities not provided for in the school district

budget.” This includes equipment for the high school Metal Technology Program, NASA Space Design competition, guest speakers, teacher training for specialized classes, and student experiences at Lakeside Lab.

Other funders of schools among Iowa nonprofits are private foundations such as the Roy J. Carver Trust, a well-known funder of Iowa colleges and universities and community libraries. The Max & Helen Guernsey Charitable Foundation of Waterloo has funded Allen College and Hawkeye Community College.

Another kind of funder is the community foundation. These entities often have funds devoted to educational beneficiaries. The Community Foundation of Greater



Des Moines supports the Mary E. Wood and Larry W. Carter Scholarship which, in 2016, awarded 23 scholarships, many to students at institutions around the state of

Street Farm: Growing Food, Jobs, and Hope on the Urban Frontier

By Michael Ableman; Chelsea Green Publishing, White River Junction, Vermont
\$29.95 Paperback; Also available as ebook
September 2016
Reviewed by Diane DeBok, LAWINRC Editor and Content Manager

Farmer and author Michael Ableman writes about the specifics of urban farming but also reflects upon the bigger lessons he has learned as a veteran nonprofit organizer of food-related organizations. The combination offers something to readers interested in food issues as well as to those involved in organizations with other charitable missions.

In 2009, the Vancouver nonprofit United We Can approached Ableman about establishing urban farms in that city's Downtown Eastside area. The region encompasses some of Vancouver's most challenged neighborhoods, and one goal was to bring fresh food and jobs to the people who lived there. Ableman partnered with United We Can's Seann Dory to carry out the project. The result is Sole Food Farms, a total of five acres divided among four separate locations.

Part of what makes Sole Food Farms remarkable is that all crops are planted in large movable containers arranged on pavement where gas stations, restaurants, industrial areas, and the like once operated. Unlikely as it may seem, this was the most realistic approach. Finding urban areas with soil healthy enough for direct planting was virtually impossible. Also, as in most big cities, real estate is at a premium. Development or sale of the properties is always a possibility, so planting movable crops was practical.

Today, the farms generate 25 tons of fresh produce per year which is sold locally at five farmers' markets and to more than thirty restaurants. The group also operates a community supported agriculture program and donates up to \$20,000 worth of produce per year to community kitchens. There are 25 employees from the neighborhoods, several of whom have worked with the program from the beginning. Sole Food Farms is one of North America's largest urban farm initiatives. One of the farms is planted in fruit trees and is sometimes referred to as the largest urban orchard in the world. Ableman isn't

sure about that, however, he does speculate that it is the largest urban orchard planted in containers.

Experienced in both urban and rural farming, Ableman's narrative on making Sole Food Farms a reality is interspersed with his observations and insights on issues that are common to most charitable nonprofit organizations.

Write it down. Ableman says that writing one's goals and intentions in detail is a powerful act that makes you think clearly about where you want to go and how to get there. In doing so, "... you open up possibilities for help to arrive in many ways and from many directions."

If necessary, rewrite your vision. As Ableman and Dory began to excavate the layers of complexity in making the farms a reality, they encountered several false starts, but they rewrote their vision, sought the necessary support, and kept moving forward.

Maintain good relationships. In the case of Sole Food Farms, good relationships with landlords have been crucial. "Leases are merely the documents that present a set of legal terms; relationships secure those terms and provide a supportive environment for the work," says Ableman. Fostering good relationships with donors

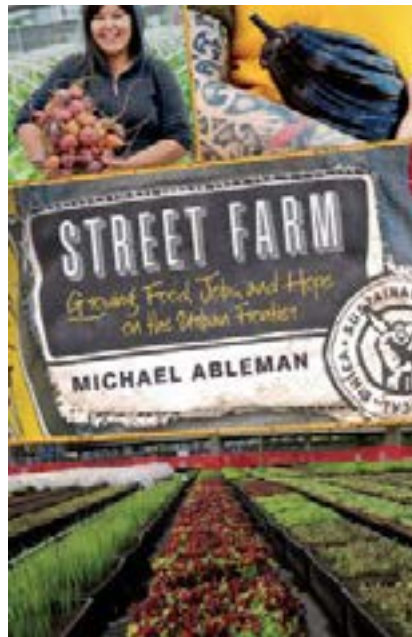
and advisors is, of course, also crucial, along with educating them about your work.

Diverse partnerships are essential. Ableman says that urban agriculture is "the ultimate social, political, nutritional, and financial collaboration between municipal government, private and public landowners, foundations and individual funders, and the community of eaters we supply."

Resist pressure to cut corners. Under time pressure to get the first crops planted, Ableman consented to use thin plywood planters that came apart within a year in the damp Vancouver weather.

Be aware of visibility. The farms' crops and hoop houses are visible to the public from train tracks,

Street Farm, next column



highway overpasses, and other vantage points which spreads awareness of the project. But the disintegrating plywood boxes made a shabby appearance. A generous supporter covered the cost of new, more durable boxes.

Accept workers' challenges.

Workers at Sole Food Farms may struggle daily with addiction, mental illness, homelessness, and poverty. While some drift away, others find stability there and develop work skills and knowledge. Ableman admits it "...can be difficult to let go and allow those you have mentored to go on and surpass you. But it's what keeps the world spinning..."

Street Farm includes captivating color photographs of the farms and its workers. Some views show ranks of lush planters on expansive parking lots bounded by streets, train tracks, and Vancouver's towering citiscape. Others are unexpectedly artistic such as one that frames an extravagantly tattooed arm cradling a flawless eggplant.

Although Sole Food Farms has had many successes, the enterprise is not yet self-supporting. Ableman is too experienced to be starry-eyed. He writes as a realist who has learned from mistakes, who moves the organization forward one day at a time, who applies expertise, expects hard work, and knows that successes may be smaller than hoped for but are still to be savored. Even for readers not involved in food issues, *Street Farm* is an engaging story of hard work, formidable odds, and abundant possibilities.

Iowa. At the Buchanan Community Foundation there is the Edna Mae and Don Adams Scholarship Fund that awards "financial assistance to students from East Buchanan Community Schools and Independence Community Schools pursuing higher education."

A funder that is oriented toward private schools in Iowa is the "school tuition organization", or STO, which is an Iowa charitable organization that is exempt from federal taxation under section 501(c)(3) and which does all of the following: (1) Allocates at least ninety percent of its annual revenue in tuition grants for children to allow them to attend a qualified school of their parents' choice, (2) Only awards tuition grants to children who reside in Iowa, (3) Provides tuition grants to students without limiting availability to only students of one school, (4) Only provides tuition grants to eligible students, and (5) Prepares an annual reviewed financial statement certified by a public accounting firm. (Iowa Code 422.115(6)(c))

An example of an STO in Iowa is the Northwest Iowa Christian School Tuition Organization. The organization covers sixteen schools. Iowa taxpayers who donate to STOs are eligible for a tax credit equal to 65 percent of the total contribution. The Iowa Department of Revenue did a study of the effectiveness of the STO in Iowa in 2012 and found that over 46,000 scholarships with a value of \$41 million were awarded under the STO program since 2006. (See <https://tax.iowa.gov/sites/files/idr/STO%20Evaluation%20Study.pdf>)

Iowa also has a number of organizations that provide oversight and guidance for various educational disciplines. The Iowa Alliance for Arts Education was created in the 1980's when "restricted state funds for school districts... resulted in massive layoffs of art and music

teachers especially at the elementary level." The group works to keep arts and music programs going in Iowa schools.

Another such organization is the Iowa Council for the Social Studies. Its primary efforts are dedicated to professional development for teachers of social studies. Various employees within the school system have support organizations such as the School Administrators of Iowa, and Iowa Technology and Education Connection.

Support systems are in place in our state to encourage learning beyond the classroom. The Iowa Afterschool Alliance (IAA) exists so that "children, youth, and



families will have access to quality out-of-school time opportunities in their community." The IAA website lists a number of active programs around the state such as literacy, STEM, the arts, and assistance with homework. (See <https://www.iowaafterschoolalliance.org/afterschool-programs/>)

Iowa's Department of Education issued a summary of survey findings on the benefits, issues, and demands related to after school programs in Iowa. (The report is available at <https://www.educateiowa.gov/sites/files/ed/documents/Afterschool%20in%20Iowa%20Summary%20Report.pdf>)

Public schools and universities fulfill many educational needs in Iowa. Iowa's nonprofits are also central players in providing funding and expanding the learning of our children and young adults.

Navigating Common Obstacles

By Paul Thelen, Assistant LAWRINC Director

“An amateur practices until she can do it right,” one adage begins, “and a professional practices until she can’t get it wrong.” Successfully leading your nonprofit organization requires you to maneuver myriad challenges. We offer here just a few simple compass points to keep your organization from unnecessarily sailing adrift.

Board Member Commencement. We often associate commencements with high school or college graduation ceremonies. They are equally important for nonprofit organizations.

You should celebrate the completion of a board member’s term. There should be a reflection on past accomplishments. There should be a shared vision for the future. Your past board members are part of the alumni of your nonprofit. They know more about your organization than anyone else. Even after their service, they can be some of your greatest advocates, contributors, and recruiters. Continue to engage them as ambassadors for your nonprofit or as mentors to new board members. Invite them to celebrate accomplishments, and seek them out at special events.

Fundraising Calendar. A calendar is key to organizing your fundraising year. You should select several key dates that you have identified as the most crucial. Almost every organization identifies the end of the calendar year, as well as the end of the fiscal year (typically the end of June), as dates that they can work towards to drive donations. You might have a local community giving day that is important and/or a national day that is associated with your mission. Further, you may have an event that is specific to your nonprofit.



Work backwards from these dates to determine the steps that need to be taken to make each cam-

aign successful. There should be hard deadlines for each action that needs to be taken, such as advertisements in your local/regional media or correspondence with your targeted audience.

Finally, you should be setting a numerical goal for each campaign based on your resources and past performance. If you fail to reach your target amount, find out why. If you easily exceed your target amount, learn why. That way, you can replicate best practices and avoid repeating mistakes.

Transition Memo. One of the most helpful documents that a new officer or executive director can receive is a transition memo from his or her predecessor. In creating the document, the most important question to answer is this:

“What information would have helped me most when I started this position?”

You should briefly note the actions most vital to performing the duties of your position. This may include submitting quarterly, annual, or biennial reports or filings to the government or another entity. It may include important dates for applying for recurring local or state funds. If there is something that only you do, that should be in the memo.

An organizational chart complete with names of current position holders is useful. Indeed, there are undoubtedly names of vital people inside and outside the organization that your successor should know.



Obstacles, continued page 5

LAWINRC on the Road

by Paul Thelen, Assistant LAWINRC Director

The LAWINRC continues its mission to strengthen nonprofit organizations by meeting with leaders in the communities they serve.

On September 20, 2016, the LAWINRC was happy to lead a session of the Greater Cedar Rapids Community Foundation's Nonprofit Know-How series on recent changes to the Fair Labor Standards Act.

Several dozen leaders from a variety of nonprofits gathered together to learn about and discuss how to address the changes to the rule regulating the salary level for exempt executive, administrative, and professional employees. The two-hour session provided an opportunity to review the substantive changes to the rule, the direct effects on nonprofit employees, and the challenges and opportunities the changes present to our sector.

The Nonprofit Know-How series is an effort by the Greater Cedar Rapids Community Foundation's Nonprofit Network to connect local nonprofit organizations and professionals with valuable resources. The LAWINRC is a current Nonprofit Network partner.

The LAWINRC is happy to deliver a valuable workshop in your community. Over the last year we've given presentations on a variety of topics across the state, and we have even traveled as far as York, Nebraska, to connect with Iowa nonprofits.

Please contact Assistant Director Paul Thelen at paul-thelen@uiowa.edu or 319-335-7094 to learn more.

See pages 6-8 for conferences, workshops, and other events coming this fall.

Obstacles, from page 4

This may include donors, vendors, and government officials, as well as members of the media. You might also include the names of people whom the new officer or executive director might beware of.

Further, briefly review the tools you use—such as computer software or social media accounts—and include where existing passwords and files may be accessed.

Finally, you might offer in the memo to be a personal resource. A face-to-face meeting very early in the transition process will allow the predecessor to share his or her experience and the successor to share his or her vision for the future. ■



Paul Thelen delivers a presentation on changes to the Fair Labor Standards Act on September 20, 2016.

Iowa Mentoring Partnership - Fall Mentoring Conference

Date: Monday, October 3, 2016

Time: 8 am – 4:30 pm

Location: Fred Maytag II Scout Center, 6123 Scout Trail, Des Moines

Cost: Details at <https://www.surveymonkey.com/r/LCWMC2F>

Training & Networking Opportunities

October 8 Workshop Set for Starting Small Charitable Nonprofits

LAWINRC Director Richard Koontz will conduct a workshop on **Starting a Small Iowa Charitable Nonprofit Corporation** on Saturday, October 8.

The workshop will meet from 9 a.m. to noon in the Boyd Law Building on the University of Iowa campus. The \$25 registration fee includes detailed assistance with the required forms such as the 1023-EZ and SS-4 to obtain an Employee Identification Number (EIN) as well as a copy of the recently published monograph *Starting a Small Iowa Charitable Nonprofit Corporation* written by Koontz.

Enrollment is limited to seven participants. For a registration form and additional information, go to https://inrc.law.uiowa.edu/sites/inrc.law.uiowa.edu/files/start_npo_reg_form_10-8-16.pdf or telephone 319-335-9765 locally or 866-500-8980 toll free.

Southeast Iowa Nonprofit Summit to be Held in Ottumwa

The second annual Southeast Iowa Nonprofit Summit is scheduled for September 29, 2016 in Ottumwa at the Bridge View Center.

The day-long event is free and features presentations on conflict resolution, best practices for social media, resources and strategies for rural nonprofits, engaging donors and volunteers, diversity in the board room, and more.

A full program of speakers, sessions and other information is available at <http://www.orf.org/2016/08/2nd-annual-southeast-iowa-nonprofit-summit-registration-open/>

The Ottumwa Regional Legacy Foundation is the summit sponsor and organizer in partnership with Iowa State University Extension-Wapello County.

New Monograph Focuses on Small Nonprofits, 1023-EZ

A newly issued monograph, *Starting a Small Iowa Charitable Nonprofit Corporation* written by Richard Koontz, is now available for \$15 and can be purchased from the LAWINRC website.

The 78-page guide focuses on the steps specific to establishing a nonprofit organization for which the yearly receipts are less than \$50,000. Information on why an Employee Identification Number (EIN) is necessary and how to obtain one, creating Articles of Incorporation, and how to determine the best answers relating your to nonprofit when completing each section of the IRS Form 1023-EZ, and more, is included.

Registrants for the October 8 workshop on this topic (see item at left) will receive a copy of the monograph with registration.

To order the monograph, see the publications section of the LAWINRC website at <https://inrc.law.uiowa.edu/publications>

User Fee Reduced for 1023-EZ

The Internal Revenue Service reported on May 31, 2016 that the user fee for processing the 1023-EZ has decreased from \$400 to \$275. The fee must be submitted through www.pay.gov For additional details, see IRS Rev. Proc. 2016-32 at https://www.irs.gov/irb/2016-22_IRB/ar10.html#d0e1351

Iowa Disaster Human Resource Council

Luncheon and Don Hampton Award Ceremony, networking, speakers. Sponsored by Presbyterian Disaster Assistance. If questions to Lindsey Mosher, Iowa Homeland Security and Emergency Management, at 515-323-4231. Information and registration at <https://volunteeriowa.org/event/don-hampton-award-and-conference>

Date: October 11, 2016

Time: 9:30 am – 3:30 pm

Location: Iowa Event Center, lower level Hy-Vee Hall, 730 3rd St., Des Moines

The Community Foundation of Greater Des Moines

Each of the following workshops meets 3-5 pm at Junior Achievement, 6100 Grand Avenue, Des Moines. Additional details at <https://www.desmoinesfoundation.org/training-opportunities-1.aspx>

On Track – What Nonprofits Need to Know About the Department of Labor’s New Overtime Rules

A session on how your nonprofit organization may be affected by the Department of Labor’s recent changes to overtime rules and exemptions for salaried workers. The new rules go into effect on December 1, 2016.

Presenter: Michael Staebell, Compliance Specialist, Dickinson, Mackaman, Tyler & Hagen, PC; District Director (retired) USDOL Wage and Labor Division.

Date: Monday, October 10, 2016

Cost: Free

BoardLaunch – Employee Performance Strategies: What Every Board Member Should Know

A discussion of key components and best practices of effective employee performance appraisal processes.

Presenters: Dennis Peterson, Aureon HR and Anne Barry, HR Operations Director, Aureon

Date: Tuesday, October 18, 2016

Cost: \$30

BoardLaunch Employment Law: What Every Board Should Know to Protect Their Organization

Information on how to stay current with state and federal employment laws, how to establish policies and procedures to ensure compliance, strategies to avoid discriminatory practices, record keeping best practices, the importance of employee handbooks.

Presenter: Anne Barry, HR Operations Director, Aureon

Date: Thursday, November 3, 2016

Cost: \$30

Invitation to Take Part in Nonprofit Survey

Bailey Kelly, University of Iowa Communication Studies PhD student, invites employees of nonprofit organizations in Johnson County to take part in a survey that will gather information about communication practices and collaboration with other organizations.

The online survey consists of 28 questions. Participants may volunteer to take part in a follow-up interview.

Questions may be directed to Ms. Kelley at 319-430-1377 or bailey-kelly@uiowa.edu. Follow this link to go directly to the survey: https://uiowa.qualtrics.com/SE/?SID=SV_5A6dpk7Hr3iKr65

MVDVIA to Host One-Day NW Illinois Conference

The Northwest Illinois Volunteerism Conference is Friday, October 14 from 8 am to 4 pm at the Western Illinois University Riverfront Campus, 3300 River Drive in Moline, Illinois.

The theme is *Changing Times + New Challenges = Great Opportunities*. Nationally known collaboration expert Vicki Clark is the keynote speaker.

The general registration fee is \$35 per person and \$20 for Mississippi Valley Directors of Volunteers in Agencies (MVDVIA) and AmeriCorps/National Service members.

A complete conference schedule and registration link are available at <http://mvdovia.org/conference-2016/>

Greater Cedar Rapids Community Foundation

A Celebration of Community acknowledging the contributions of local nonprofit organizations is scheduled for Wednesday, November 16 from 4-6 pm

Location: National Czech & Slovak Museum & Library, 1400 Inspiration Place SW, Cedar Rapids.

Cost: Free

Details: at www.gcrf.org as they become available.

More workshop information. ►

Training Opportunities

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Starting a Small Iowa Charitable Nonprofit

LAWINRC Director Richard Koontz will offer a workshop on starting a small nonprofit organization on October 8. See page 6 for workshop and registration information.

Lee County Extension: Nonprofit Management Academy

Workshops leading to a Certificate in Nonprofit Management are offered Tuesdays, 9 am-4 pm at the Baymont Inn and Suites, 325 Main St., Keokuk, IA. Courses are \$60 each with CEU credit an additional \$25. Information, registration, and brochure available at www.extension.iastate.edu/Lee

Fundraising: Focusing on the Why

Date: October 11, 2016

Presenter: Wendy Harrington, PhD, Hannibal Regional Hospital Foundation

Community Leadership

Date: November 8,

Presenter: Ann Silvis, MBA, University of Illinois

Grant Writing

Date: January 10, 2017

Presenter: Terry Jenkins, Program Manager, Tracy Family Foundation

Johnson County Extension: Nonprofit Management Academy

Courses leading to a Certificate in Nonprofit Management offered Thursdays, 9 am-4 pm at the Johnson County Extension Office, 3109 Old Hwy 218 S., Iowa City, IA. Courses are \$70 each with CEU credit an additional \$25. Information and registration at <http://www.extension.iastate.edu/johnson/sites/www.extension.iastate.edu/files/johnson/NPMAbrochure%202016-FinalA.pdf>

Discipline/Termination/Risk and the Toxic Employee

Date: October 20, 2016

Presenter: Jaki K. Samuelson, Whitfield & Eddy, PLC

Evaluation, Strategic Planning & Succession: Using Organizational Evaluation to Develop Strategic Plans & Do Organizational Succession Planning

Date: November 10, 2016

Presenter: Regenia Bailey, Bailey Leadership Initiative, LLC

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About Our Organization

The Larned A. Waterman Iowa Nonprofit Resource Center is a University of Iowa interdisciplinary collaboration created to make more accessible educational and service programs focused on strengthening the operational capacity of Iowa nonprofit organizations.

The LAWINRC works collaboratively with government agencies, nonprofit organizations and educational institutions to impart new knowledge through activities and provide

information and training resources to help nonprofit organizations and interested persons throughout Iowa. We seek to build the capacity and develop the effectiveness of community-based organizations and enhance the overall effectiveness of local organizations in building communities.

The LAWINRC also introduces students to the nonprofit sector and develops their sense of public and community service.