



Commentary

Advocacy's Efficacy

Nonprofit advocacy is an effective way to leverage foundation resources and make a significant impact. Here's why and how.

by Nan Aron

One challenge board members face is deciding which strategies their foundations will use to accomplish their missions. In this era of increased demands and dwindling resources, making good funding choices has never been easy. All foundations are trying to figure out how to make a difference. To be truly effective and strategic in grantmaking, foundations must help organizations engage in public policy advocacy work. Here's why.

Now, more than ever, nonprofits need the support of foundations to become involved in the public policy debate, give voice to the underserved and ensure that limited foundation and government funds will best serve public needs. The economic outlook, while somewhat improved, remains uncertain. Nonprofits—from those that provide shelter and feed the hungry, to those that promote a cleaner environment or defend civil rights—are all feeling the pinch. Tough decisions must be made at every level, and the neediest groups are least able to defend themselves without experienced advocates who know their issues, understand the system and have a common interest in promoting sound solutions.

"Foundations do not have sufficient assets to change the social condition one person at a time, and investment by foundations in nonprofit organizations engaged in advocacy for new, innovative and better policies is the ultimate way to increase the impact of grant dollars," says Thomas W. Ross, executive director of the Z. Smith Reynolds Foundation.

Rockefeller Brothers Fund President Stephen B. Heintz agrees, "Lobbying accelerates positive change—whether it's in healthcare or the arts, conservation or global security. That's why we support nonprofits that employ the full range of tools permitted by law—including lobbying— to impact public policy."

Nonprofits need the flexibility to employ a range of strategies to accomplish their missions and increase foundations' impact tenfold. Those opportunities may include litigation, civic engagement, policy analysis, lobbying, education and administrative

rulemaking. Even small foundations can reap exponential benefits. As Winsome D. McIntosh, vice president of the McIntosh Foundation, noted, "As a small foundation, we've found supporting nonprofit advocacy to be our most effective funding strategy. Grantees who lobby can leverage every dollar of our support to make an impact."

Still not convinced? Let's look at some examples. Take, for instance, Mothers Against Drunk Driving (MADD). Less than five years after victims' families founded MADD, they persuaded Congress to pass a law mandating that every state raise the drinking age to 21—vastly reducing the number of alcohol-related deaths. Legislative advocacy was key to their success and had a national impact.

Local advocacy efforts can be just as powerful, as demonstrated by the Wisconsin Citizen Action Fund (WCAF). Concerned with the high rate of lead poisoning among Milwaukee children, WCAF recruited and trained a task force of parents to advocate for lead-safe housing in their neighborhoods. Their work resulted in a city ordinance requiring landlords to certify their property as lead safe.

Another group, The Council of Senior Centers and Services of New York City, preserved \$15 million in threatened funding for senior centers and weekend meal programs with a lobbying effort that included bringing 5,000 seniors to City Hall.

Those three examples illustrate how nonprofits—supported by foundations—leveraged resources, promoted systemic change and responded to the public need.

While some foundations already routinely incorporate a variety of advocacy activities into their grantmaking, more need to be encouraged to do so. Those who are the most needy are least able to defend themselves without experienced advocates who know their issues, understand the system, and have a vested interest in promoting sound solutions.

That's where board members come into play. A lack of information, overly cautious attorneys or concern that the foundation will be publicly identified in the press as supporting a controversial issue are among the obstacles that keep board members from voting to fund advocacy. Having the facts can set the record straight.

Myth vs. Fact

Funding public policy advocacy is legal, important and doable, and the law is generous when it comes to advocacy. Private foundations can support public charities that employ lobbying strategies, without making a taxable expenditure. General support grants can be used for all activities—including advocacy—permitted by a nonprofit's 501(c)(3) status. As long as a general support grant is not earmarked for lobbying, there is no risk to the foundation, even if the grant is subsequently used for lobbying.

Private foundations can even support specific projects that include a lobbying component, as long as the grant does not exceed the non-lobbying portion of the budget. For example, if the project budget is \$100,000 and \$40,000 is allocated for lobbying purposes, a private

foundation may award up to \$60,000 without incurring a taxable expenditure. It's that straightforward.

At the New Hampshire Charitable Foundation, staff prepared a memo for the board clarifying federal law. "Folks just wanted to know how [the lobbying rules] worked, so we laid it out for them. Once they understood, it was okay," explained Stuart Comstock-Gay, chief operating officer.

Lobbying is not restricted to liberal or conservative organizations exercising their full rights under the tax laws. Mainstream groups from all walks, including the Girl Scouts, YMCA, Head Start and others rely on advocacy in accomplishing their missions. Foundations that discourage or prohibit their grantees from lobbying unnecessarily forfeit a critical component of grantmaking activity and therefore, lose an opportunity to make a lasting difference.

Boards Can Make A Difference

With the increased social needs and economic crises facing our communities and nonprofits, supporting advocacy is imperative. As Emmett D. Carson, president and CEO of the Minneapolis Foundation—and current board chair of the Council on Foundations—stated in *Support Grantees that Lobby* (see "Advocacy Resources," below), "It is not enough for grantmakers to support the service delivery arm of hard-working nonprofit organizations. We've got to recognize that educating public policymakers is part of our responsibility and is crucial to our success."

Boards must set the tone and have the vision to reach beyond the comfort zone of traditional grantmaking to make a difference. Examining attitudes and perceptions about advocacy is the best place to start.

Advocacy Resources

ALLIANCE FOR JUSTICE

(To order, call 202/822-6070 or visit www.allianceforjustice.org)

- *Support Grantees That Lobby*, Washington, DC: Alliance for Justice, 2002. Free.
- *Worry-Free Lobbying for Nonprofits: How to Use the 501(h) Election to Maximize Effectiveness*, Washington, DC: Alliance for Justice, 1999. Free.
- Thomas R. Asher, *Foundations and Ballot Measures: A Legal Guide*, Washington, DC: Alliance for Justice, 1998. \$10.
- Thomas R. Asher, *Myth v. Fact: Foundation Support of Advocacy*, Washington, DC: Alliance for Justice, 1995. \$20.

- Gail M. Harmon, Jessica A. Ladd and Eleanor A. Evans, *Being a Player: A Guide to the IRS Lobbying Regulations for Advocacy Charities*, Washington, DC: Alliance for Justice, 1995. \$25.

Bob Smucker, *The Nonprofit Lobbying Guide*, Second Edition, Washington, DC: Independent Sector, 1999. To order, call 888/860-8118 or visit www.IndependentSector.org. \$12, \$16 nonmembers.

John A. Edie, *Foundations and Lobbying: Safe Ways to Affect Public Policy*, Washington, DC: Council on Foundations, 1991. To order, call 888/239-5221 or visit www.cof.org. Order #702. \$20, \$30 nonmembers.

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