Meeting the Technical Assistance and Training Needs of Iowa Nonprofits

An Evaluation Report for the Larned A. Waterman Iowa Nonprofit Resource Center

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Introduction

The Strengthening Communities Fund project began in the fall of 2009, when the Larned A. Waterman Iowa Nonprofit Resource Center (INRC) received a $250,000 ARRA grant through the Strengthening Communities Fund - State, Local, and Tribal Government Capacity Building Program. INRC Director Richard Koontz was Principal Investigator and thanks the federal government for the support the grant provided.

As part of this project, the INRC conducted a statewide survey of the capacity-building needs of Iowa’s nonprofits in the fall of 2010. Randomly selected nonprofits received letters inviting them to participate.

The most recent statewide assessment of Iowa’s nonprofits was done by the INRC in 2000. The project surveyed 138 organizations and identified three challenging areas: organizational finances, provision of services, and governance. In response to this assessment, the INRC and the Iowa Governor’s Nonprofit Task Force developed the *Iowa Principles and Practices for Charitable Nonprofit Excellence* to improve management practices, promote ethical conduct, and maintain public accountability within Iowa’s nonprofits.

Because circumstances have changed in the past decade, Iowa needed a new and more comprehensive assessment of the needs and barriers that its nonprofits are facing in order to plan and develop capacity-building, training, and technical assistance. Findings and recommendations from the 2010 survey were based on responses from 507 Iowa nonprofits. During FY11, the Strengthening Communities Fund project and the INRC developed resources and trainings to address the critical needs identified by the survey.

The findings of the survey are published in the following pages. For additional information, we invite you to see the appendices which are posted on the INRC’s Web site at [http://inrc.continuetolearn.uiowa.edu/updates/Survey%20Results%202012-22-11.pdf](http://inrc.continuetolearn.uiowa.edu/updates/Survey%20Results%202012-22-11.pdf)
Summary and Key Findings

Iowa’s nonprofit faith-based and community organizations (FBCOs) play a critical role in Iowa’s economy. Recently, Iowans have faced both natural disasters (devastating tornadoes and floods) and an historic economic recession, resulting in critical economic recovery needs across the state. In these difficult times, Iowans have turned to their nonprofits for assistance with everything from housing and energy assistance to recovery assistance aid such as job training programs. Nationally, almost three of every four nonprofits report increased demand for their services over the past several years while experiencing decreased donations and resources. Iowa nonprofits provide vital services in the state and make up an integral part of the state's economy. Keeping Iowa's nonprofits strong is an important component of maintaining Iowa's economic health.

In October 2009, the Larned A. Waterman Iowa Nonprofit Resource Center (INRC) received a Strengthening Communities Fund (SCF) grant. The federally-funded SCF grants were implemented to build the capacity of nonprofit organizations to address broad economic recovery issues present in their communities. As part of INRC’s grant, a statewide survey of nonprofit organizations was conducted in 2010 to obtain information about the capacity building and technical assistance needs and barriers of Iowa’s nonprofit organizations. Information from the survey guided INRC’s capacity building efforts, leading to Principles and Practices for Charitable Nonprofit Excellence trainings across the state, grant writing workshops, workshops on community collaboration by the Institute of Public Affairs, and enhancement of resources on the INRC website. A follow-up survey was implemented in 2011 to evaluate the current status of and the impact of the SCF grant activities on Iowa’s secular and faith-based nonprofit organizations. Key findings from the 2010 and 2011 surveys include:

- Since 2008, as a consequence of several factors, many Iowa nonprofits have been challenged to meet increased demands for services with reduced paid staff and services available to constituents.

- Iowa nonprofits’ greatest needs for technical assistance and training in 2010 were in the areas of fund development and grant writing, recruitment, evaluation and assessment, board development and training, and information technology. In 2011, the greatest needs continued to be in the areas of fund development and grant writing, recruitment, networking, and information technology.

- However, nonprofits that accessed SCF grant trainings, resources, or technical assistance reported fewer needs in 2011 compared to 2010. Nonprofits that did not access these trainings, resources or technical assistance reported increased needs from 2010 to 2011.

Thus, the results of the 2010 and 2011 surveys suggest that building the capacity of the INRC was successful in meeting some of the critical needs of Iowa’s nonprofit organizations.
I. The Needs of Iowa Nonprofits in 2010

A. The 2010 Sample

In September 2010, the Strengthening Communities Project conducted a statewide, random sample survey of Iowa nonprofits to assess their organizations’ challenges, training, technical assistance and capacity building needs. Preliminary results from the initial survey (referred to as T1 for Time 1) were reported in the Larned A. Waterman Iowa Nonprofit Resource Center eNewsletter, Volume 7, Issue 1/Winter 2011, “Survey: Fund Development, Grant Writing are NPO’s Greatest Needs.” These results provided the INRC and others with up-to-date information about the unmet capacity building needs faced by Iowa’s nonprofit organizations in order to plan for targeted resources and trainings.

In June of 2010, the SCF Project combined data from three sources: 1) the current database of nonprofits collected by the INRC, 2) a purchased list of Iowa nonprofits based on federal I-990 forms, and 3) lists of Iowa churches and Iowa religious nonprofit organizations purchased from InfoUSA. These organizations were combined into a single database, where duplicates were eliminated, leaving a database of Iowa nonprofits with 16,293 records of unique organizations in Iowa. A random sample of 4,811 currently active nonprofit organizations were mailed invitations to participate in the survey. More than 500 Iowa nonprofits responded to at least some of the questions. The majority of respondents were community-based public charities (40%) or both community and faith-based public charities (8%). Solely faith-based public charities (20%) and private foundations (10%) were also represented.

Survey respondents represented all 99 counties in Iowa. Most reported that they served both rural and urban areas (58%). One of every five served only rural (20%) or only urban (22%) areas. The nonprofit organization respondents reported serving more than 3.5 million individuals and organizations in the previous fiscal year. The majority of beneficiaries served were
individuals (94%). More than half of the nonprofit organizations were small, serving fewer than 500 individuals (59%) during the previous fiscal year. Approximately one-quarter of organizations (26%) served between 500 and 5000 beneficiaries. Organizations serving 5000 or more beneficiaries accounted for the remaining 17%.

Approximately 1 of every 10 respondents reported that their nonprofit was listed on the Iowa Register of Accountability. The Iowa Register of Accountability is a voluntary listing of charitable nonprofits who, in an effort to show systematic, intentional effort to operate efficiently, effectively, and ethically, are included as a result of 1) completing a Principles and Practices training, 2) adoption of the Iowa Principles and Practices for Charitable Nonprofit Excellence by a board resolution, or 3) being licensed by a state agency or accredited by a national organization. Of respondents, 28% reported that they were not on the Register, while 60% of respondents did not know whether their nonprofit was or was not on the Register. More than one third of respondent organizations (37%) reported that they were accredited by a national organization or licensed by a state agency.

On average, these Iowa nonprofits employed about 15 full-time (ranging from 0 to 500) and 9 part-time (ranging from 0 to 400) employees. These nonprofits were served by many volunteers. On average, more than 130 volunteers served each of the Iowa nonprofits (ranging from 0 to 5000).

Most Iowa nonprofits reported increased demands for their services over the previous two years. Nonprofits were asked to rate the degree to which demand for their services or programs changed from June 30, 2008, through June 30, 2010. Of respondents, more than half (56%) reported an increase in demand, either a moderate increase (41%) or a significant increase (15%).
Approximately 14% of the nonprofits reported a decrease in demand, either a moderate decrease (11%) or a significant decrease (3%).

Over the same time period, one of every four nonprofits (28%) reported that it had to downsize. Of the nonprofits who had to downsize, the most common means of downsizing was reducing the number of paid staff (54%), reducing the provision of programs or services (24%), decreasing the salary of paid staff (16%), eliminating programs or services (16%), or participating in or sponsoring fewer staff training opportunities (12%). Thus, many Iowa nonprofits have been challenged to meet increased demands for services with fewer paid staff and facing reducing available services.
B. Reported Needs in 2010

Nonprofits reported that their greatest needs for technical assistance and training were in the areas of fund development and grant writing, recruitment, evaluation and assessment, board development and training, and information technology. Nonprofit respondents were asked to rate their needs from (1 “not at all” to 5 “very much”) in eight key areas (Organizational Administration, Human Resources, Programs and Planning, Marketing, Networking, Advocacy, Fund Development and Grant Writing, and Information Technology). Respondents reported the highest mean need in the area of Fund Development and Grant Writing. Within the Fund Development and Grant Writing area, the surveyed nonprofits’ technical assistance and training needs were greatest for securing foundation or corporate grant support, writing grant proposals and expanding their donor bases.

![Training and Technical Assistance Needs of Iowa's Nonprofit Organizations](image)

Significant needs were also reported in the category of Programs and Planning, where nonprofits reported wanting technical assistance and training in attracting new members or clients, evaluating or assessing program outcomes or impacts, and assessing community needs. Other areas of need included training or developing boards, using social media for networking, and creating a comprehensive and interactive Internet presence (e.g., website, Twitter, Facebook).

**Characteristics of Organizations with Higher Needs.** Organizations that reported that they had to downsize over the past two years, organizations with higher gross receipts or more full-time employees and organizations that served urban areas reported significantly higher total needs for technical assistance and training. Organizations which were listed on the Register of Accountability and ones who reported that they were accredited by a national organization or
licensed by a state agency reported significantly fewer needs for technical assistance and training.

**Technical Assistance and Training Preferences.** In addition to reporting their needs, survey respondents were also asked how they would prefer to have those needs met. Of the respondents who reported a preference, the two most preferred methods were online trainings that could be accessed over the Internet and one day trainings at regional locations.

![Technical Assistance and Training Preferences](chart)

### I. The Strengthening Communities Fund (SCF) Project

The main goal of the SCF project was to build the capacity of the Larned A. Waterman Iowa Nonprofit Resource Center (INRC) to provide services to and resources for Iowa nonprofit organizations. Efforts were directed towards building the capacity of nonprofit faith-based and community organizations to better serve those in need and to increase nonprofit organizations' involvement in the economic recovery. The INRC increased its own capacity by expanding and updating its Website and listserves. Capacity building services were delivered to nonprofit organizations by co-sponsoring a statewide nonprofit summit in 2010, providing trainings and workshops in five pilot communities in 2010 and 2011, as well as providing individualized technical assistance. As part of developing public-private collaborations, Pilot Community Trainings were held, Principles & Practices trainings were sponsored, and Grant Writing workshops were conducted in the five pilot communities, although open to any nonprofits who wished to attend.
II. The Needs of Iowa Nonprofits in 2011

A. The 2011 Sample

In September 2011, respondents to the 2010 survey were invited to participate in a follow-up survey to assess changes in needs from 2010 to 2011. Of the original 4,811 respondents, 507 chose to participate in the follow-up survey.

Respondents to the 2011 survey (referred to as T2 for time 2) were very similar to the T1 respondents. The majority were community-based public charities (40%). Solely faith-based public charities (20%), public charities serving both community and faith-based (8%), and private foundations (11%) were also represented.

Survey respondents served individuals or organizations in all 99 counties in Iowa. Most reported that they served both rural and urban areas (63%), others served only rural (17%) or only urban (21%) areas. The 161 nonprofit organization respondents reported serving more than 1.3 million individuals and organizations in the previous fiscal year. The majority of beneficiaries served were individuals (80%).

Slightly more medium-sized nonprofits and fewer smaller nonprofits were represented in the 2011 survey compared to the 2010 survey. Almost half of the 2011 nonprofit organizations were small, serving fewer than 500 individuals (46% compared to 59% of the 2010 respondents) during the previous fiscal year. Approximately one-third of the 2011 organizations (32%) served between 500 and 5000 beneficiaries (compared to 26% in 2010). Organizations serving 5000 or
more beneficiaries in 2011 accounted for the remaining 22% (compared to 17% of the 2010 respondents).

Approximately 1 of every 5 respondents (20%) reported that their nonprofit was listed on the Iowa Register of Accountability. Of respondents, 25% reported that they were not on the Register, while 55% of respondents did not know whether their nonprofit was or was not on the Register. Almost one of every two respondent organizations (45%) reported that they were accredited by a national organization or licensed by a state agency.

On average, these Iowa nonprofits employed about 18 full-time (ranging from 0 to 300) and 10 part-time (ranging from 0 to 400) employees. These nonprofits were served by many volunteers. On average, more than 142 volunteers served each of the Iowa nonprofits (ranging from 0 to 3000).

Most Iowa nonprofits reported increased demands for their services over the previous year. Nonprofits were asked to rate the degree to which demand for their services or programs changed from July 1, 2010, through June 30, 2011 (T2). Of respondents, half (50%) reported an increase in demand, either a moderate increase (41%) or a significant increase (9%). Approximately 14% of the nonprofits reported a decrease in demand, either a moderate decrease (13%) or a significant decrease (1%).

Over the same time period, one of every four nonprofits (21%) reported that it had to downsize. The most common means of downsizing was reducing the number of paid staff (33%) or reducing the provision of programs or services (20%), eliminating programs or services (15%), participating in or sponsoring fewer staff trainings opportunities (8%), or decreasing the salary of paid staff (8%). Thus, many Iowa nonprofits continue to be challenged to meet increased
demands for services with fewer paid staff and reducing available services.

B. Reported Needs in 2011

Nonprofits reported that their greatest needs for technical assistance and training were in the areas of fund development and grant writing, recruitment, networking and information technology. Nonprofit respondents were asked to rate their needs from (1 “not at all” to 5 “very much”) in eight key areas (Organizational Administration, Human Resources, Programs and Planning, Marketing, Networking, Advocacy, Fund Development and Grant Writing, and Information Technology). Respondents reported the highest mean need in the area of Fund Development and Grant Writing. Within that area, the surveyed nonprofits’ technical assistance and training needs were greatest for expanding their donor base, securing foundation or corporate grant support, building an endowment, writing grant proposals, and understanding tax rules relevant to fundraising.

Significant needs were also reported in the categories of Information Technology, Networking, Programs and Planning, and Marketing. In addition to the Fund Development and Grant Writing areas mentioned already, other specific areas of need included attracting new members or clients (Programs and Planning), using social media for networking (Networking), creating a comprehensive and interactive Internet presence (Information Technology), developing targeted communications to community (Marketing), and training or developing their board (Organizational Administration).

Impact of SCF Project Activities. A main focus of the SCF project was to enhance the capacity of the INRC to serve Iowa’s nonprofits and to build the capacity of Iowa’s nonprofit organizations. In 2011, the survey respondents were asked to indicate what, if any, nonprofit resources their organization had used. Resources from the project were listed, as well as other state and local resources.

SCF Project Resources

- The Larned A. Waterman Iowa Nonprofit Resource Center Website
- Technical Assistance from the Larned A. Waterman Iowa Nonprofit Resource Center
- SCF Five Pilot Communities Training by Jeff Schott
- SCF Five Pilot Communities Principles and Practices for Charitable Nonprofit Excellence Workshops
- SCF Five Pilot Communities Grant Writing Trainings by Jill Smith
- 2010 Iowa Nonprofit Summit held on November 15 and 16, 2010, in Ames, Iowa

State Resources

- Iowa Secretary of State web site
- State of Iowa Grant Enterprise Management (GEMS)
• Iowa State Extension Nonprofit Management Academy certificate series
• Iowa Commission on Volunteer Services conference
• Iowa Community College nonprofit courses
• University of Iowa nonprofit courses
• Iowa State University nonprofit courses
• University of Northern Iowa nonprofit courses
• Iowa Council of Foundations
• United Ways training sessions

Local Resources
• Linn County Nonprofit Center
• McCarthy Center for Nonprofits

Compared to their 2010 responses, the 122 Iowa nonprofits that completed both surveys reported a significant increase in their total needs (cumulative ratings) for technical assistance and training in 2011 (M=96 for 2010 and M=102 for 2011). However, nonprofits that reported accessing at least one of the SCF Project resources reported reduced needs from 2010 (M=103) to 2011 (M=100). Nonprofits that did not report accessing SCF Project resources reported increased needs from 2010 (M=95) to 2011 (M=104).

Of the nonprofits that responded to both the 2010 and 2011 survey, 33 (28%) reported that they had accessed at least one of the SCF Resources. Most of those (92%) reported using the INRC website (http://inrc.continuetolearn.uiowa.edu/). One in four (25%) reported attending the 2010 Iowa Nonprofit Summit in Ames, Iowa. One of ten (10%) attended an Iowa Principles and Practices for Charitable Nonprofit Excellence Workshops in one of the five pilot communities. A few respondents reported attending one of the SCF Five Pilot Communities Training conducted by IPA (5%), grant writing trainings in one of the pilot communities led by Jill Smith (5%), or receiving technical assistance from the Larned A. Waterman Iowa Nonprofit Resource Center (5%).

The organizations that used SCF resources compared to those that did not were more likely to serve urban areas, including serving both urban and rural areas, rather than rural areas only.

<table>
<thead>
<tr>
<th>SCF Resource Usage</th>
<th>Service Area</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Rural Only</td>
</tr>
<tr>
<td>Used SCF Resources</td>
<td>6%</td>
</tr>
<tr>
<td>Did not use SCF Resources</td>
<td>22%</td>
</tr>
</tbody>
</table>

Organizations that used SCF resources were also more likely to report that they had to downsize compared to organizations that did not report using SCF resources. Organizations that used SCF resources were also more likely to report that they faced increased demand for their services in
2008 to 2010 (74%) compared to organizations that did not report accessing SCF resources (44%).

<table>
<thead>
<tr>
<th>SCF Resource Usage</th>
<th>Downsized 2008-2010</th>
<th>Downsized 2010-2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Used SCF Resources</td>
<td>44%</td>
<td>56%</td>
</tr>
<tr>
<td>Did not use SCF Resources</td>
<td>19%</td>
<td>81%</td>
</tr>
</tbody>
</table>

Organizations that used SCF resources were also more likely to report that they were listed on the Iowa Register of Accountability compared to those that did not use SCF resources. Of those that used SCF resources, 54% reported that they were listed on the Register compared to 8% of those that did not use SCF resources.

**Conclusions and Recommendations**

The results of the two surveys indicate that Iowa nonprofits serve many people in Iowa. Most are small organizations, serving fewer than 500 individuals. These organizations rely heavily on volunteers to help supplement paid staff. During the past three years (2008-2011), Iowa nonprofits experienced increased demands for their services while coping with reduced funding and resources to meet demands. To help Iowa nonprofits to meet those needs, the INRC provided trainings, workshops and technical assistance, funded by the SCF grant. Iowa nonprofits who most needed these additional resources (e.g., those facing increased demand for services, coping with downsizing, and serving larger urban areas) were more likely to access the SCF project resources.

With the end of the SCF project, the nonprofit community and Iowa’s leaders will want to consider how to continue to support Iowa’s nonprofits. The survey results suggest that the SCF resources were successful in meeting some of the critical needs of these Iowa nonprofits. In particular, the 2010 Nonprofit Summit and the INRC website were the most likely to be accessed by Iowa nonprofits. In plans for additional resources, developers will want to consider that Iowa nonprofits preferred web-based resources and regional trainings to meet their technical assistance and training needs.