

SC MINISTRY
FOUNDATION

Promoting the Mission of the Sisters of Charity of Cincinnati

INTERACT
FOR HEALTH

A Catalyst for Health and Wellness

The Board's Role in Advocacy

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BoardSource.

BoardSource

- Inspires and supports excellence in nonprofit governance and board and staff leadership
- Is the premier source of cutting-edge thinking and resources related to nonprofit boards
- Engages and develops the next generation of board leaders

www.boardsource.org

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- Principal, Meier and Associates
- Former Vice President of Consulting & Training at BoardSource
- 28+ years in the sector
- Board member and officer experience

Learning Objectives

- Deepen our understanding of why it's so critical for board members to get involved in advocacy
- Clarify IRS guidelines for nonprofit organizations that engage in advocacy work
- Explore what board members can do to become more effective advocates

The Untapped Strength of Our Sector

- More than 1.5 million nonprofit organizations in the U.S.
- More than 10% of the American workforce is employed by nonprofits.
- Our sector represents ~\$1.65 trillion in annual revenues.
- The estimated 20 million individuals leading our organizations are some of the most influential, dedicated, and connected leaders our citizenry has.

And, yet...

Only 33% of organizations report that their board members are actively involved in advocating for their missions.*

Many organizations aren't advocating at all.

The Importance of Systems Change

Systems change through policy improvement is critical to our work.

Advocacy is a powerful lever for systems change.

We need to actively advocate on behalf of our missions and those we serve.

Why Many of Us Aren't Advocating Now

A lack of awareness:

Some nonprofit board leaders are not aware of how existing policies are limiting their progress, or how new policies could accelerate it.

A lack of understanding:

Some nonprofit board leaders don't understand what *advocacy really is* or that their personal participation in their organization's advocacy efforts would add significant value and influence.

A lack of information:

Some nonprofit board leaders mistakenly believe the old myth that advocacy is illegal or simply inappropriate for nonprofits.

What Exactly Is Advocacy?

Broad Advocacy

All types of nonprofits are allowed to educate policymakers, the media, and the public about issues that are important to their mission, as long as it doesn't include information about specific candidates or pieces of legislation,

It's this type of advocacy that is the primary focus of most nonprofit organizations' work.

Legislative Lobbying

Lobbying means working for or against a specific piece of legislation or ballot measure. Most nonprofits are allowed to engage in a limited amount of legislative lobbying, which can be a very important way to advance – or protect – your organization's mission and impact.

When there's a big decision being made that will affect your mission, you have a right and responsibility to weigh in. Don't waste it!

Election-Related Activities

Nonprofit organizations may engage in nonpartisan voter registration, education and turnout activities.

However, supporting or opposing a specific candidate (or set of candidates or a political party) is never allowed for 501(c)(3) organizations.*

That's Advocacy?

Advocacy can be:

- **appealing to the zoning board** to get permission to start a farmer's market in an underserved neighborhood
- **requesting a parking variance** to allow for a meal truck to serve homeless people in a central location
- **educating a legislator** about the importance of fair living wages in Cincinnati
- **partnering with public agencies** to repurpose an unused public building for a youth service agency
- **convening community leaders** at times of natural disaster or human crisis to develop solutions for the community and promote healing

The Truth

Our organizations – and each of us as nonprofit leaders – have a legal right to:

- stand up for our missions
- educate influencers and the community about the importance of our work
- inform policy-makers about the impact of their decisions on our communities, and
- find real solutions to community problems.

It can and should be a core element of our mission-driven strategy.

The IRS

- The Internal Revenue Service has stated that public charities “may lobby freely” so long as lobbying is within generous specified limits.*
- Under federal tax law, lobbying generally consists of communications that are intended to influence specific legislation. How much lobbying the organization can do depends upon which of two tests the organization uses to measure its lobbying: the optional “501(h) expenditure” test or the default “insubstantial part” test.

*Lobbying by Public Charities; Lobbying by Private Foundations,
55 Fed. Reg. 35,579, 35,584 (Aug. 31, 1990)

The 501(h) Election

- The 501(h) expenditure test provides more generous lobbying limits than the insubstantial part test. It defines a clear dollar amount an electing public charity may spend on lobbying, and limits vary depending on the size of the organization's budget. Organizations that spend \$500,000 or less overall per year, for example, can spend as much as 20% of their budget on lobbying.
- Cost-free activities, such as volunteer time, do not count against the organization's lobbying limits because the organization does not pay for these activities.
- An electing 501(c)(3) may spend up to a quarter of its overall lobbying limit on grassroots lobbying (such as urging the general public to communicate the organization's position on legislation to legislators) or up to the entire amount on direct lobbying (such as telling legislators or their staff to support or oppose legislation, or urging the organization's members to do so.)

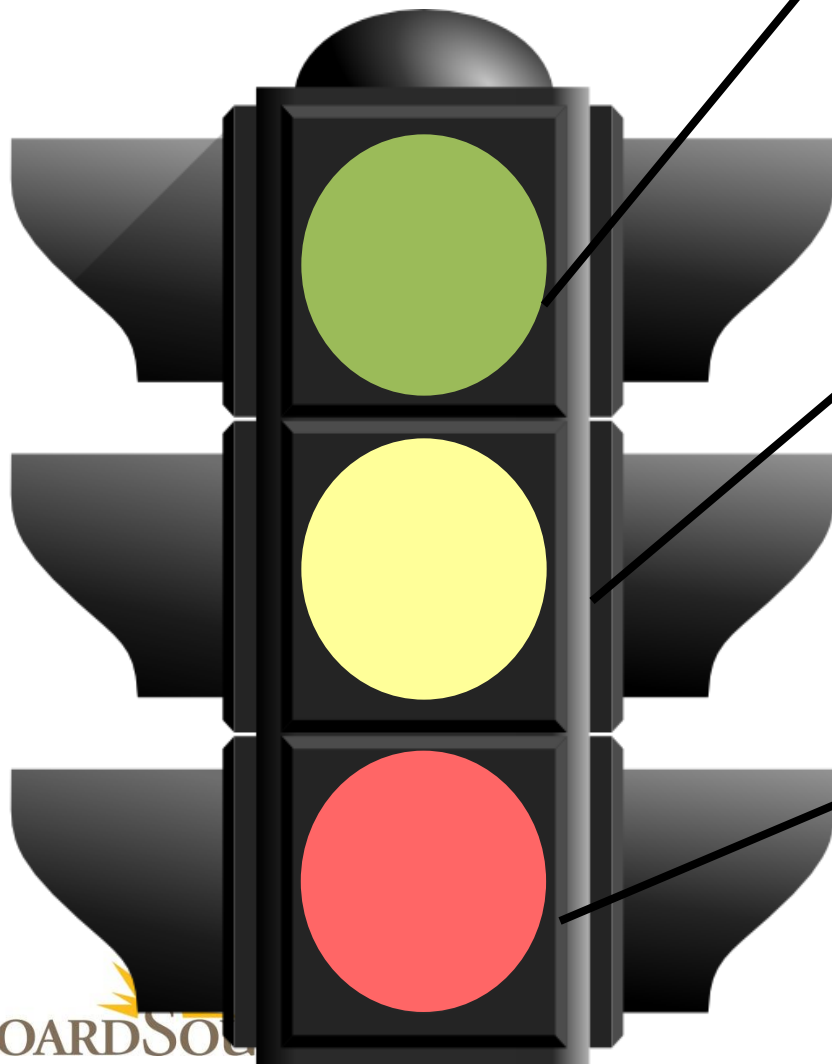
Following the Rules

The legal guidelines are different for different types of organizations.

	501(c)(3) Public Charities <i>(most nonprofits)</i>	501(c)(3) Private Foundations	501(c)(4) 501(c)(5) 501(c)(6)
Electioneering <i>Working for or against candidates or a political party.</i>	Prohibited	Prohibited	Allowed as a secondary activity. Must follow federal and state election law.
Legislative Lobbying <i>Working for or against specific pieces of legislation or ballot measures.</i>	Must be reported and within legal limits Use IRS Form 501(h) to simplify reporting.	Prohibited, except with specific exceptions	Unlimited
Broader Advocacy <i>Most things related to public education, research, and educating policymakers</i>	Unlimited	Unlimited	Unlimited

More Guidance for 501(c)(3) Charities

(not private foundations)



Definitely OK

- Educating the public and decision-makers about your work in a nonpartisan way
- Sharing information about how public dollars positively impact your work and your community
- Communicating how broader issues impact your mission and the people that you serve

OK, But Check the Fine Print*

- Voter education, registration and candidate forums
- Naming legislators who support (or oppose) a specific piece of legislation
- Limited lobbying on behalf of the organization
- Lobbying and campaigning as private citizens

Definitely Not OK

- Organizational support or opposition of a candidate or set of candidates
- Spending federal grant funds on lobbying

**or just call the [Alliance for Justice!](#)*

Who Can Be an Advocate?

Anyone who has a passion and a voice,
and has what it takes to be an advocate.

- Current board members
- Former board members
- Staff members
- Volunteers
- Community supporters

Advocacy Is about Your Mission

Example: a coordinated advocacy strategy for an anti-smoking organization:

Issue Education Tactics

- Conducting and sharing research with policymakers and the public on the dangers of second-hand smoke.
- Surveying the public to better understand public opinion on regulations related to smoking and second-hand smoke.
- Sharing success stories of other communities' efforts to reduce or eliminate smoking in public places.
- Sharing personal stories about the impact of smoking.

Lobbying Tactics

- Urging elected officials to support legislation that would ban candy-flavored tobacco.

What If You're Not an Expert?

Here's what's most important:

- **Who You Are:** The reason that board advocacy is so powerful is because of who you are as a board member. You are a volunteer, an engaged and influential member of the community. And you vote. Make sure the person you're talking to knows it!
- **Make it Personal:** Share why you care about your organization and its mission. Do it in a personal way that makes it real for whomever you're speaking with. That's what they'll remember.
- **Connect the Dots:** Make sure that you explain how things are connected. Does the local, state, or federal government rely on your organization to provide vital service to the public? Is there a policy decision that could accelerate your impact? Is there an administrative regulation that is standing in the way of a good solution? Help them understand how they can help you.
- **Coordinate with Staff:** Your organization needs to be coordinated and consistent in its advocacy efforts. Make sure to communicate with your ED/CEO, so that you can strategize on the best approach, which may include doing things together.

Short on Time? Try These Things...

- **Get a Phone Call Returned:** If staff have been trying to get a decision-maker to respond, you might be able to call to someone you know (or who knows you) that will ensure that your organization is able to connect with the appropriate person.
- **Encourage Attendance:** If you're having an educational town hall or other event that would be helpful in educating decision-makers about your organization, your invitation might make a difference in getting them to attend.
- **Get a Meeting:** If you know a decision-maker, or even if you're simply a voter in his or her community, your participation in a meeting can make a huge difference in whether or not the meeting takes place or how it goes.

How Much Does Advocacy Cost?

- It can be a big investment if:
 - Advocacy is a significant part of your strategy, and staff dollars and resources are dedicated to that ‘program’.
- It can be a small investment if:
 - Advocacy is integrated into all of the organization’s other work.

Free Ways that Advocacy Could Make a Difference

- If you're hosting an educational session on your program for community members or donors, ***consider inviting a decision-maker who you want to educate about your work.***
- If you are talking with a potential donor, ***consider sharing how current policies make your work easier, or more difficult.***
- If you're at an event where an elected official or other decision-maker is present, ***consider taking a moment to thank him or her for supporting your organization's work.***

Questions Boards Need to Ask

- Are we truly passionate about advancing our mission?
- How might we most effectively engage our board members in advocating on behalf of our mission?
- Have any of our board members been active in advocacy before? How can we learn from their experiences?
- Do our board members have personal stories they can share?
- Can we develop a factsheet/talking points for them about the problem we are trying to address?
- What speaking opportunities are there in our community for our board members?
- Do any of our board members have connections to public officials?

National Leaders Are Encouraging Board Members to Advocate



BoardSource is partnering with other organizations to create awareness and understanding about the critical importance of nonprofit advocacy – and the board’s role in it.

Who we are:



The Collective Vision

An active, engaged, nonprofit & philanthropic sector will result in greater mission impact, thriving communities, and a more vibrant country.

We envision a reality where nonprofit and philanthropic missions are fully realized because community leaders hear our voices, understand our arguments, and see our causes as worthy of their best efforts.

How do we get there? Advocacy. Twenty million board members standing for the mission of their organizations and helping set priorities *in partnership* with government rather than waiting for the outcome.

Additional Resources...

Nonprofit Organizations

Foundation/ Grantmakers

501(c)(3)

501(c)(4)

501(c)(5) or
501(c)(6)

Community/
Public
Foundation

Private
Foundation

Family
Foundations

[Public Charities Can Lobby](#)

[Lobbying Rules for Houses of Worship](#)

[Taking the 501\(h\) Election](#)

[Benefits of Filing the 501\(h\) Election](#)

[Comparison of 501\(c\)\(3\) and 501\(c\)\(4\) permissible activities](#)

[Types of Organizations & General Guidance on Advocacy Rules](#)

[Public Foundations & Advocacy](#)

[Public Foundations Can Lobby](#)

[Funding Charities that Lobby](#)

[Private Foundations May Advocate](#)

[Funding Charities that Lobby](#)

[Family Foundations May Advocate](#)

[Funding Charities that Lobby](#)

Questions?



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