

# 2015 COMMON REPORT

Charities Review Council (the Council) mobilizes informed donors and accountable nonprofits for the greater good by creating spaces, places and tools for donor and nonprofit engagement. Through cloud-based nonprofit technical assistance, responsive customer service, nonprofit learning communities, and donor education, we are building a culture of philanthropy where donors, funders and nonprofits are engaged partners, working together toward stronger communities.

**Population Served:**

At Charities Review Council, we serve both donors and nonprofits. In 2015, we served more than 500 nonprofits via our online capacity building tool (the Accountability Wizard®), providing more than 1,104 hours of customized technical assistance along the way. Additionally, we sent 8,000 constituents our semiannual newsletter, The Smart Giver, and responded to more than 1,200 donor support calls (each call translating into a confident gift to a strong nonprofit). We also continued to provide extensive web based resources with over 23,000 individuals accessing our resources online at smartgivers.org and through our social media platforms, including Facebook, Twitter and Instagram.



**2015 Strategic Goals and Objectives:**

Guided by our strategic plan, in 2015 we continued to provide spaces, places and tools for donors and nonprofits to come together in authentic and meaningful partnership. We achieved the following, in relation to our strategic goals and objectives, through our Donor Services, Nonprofit Services and Donor-Nonprofit Relations programs:

**Advance donor and nonprofit capacity for mission engagement**

Indicator	Progress	Key Activities
75% of nonprofits meet the Diversity, Equity & Inclusion Accountability Standard®	71% currently meet the Diversity, Equity and Inclusion Accountability Standard®.  29% are working on action steps to meet this Standard.	<p>The Diversity, Equity and Inclusion Accountability Standard® resulted in the <i>highest</i> number of action items among our nonprofit partners.</p> <p>Of the 71% who currently meet this Standard:</p> <ul style="list-style-type: none"> <li>• 57% had to take action <i>before</i> meeting this Standard.</li> <li>• 14% met this standard <i>without</i> needing to take action.</li> </ul> <p>In 2015, we received funding from Youthprise to develop a tool that would support nonprofits with meeting this Standard.</p>

<p>Impact of Accountability Wizard® on nonprofits ability to reach mission</p>	<p><b>Financial Activity:</b></p> <ul style="list-style-type: none"> <li>• 18% identified a need for change</li> <li>• 42% had to make changes in order to Meet Standards®</li> </ul> <p><b>Fundraising:</b></p> <ul style="list-style-type: none"> <li>• 27% identified a need for change</li> <li>• 41% had to make changes in order to Meet Standards®</li> </ul> <p><b>Public Disclosure:</b></p> <ul style="list-style-type: none"> <li>• 37% identified a need for change</li> <li>• 47% had to make changes in order to Meet Standards®</li> </ul> <p><b>Governance:</b></p> <ul style="list-style-type: none"> <li>• 48% identified a need for change</li> <li>• 51% had to make changes in order to Meet Standards®</li> </ul>	<p>Upon completing the Accountability Wizard® many organizations are able to self-identify changes that need to be made in order to improve and strengthen their organizational policies, practices and procedures.</p> <p>However, as outlined in the progress column, many underestimate the amount of change that is needed in order to Meet Standards®.</p> <p>By completing the Accountability Wizard® and partnering with the Council’s Nonprofit Services Team to complete actionable next steps, these organizations are led to greater strength and efficacy. 52% report that the review process had a positive impact on the organization’s ability to pursue its mission.</p>
<p>Positive impact on the nonprofit’s financial processes and practices</p>	<p>42% of nonprofits in the Accountability Wizard® made changes to financial processes and practices in order to meet the Financial Activity Accountability Standards®.</p>	<p>42% of Accountability Wizard® review participants were assigned action steps in order to meet our Financial Activity Accountability Standards®. Of those:</p> <ul style="list-style-type: none"> <li>• 26% have successfully implemented changes at their organization, leading them to greater strength, efficacy and to the achievement of the Meets Standards® Seal.</li> <li>• 16% are working in partnership with the Council to implement changes in these areas (i.e. action steps not yet completed).</li> </ul>
<p>Increase nonprofit saturation in Minnesota to 35%</p>	<p>Maintained 25% nonprofit saturation in Minnesota.</p> <p>20% increase in number of new nonprofits engaged in the Accountability Wizard®.</p> <p>92% renewal rate in 2015.</p>	<p>Although we did not meet our initial goal of increasing nonprofit saturation in Minnesota, we did see an increase in the number of organizations engaging in the Accountability Wizard® review process for the first time (20% increase). We also exceeded our renewal goal with 92% of organizations renewing.</p>

***Unanticipated Results and Key Learnings***

**Diversity, Equity and Inclusion (DEI):** The Diversity, Equity and Inclusion Accountability Standard® continues to be the most challenging standard for nonprofit leaders to undertake. With only 14% of our participating nonprofits meeting this standard upon initial review, it is clear that additional information, resources and tools are needed to support nonprofits in this area. In 2015, with funding from Youthprise, the Council began working on an assessment tool that would support nonprofits in becoming more representative and inclusive of the population identified by their mission. The tool will not only help organizations meet this Standard, but will support growth in areas of diversity, equity and inclusion at an organizational level.

**Accountability Wizard®:** Our capacity building assessment tool, the Accountability Wizard®, includes helpful links, key definitions, sample policies and resources on every page. With this information provided, organizations are often able to self-identify a need for change before receiving the Council’s final review results. However, as outlined above, many underestimate the amount of change needed in order to align to widely accepted standards of nonprofit strength and accountability. The data above demonstrates the impact of the Accountability Wizard® review process, which helps organizations identify gaps and take



actionable next steps to strengthen their infrastructure and deliver on their mission. 52% of organizations indicated the review process had a positive impact on the organization’s ability to fulfill its mission.

**Nonprofit Outreach:** Although the Council did not meet initial saturation goals for 2015 due to over-estimating capacity and not receiving funding for an additional greater Minnesota based project, we did have noteworthy success with nonprofit outreach. In 2015, the Council engaged 42 new nonprofits in the Accountability Wizard®, a 20% increase over the previous year. Additionally, with 92% of nonprofits

renewing, the Council exceeded its revenue goals by 29%. We attribute this success to increased online presence, updated communications and nonprofit outreach methods. The Council looks forward to continuing to increase its visibility in the community in 2016.

***Elevate impactful and inclusive giving strategies and practices***

Indicator	Progress	Key Activities
6 convenings with groups with diverse populations	9 convenings held	Convenings included Design Thinking sessions, learning workshops, #DisruptMN Town Hall Forum and other Council events bringing together both donors and nonprofits.
90% of nonprofits under review meet the Solicitation Practices Accountability Standard®	91% meet the Solicitation Practices Accountability Standard®.	With more than 90% of our participating nonprofits meeting the Solicitation Practices Accountability Standard®, we’re fostering transparency and accountability, ensuring that donors know who is soliciting their gift and what portion of their gift a nonprofit will receive.
Increase the number of stakeholders accessing Council resources	21% increase in unique page views of our online charity list. 66% averaged increase in the number of followers across social media platforms ( <i>Twitter, Facebook, Instagram</i> )	By increasing our online presence and sharing our list of Meets Standards® organizations at no cost, the Council continues to elevate strong, accountable nonprofits, which helps donors make informed giving decisions.  In addition to sharing our online list, the Council also shares daily smart giving tips, sector news, and giving strategies across all social media platforms.

**Unanticipated Results and Key Learnings**

**Spaces & Places:** The Council continues to provide spaces and places that elevate impactful and inclusive giving strategies and practices. In 2015, the Council presented and/or hosted nine convenings with groups with diverse populations. Although the format for each convening varied, the goal was the same; to build stronger, more authentic relationships between donors and nonprofits. In order to evaluate the impact of event and discussion participation, the Council explored using the Net Promoter Score, an indicator of growth, for the first time. In 2016, the Council will be determining a baseline in order to report progress going forward.

To further elevate impactful and inclusive giving strategies and satisfy growing interest in the subject-matter, the Council launched a three-part series, exploring cultural giving practices. The first post of the series, featured in our fall 2015 Smart Giver Newsletter, highlighted Asian American Pacific Islanders in Philanthropy (APPIP) giving circles, which harness community resources, build awareness of community needs, and inspire and foster the spirit of individual giving. The Council will continue this series on its blog, highlighting The Council on American Islamic Relations (CAIR) and the St. Paul Jewish Community Center.

**#DisruptMN** (a hashtag on twitter) continues to be a virtual space for the exchange of thoughts, ideas and insights on innovative giving strategies and practices. In 2015, the Council averaged a 66% increase in followers across social media platforms, which is where we share ideas, daily tips, news, and strategies for nonprofit success.

***Increase the number of donors, nonprofits and stakeholders engaged in deep and successful relationships***

Indicator	Progress	Key Activities
85% of reviewed nonprofits utilize the Meets Standard® seal	86% are utilizing the Meets Standards® Seal.	The Council updated the Meets Standards® press kit in 2015. It now includes where and how to use the Meets Standards® Seal, as well as sample email, newsletter, press release and social media language to make sharing easy and fun.
90% of reviewed nonprofits meet the Fundraising Disclosure Accountability Standard®	84% meet the Fundraising Disclosure Accountability Standard®.  16% are working on action steps to meet this Standard.	The partnership and responsible actions of both donors and nonprofits promote and sustain a climate of giving.  To assist our nonprofit partners with meeting this Standard, we provide sample fundraising disclosures, tax deductibility language and a checklist for what to include in every solicitation letter, on our website.
Nonprofits report increase in donor engagement	28% indicated improved communication and understanding.	28% of participating nonprofits indicated that the Accountability Wizard® improved communication and understanding between the organization’s staff and donor/funders.

## ***Unanticipated Results and Key Learnings***

**Donor-Nonprofit Relationship:** By fostering open communication between donors and nonprofits with the newly updated Meets Standards® press kit, the Council saw an increase in the number of nonprofits utilizing the Meets Standards® Seal, a visual marker for donors and stakeholders, of nonprofit strength. The Council also found that 28% of nonprofits indicated improved communications and understanding between nonprofit staff and donors/funders as a result of completing the Accountability Wizard®, which again highlights the importance of the review process and impact it has on the sector as a whole.

**Annual Forum:** Not previously noted in the indicators above, but a key learning from 2015 was *Annual Forum 2015, Philanthropy 2.0: Radical Collaboration*. Building on the momentum from the previous year, Annual Forum 2015 focused in on collaboration and design thinking as the means by which we begin to shift and ‘disrupt’ the philanthropic conversation taking place.



**This year’s event included three sessions:**

- ***Making New Connections***, a fun and interactive networking event featuring SPARKit, a mobile pop-up park designed by local artists, encouraging the creative exchange of ideas, thoughts and opportunities through games, art-making, and a festive atmosphere;
- ***Radical Collaboration in Action***, a cross-sector leadership panel highlighting the success and challenges of collaborative programs and projects taking place in Minnesota and beyond; and
- ***The Open Source Brainstorm***; Building on the ideas generated at Annual Forum 2014 and the #DisruptMN Town Hall Forum, these open source brainstorms were a place for individuals to bring ideas and opportunities for collaboration to the table. Using elements of Design Thinking, attendees generated more than 350 ways to take collaboration from an idea to an actionable next step. With so many great ideas generated, the Council decided to post ‘An Idea a Day’ across our social media platforms (*Facebook and Twitter*).

***Changes that will be made based on the 2015 results:***

**Diversity, Equity and Inclusion Tool:** In 2016, we look forward to the launch of our Diversity, Equity and Inclusion (DEI) Tool that will support nonprofits with gathering and evaluating data so that they may become more inclusive and representative of the communities they serve.

**The Nonprofits Strengthening Project:** The Council is pursuing new Nonprofits Strengthening Projects in greater Minnesota, which would allow funders to be responsive and responsible partners to their grantees, while supporting the Council’s goal of increasing nonprofit saturation in Minnesota. These capacity building projects have the potential to be funded by one or more partners, and can be focused on geographic location (e.g. Our St. Cloud area project) or service area (e.g. Youthprise project). Each project is fully customizable, leveraging technology and fostering collaboration.

**Accountability Standards®:** At the heart of our mission, the Standards build shared agreement on promising practices, expectations and impact. In 2016, the Council plans to begin a review of the Accountability Standards® to ensure that they emphasize the relationship between donors and nonprofits, use asset building language and propel our sector to greater strength and transparency.

For more information on 2015 program activities, accomplishments and financials check out our Annual Report (coming soon) at [www.smartgivers.org](http://www.smartgivers.org).