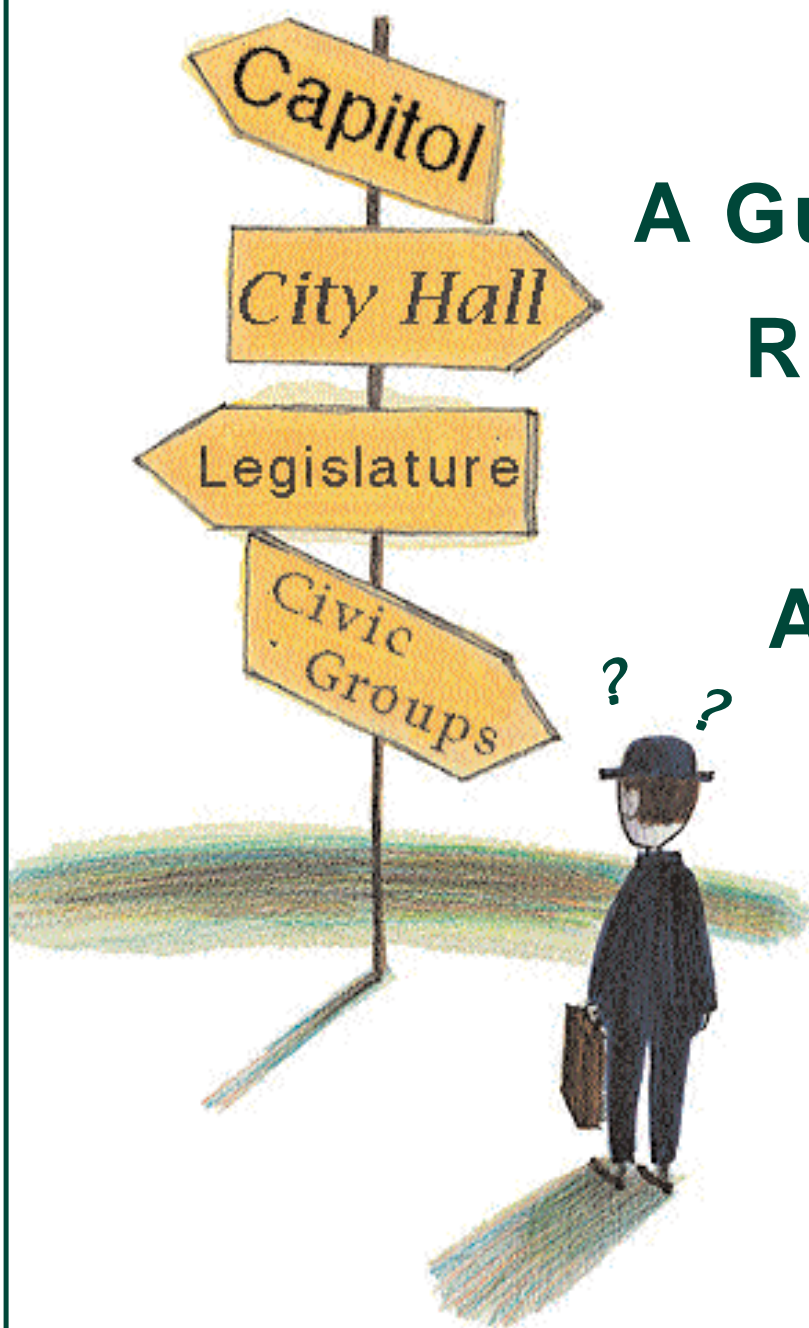


HOGG FOUNDATION FOR MENTAL HEALTH

CiviliNK



**A Guide to Civic
Relations and
Community
Advocacy for
Nonprofit
Agencies**

Building Strong Civic Relationships

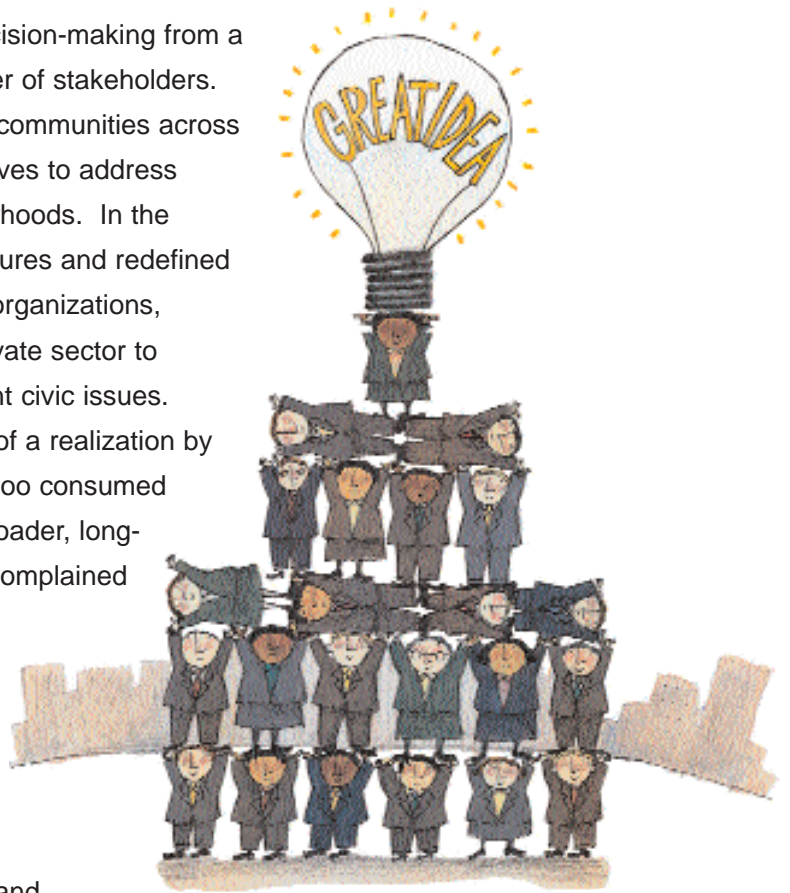
Why Are Community Relationships Important?

Community partnerships are important components to any public service organization or agency. At their core, community partnerships are about the tremendous power created when organizations and individuals come together to act proactively on important issues in their towns, schools, or neighborhoods. Almost all long-term, sustainable community solutions—from building healthy neighborhoods to expanding the scope and efficiency of public services—demand dynamic partnerships among a variety of governmental agencies, faith-based groups, and civic organizations. It is not a function of government alone. While local agencies may have the resources and the authority for delivering services broadly, public service organizations such as yours are uniquely suited to assess community needs and to identify potential solutions. Being able to communicate and collaborate with a broad range of organizations, agencies, and individuals in your community creates shared understanding, allows for the identification and realization of common goals, opens new avenues for collaborative partnerships, and expands community decision-making from a handful of central authorities to a broad number of stakeholders.

The idea is by no means new. Numerous communities across the country have launched collaborative initiatives to address needs within their cities, regions, and neighborhoods. In the process, they have torn down outmoded structures and redefined the relationships between community-service organizations, churches, governmental agencies, and the private sector to strengthen neighborhoods or address important civic issues.

In most cases, these campaigns grew out of a realization by nonprofit organizations that they had become too consumed by day-to-day priorities to take notice of the broader, long-term issues facing their communities. Many complained of feeling as if they were operating in their own separate universe, devoid of interaction with other organizations, groups, or government agencies that may have shared their concerns and ambitions. As a result, few engaged in the long-term planning or strategic thinking necessary to improve public services and

meet future needs. On a more specific level, organizations also began to recognize that communicating with like-minded organizations had the additional benefits of extending their own project's reach and promoting greater public understanding of their missions and goals.



Because the Hogg Foundation for Mental Health believes that communication is important to the success and sustainability of the projects it supports, it has developed this primer on improving community and civic communication for its grant recipients. This publication is by no means a comprehensive manual on the legal and regulatory intricacies of civic organization or governmental relations—nor does it intend to be a substitute for any organization's need to retain appropriate legal counsel. The Foundation hopes this publication will educate grant recipients about the importance of communicating your goals, activities, and accomplishments to civic and governmental leaders in your area to improve collaboration, communication, and enterprise for the benefit of your community.

Civic Collaboration: Working Together to Accomplish More

What Does Civic Collaboration Do?

Community collaboration brings together individuals, government agencies, churches, and civic organizations in an effort to systematically solve existing and emerging problems that could not be solved by any one organization alone. While most communities have a number of service agencies addressing different populations or geographic areas, these groups tend to operate independently of one another—even when they provide services to the same clientele. For example, it is not uncommon for a family in need to access a local church for food assistance, go to a public health clinic for medical services, go to a completely different agency for housing assistance, and still not know where to go for help in obtaining subsidized child care.

Even though the problems of one family exist in the same community, they must try to get help from any number of separate organizations that may or may not be communicating with each other.

Civic collaboration paves the way for different groups to work in concert—or at least in mutual recognition—to address community needs as a whole. Along the way, participants increase their capacity for communication, decision making, and problem

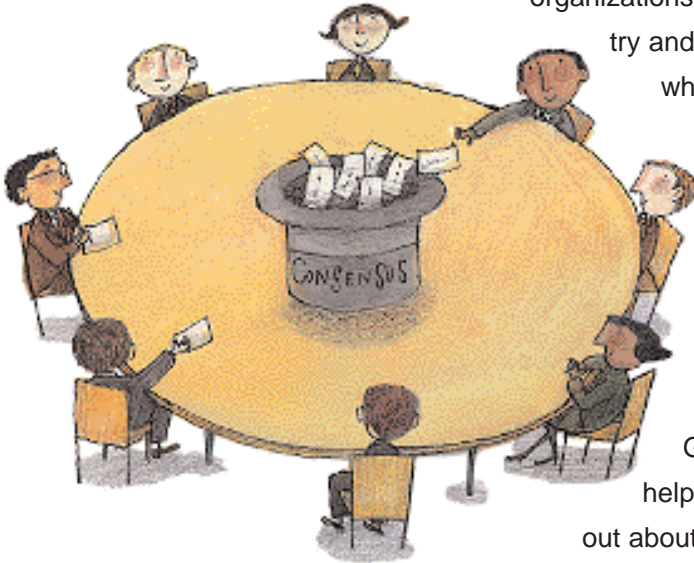
solving while maximizing resources to their fullest potential. Foremost, civic collaboration allows organizations to identify the needs within their communities and determine what organizational assets and structures exist—or need to exist—to best meet those needs.



How Does Civic Collaboration Work?

The first step for any form of community planning is to define your community. Is it a city? A region? A neighborhood? A community can be defined by the artificial boundaries of a congressional district or local school, or as a group of individuals concerned about a particular issue or need. Perhaps it would help to envision your community in the way of St. Augustine, who defined community as "a group of people united by the common objects of their love."

The second step is identifying those groups or individuals who want to help address community issues and the best means for bringing their ideas and contributions to the table. Contacting other organizations you already may be familiar with is easy, but also try and think creatively. Potential partners are everywhere: parent groups, community-based organizations, faith communities, youth service organizations, local businesses, colleges/universities, public libraries, civic/fraternal associations, hospitals, public agencies, and many others. Are there local employers, neighborhood associations, or churches that could have a role or which may be interested in contributing? Give a lot of thought to who would be best for helping you meet your goals. It wouldn't hurt to find out about the history of other potential collaborators and learn about their programs, staffs, and organizational capacities.



Third, once you are able to bring different people and organizations to the table, have a list of objectives or ideas that can serve as a starting point for discussion. The eventual collaboration won't necessarily resemble the structure you start with, but it brings all the players together to begin the dialogue. Keep in mind that collaborations need not choose just one mode of action; frequently a combination of different approaches can complement one another in achieving broad goals. Also, be prepared to evaluate your efforts at different stages in the process. Consistent performance assessments can tell you what is or isn't working, where to make improvements, and perhaps decide whether a particular project needs more or less resources.

Successful community collaborations have many characteristics, and each employs a unique set of organizational structures and processes to fulfill their community's specific needs. Overall, however, successful community collaborations almost always possess:

- a strong commitment to "team work" from all partners to support and benefit from the collaboration;
- a clearly detailed set of attainable goals and reasonable expectations;
- a set of cooperatively planned and implemented activities;
- confidence that the actions of the partnership impact positively on the community;
- an expectation of trust, open communication, and ongoing articulation between participants; and
- measurable outcomes.

Communication is Key

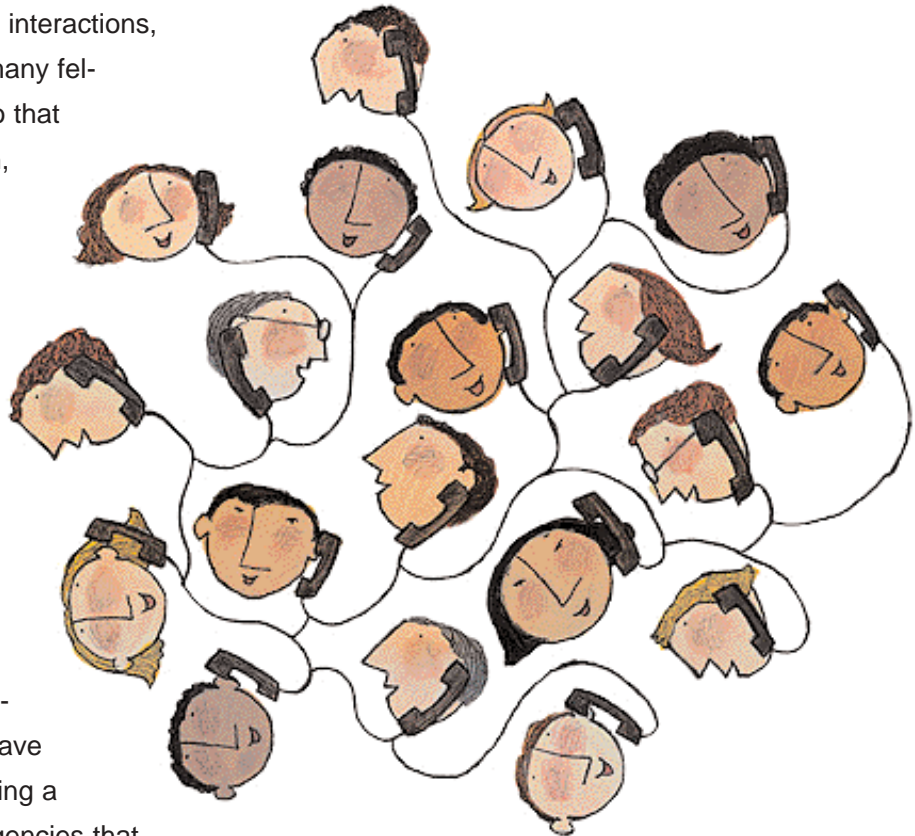
Clear and inclusive communication—both among partners and the community as a whole—is essential to successful collaboration. When identifying and tackling community problems, it is important to include as many voices and options as possible. Such openness invites active participation, nurtures relationships between service providers and potential clients, promotes marketing tools for healthy communities, and demonstrates the community's commitment to quality of life, schools, and services.

Community communication can be as high-tech as a network of telecommunications technologies and Internet web sites, or as low-tech as community newsletters and face-to-face meetings over a cup of coffee. Perhaps the best approach is through a visualization exercise. Try to imagine solving a community problem via the most appropriate, effective, and efficient modes of communication possible: whether through printed newsletters and flyers, video and television public service announcements, web and email, facilitated group meetings, radio and

telephone contacts, personal interactions, and so on. Try to enlist as many fellow community members into that

visioning process as you can, while making sure that the effort is as flexible and open to a variety of opinions and ideas. Most communities soon realize that they their community is rich in ideas and resources, but poor in having the communication and distribution tools necessary to grow.

Ultimately, improved community communication can have the added benefit of developing a network of individuals and agencies that is prepared to function *en bloc* to chart directions and establish priorities beyond you community.



Advocacy In and For Your Community

Any long-term, sustainable means for addressing community needs—such as creating effective programs, improving service delivery, or increasing access to medical and social services—demands governmental participation. All political rhetoric aside, the reality is that government is far better equipped to develop and implement programs affecting social well-being than even the largest collaboration of private funders and agencies. The key is ensuring that public policies and spending priorities are headed in directions that will have a real and lasting impact on the community. That requires you. More than anyone else, service providers understand the needs, circumstances, and potential solutions to problems in their neighborhoods. Speaking from experience is essential to educating governmental officials and policymakers about the nature of community problems, raising public awareness of overlooked issues, and what does and does not work. Policymakers often respect the contributions of service providers, because their ideas are grounded in practical realities and can illustrate the ways that the system can be improved.



Unfortunately, a number of public charities choose to avoid communicating with legislators and other governmental officials out of an erroneous fear that they may violate IRS rules regarding lobbying activities and thus endanger their 501(c)(3) status. Misunderstandings about what the law does and does not permit have inhibited many nonprofit groups from making valuable contributions to public policy debates.

Advocacy is not lobbying. Advocacy is making your organization heard to those elected officials who are making decisions and choices for your community. In order for policymakers to respond to the needs of their constituents, public service organizations must ensure that their stakeholders' interests are being fairly represented on the federal, state, and local levels. That includes educating legislators and agency staff, monitoring the activities and rule-making authority of administrative agencies, and building coalitions to advance an issue.

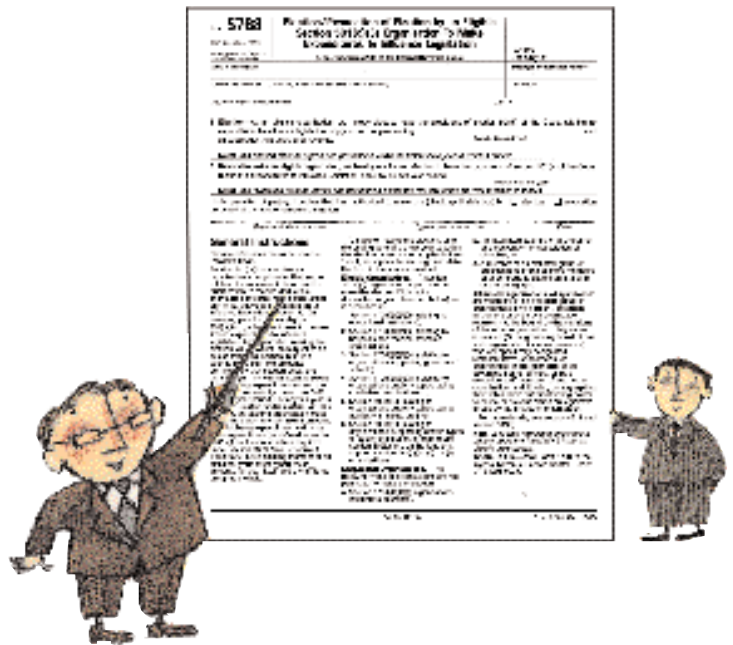


What is Lobbying?

The rules defining the differences between lobbying and simple constituent communications are pretty clear. Lobbying is defined as communications intended to influence *specific* legislation, including the "introduction, amendment, enactment, defeat, or repeal of Acts, bills, resolutions, or similar items" before a legislative body. Legislative bodies are defined as the U.S. Congress, state legisla-

tures, local councils, or even the general public when involved with ballot initiatives such as referenda or constitutional amendments. Communicating information to your congressman or representative about the issues confronting your community, the needs or experiences of the people you serve, ideas about how your organization and others can best meet those needs, or invitations to participate in meetings are public dialogues **are not** considered lobbying communications. These are considered constituent communications, and vital to the representative process.

In instances in which public service agencies find an issue to be so important to them or their stakeholders, they can take the next step and lobby for specific legislation and/or policy decisions. Even in these circumstances, IRS regulations actually encourage lobbying by public charities, provided those charities follow a few simple rules. The section below should clarify any questions you have regarding the proper and appropriate ways in which to communicate your organization's goals, experiences, and successes to policymakers.



Lobbying Under Federal I.R.S. Rules

The Internal Revenue Service defines lobbying into two distinct forms: **direct lobbying** and **indirect lobbying**. Direct lobbying takes place when an organization or individual communicates a position on a *specific* piece of legislation directly to a legislator or governmental agent participating in the formation of that legislation. It is not considered lobbying when 1) the communication materials offer nonpartisan analysis or research that presents all sides of an issue; 2) the materials were produced in response to requests by legislative committees, caucuses, or individual legislators; 3) the materials were developed to challenge or counter legislative proposals that would alter the organization's rights or right to exist; and 4) the materials examine or discuss broad social or economic problems of which the legislative proposal is part but which do not call for specific action. Of course, any communication undertaken as private citizen, and which is void of any reference to organizational affiliation, are considered constituent communication and not lobbying.

Indirect (or grassroots) lobbying is an attempt to influence a specific piece of legislation by encouraging the general public (other than an organization's own members) to contact legislators and express a position about that legislation. Expenditures for such lobbying are limited by law to 25 percent of the organization's total lobbying limits (as outlined in the Section 501(h) expenditure test described on page 7).

Both the United States Congress and the Internal Revenue Service have repeatedly recognized the value in permitting nonprofit organizations to express their opinions about legislative proposals. In fact, the IRS has set clear guidelines for engaging in lobbying. Essentially, nonprofits can select one of two

standards to comply with IRS regulations. The first is called the insubstantial part test, which requires that "no substantial part of a charity's activities. . . (to) be carrying on propaganda or otherwise attempting to influence legislation." The problem is trying to determine what qualifies as a "substantial" portion of a nonprofit's activities. Half of all a nonprofit's activities? A third? A quarter? The vagueness of the requirement has prompted a number of nonprofits who choose this standard to limit themselves to a small amount of lobbying activities so as to not risk their tax exempt status.

A far greater number of public charities choose the second standard, known as the Section 501(h) expenditure test. This standard sets specific dollar limits for lobbying activities, based on the percentage of a charity's total exempt purpose expenditures (i.e., generally the organization's budget minus certain fundraising and capital costs). The total lobbying expenditure limits permitted under the Section 501(h) expenditure test are:

20 percent of the first \$500,000 of exempt purpose expenditures, plus

15 percent of the next \$500,000 of exempt purpose expenditures, plus

10 percent of the next \$500,000 of exempt purpose expenditures, plus

5 percent of the remaining exempt purpose expenditures up to a total cap of \$1 million.

Not only does this standard provide an easy-to-calculate formula for determining the limits of lobbying expenditures, it also has numerous other benefits for the charities which select it. Foremost is that by linking the calculation solely to organizational expenditures, lobbying activities which have no cost (such as unreimbursed activities conducted by volunteers) are unlimited. Secondly, even with the caps, charitable organizations are given the leeway when engaging in lobbying activities. Only those public charities that exceed their limits by 50 percent averaged over four-years run the risk of having their tax-exempt status revoked. Last, and most obviously, only those few charitable organizations whose budgets exceed \$17 million need worry about reaching the \$1 million limit. Keep in mind that expenditures for indirect (or grassroots) lobbying activities (as discussed previously) are limited by law to only 25 percent of the organization's total lobbying limit, regardless of how much it spends in direct lobbying.

You can take advantage of the 501(h) election by filling out and submitting Form 5768, *Election/Revocation of Election by an Eligible 501(c)(3) Organization to Make Expenditures to Influence Legislation* (available for download off the Internet at www.irs.ustreas.gov). This simple, one-page form notifies the IRS your organization's intention to engage in legislative lobbying and permits your lobbying activity to be objectively measured by the expenditure test. For further information regarding election to engage in lobbying activities by nonprofits under 501(h) election, the Internal Revenue Service has provided a lengthy and detailed document which is accessible at <http://www.irs.gov/pub/irs-tege/topic-p.pdf>.

Lobbying Under Texas Ethics Commission Rules

The State of Texas requires a person to register as a lobbyist if they meet either one of two thresholds: the "compensation and reimbursement threshold" or the "expenditure threshold." Under the compensation and reimbursement threshold, any person or organization that receives more than \$1,000 in a calendar quarter as compensation or reimbursement to lobby, or for whom lobbying constitutes more than five percent of their compensated time during a calendar quarter must register as a lobbyist. Reimbursement for transportation, food and beverage, lodging, and certain office expenses are not included in calculating the compensation and reimbursement threshold.

Under the expenditure threshold, any person who spends more than \$500 in a calendar quarter to benefit a state officer, employee or their immediate families, so as to influence legis-



lation or administrative action, must register as a lobbyist. An "expenditure" is "a payment, distribution, loan, advance, reimbursement, deposit, or gift of money or any thing of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure." Expenditures may fall into one of six categories: transportation and lodging; food and beverages; entertainment; gifts; awards and mementos; and the attendance of a state officer or employee at a political fundraiser or charity event.

The fees for registering as a lobbyist are \$100 for those representing 501(c)(3) or 501(c)(4) organizations. Filing must take place no later than five days after the date you make the communication that requires you to register.

Registrations expire on December 31 of the year in which they were filed. Downloadable versions of the forms are on the Texas Ethics Commission website at: www.ethics.state.tx.us/filinginfo/forms&in.htm.

Communication expenditures do not count toward the aforementioned compensation threshold even though the communications may be intended to influence legislation or administrative action. Lobbyists are required to report expenditures made for advertisements, direct mailings, and other media communications that support, oppose, or encourage others to act regarding pending legislation or administrative action if those communications are made to a person other than a boardmember, employee, or members of the organization.

Be Aware: Mass media communications which seek to influence legislation or administrative action are subject to section 305.027 of the Government Code, which sets out disclosure requirements for legislative advertising. A person also violates the Government Code if they knowingly or willfully make false statements or misrepresentations of fact to a state officer or employee. For more information about state laws and regulations governing lobbying and legislative communication, feel free to contact the Texas Ethics Commission at P.O. Box 12070; Austin, Texas 78711-2070; by phone at (800) 325-8506; or by visiting the agency's website at: www.ethics.state.tx.us/pamphlet/leg-adv.htm.

The Dos and Don'ts of Meeting a Legislator

Things to Do:

Do your homework: Know your district, the issues and at least something of the legislator's voting record and perspective.

Be prepared: Have to hand information supporting your position. Do your homework. Providing facts and figures adds credibility to your case. Outline your agenda or have a written summary of your key points.

Stay Focused: State your case up front. Frame the issue in terms of your community and the official's own constituents. What is the bottom line on this issue for your community? When possible, use real-life examples.

Be Ready to Answer Questions: Legislators often lack details about an issue. Share information that demonstrates your proposal's benefits.

Stay Calm: Don't assume everyone will see an issue your way. Be friendly even if you disagree. Remember, today's adversary may be tomorrow's ally.

Be Appreciative: Thank the legislator for voting for previous legislation that has been important to you.

Follow Up: Afterwards, send a thank you note, including a summary of the substance of the meeting.

Establish a Relationship: Invite legislators to visit your facility, meet with your board, or attend district events. Maybe even invite the news media to tag along.

Leave a Reminder: Have something in writing to leave behind with the legislator, preferably a one-page fact sheet on your issue and position.

Things Not to Do:

Don't be Argumentative: Nothing ends a meeting faster than someone who is being confrontational or insulting.

Don't Waste Time: Don't ramble through unrelated subjects or issues.

Don't Complain: Be positive even if there is disagreement.

Don't Just Describe Problems: Anybody can recognize when something is broken. Those who are truly innovative and helpful know how to fix it. Offer solutions.

Don't Assume: Not every legislator is an expert on every topic or bill before them, nor may he have read material you have sent. Help them understand why this issue is important for you and their constituents.

Don't Guess: If you don't have an answer, offer to follow-up instead of risking bad information.

Don't Leave Without a Commitment: "I'll keep that in mind" isn't good enough. Ask them to commit to an action. Be prepared to take "no" for an answer—graciously.

Don't Underestimate the Staff: Staffers do research, draft bills, make recommendations on amendments, and develop expertise in areas in which their legislator cannot devote the time.

Don't Get Frustrated: Victories rarely happen overnight. Moving the behemoth of public policy is often a difficult time-consuming task. Celebrate even the little victories.

Don't Waste Time: Policymakers are often very busy, especially during a legislative session. Get to the point, make the point, and move on.

If You're Not Sure, Get Reliable Legal Help

If you are not sure that the type of advocacy you hope to do fits within the outlines of this manual, find the appropriate help you need. Below are some resources that may be able to answer your questions. Also, consider securing reliable legal counsel, especially if the issue of policy debate you are undertaking is controversial. The attorney should be well-versed in both federal tax law and/or state ethics rules governing political activities. Make sure you are thorough in the questions you ask, and that your legal counsel is equally thorough in the answers they provide.

Seize the Initiative

Most importantly of all, take the time and energy necessary to make your voice heard. How individual communities, municipal governments, state agencies, and legislatures determine their spending priorities or determine where to allocate their resources can have an immense impact on nearly every segment of a community. There should be no more important voice on directing those resources than from those organizations who deal with individual needs on a daily basis. Some of history's most effective public policy initiatives originated in communities that were directly affected by the problems.



Other Resources

Advocacy Institute www.advocacy.org

The Advocacy Institute works to make social justice leadership strategic, effective, and sustainable in pursuit of a just world. Its site includes materials about capacity building and public policy advocacy.

Alliance for Justice www.afj.org

The Alliance for Justice is considered the leader in providing reliable information and resources for public policy advocacy. For 25 years, the Alliance has worked to strengthen the public interest community's ability to influence public policy. Numerous publications are available via its website, but the handbook *Being A Player* is an essential primer on Internal Revenue Service lobbying regulations affecting nonprofits.

Charity Lobbying in the Public Interest www.clpi.org/index.html

This relatively recent organization provides resources for charitable organizations interested in lobbying on behalf of their communities. Their website includes basic legal and how-to materials, advocacy strategies, and links to other information resources.

Nonprofit Sector Research Fund www.Nonprofitresearch.org/

The NSRF awards research grants and organizes convenings to expand knowledge of the nonprofit sector and philanthropy, improve nonprofit practices, and inform public policy related to nonprofits.

Center for Community-Based and Nonprofit Organizations www2.austincc.edu/npo/

The Center for Community-Based and Nonprofit Organizations at Austin Community College assists community-based and nonprofit organizations to be more effective by helping strengthen their organizational capacity. The Center promotes professional and volunteer leadership through its learning opportunities, publications, website, resource libraries, comprehensive database of nonprofits, electronic forum, partnerships, and other services.



A Guide to Civic Relations and Community Advocacy

Community relationships are important components to any public service organization or agency. Integrating your organization into the community and educating policymakers about the nature of community problems, demonstrates that your organization is a valued neighbor and raises public awareness of overlooked community needs. The purpose of this guide is to help program directors and project personnel to understand and implement a simple and straightforward strategy to advocate both for and within their communities to identify important needs and access valuable resources.

About the Hogg Foundation for Mental Health

Since 1940, the Hogg Foundation for Mental Health has responded to its mandate "to develop and conduct. . . a broad mental health program of great benefit to the people of Texas" (Miss Ima Hogg, 1939), by funding service projects and research efforts throughout the state.

For more information about the Hogg Foundation for Mental Health or its grants program, call (512) 471-5041, or visit the Hogg Foundation's web site at www.hogg.utexas.edu. You can write to: Hogg Foundation for Mental Health, The University of Texas at Austin, P.O. Box 7998, Austin, Texas 78713.

Hogg Foundation for Mental Health
Services, Research, Policy & Education

The University of Texas at Austin

© 2003