Maryland Nonprofits

THINK BIG THINK TANK

2021 REPORT AND PROSPECTUS

A justice, liberty, and equity-centered brain trust, bringing together a diverse group of grassroots advocates and experts to discern the most pressing funding and policy issues facing nonprofits, and devise a path that leads to sustainability within the nonprofit sector.

1500 Union Ave, Suite 2500
Baltimore, MD 21211
marylandnonprofits.org
Dear Reader,

Maryland Nonprofits convened a series of virtual meetings with a diverse group of stakeholders from 2021-2022 that we called the “Think BIG Think Tank”. We gathered to make policy and practice reforms a priority for Maryland’s nonprofit sector.

I wish to thank the 170 founding contributors of the Think BIG Think Tank who dedicated their time, trust, and hope to our shared effort to establish common priorities that will lead to a stronger and more sustainable nonprofit sector. Contributors included providers, policy analysts, volunteers, activists, and people with lived expertise in their diverse communities.

Think BIG Think Tank’s contributors highlighted numerous ways that the nonprofit sector could create more value for Maryland’s communities if we were to restructure and sustain levels of support. Contributors identified barriers to better serving our residents. We together acknowledged that the traditional beliefs and practices governing the nonprofit sector are troubled by racial oppression and needless bureaucratic barriers. We named that some solutions rest with government policy and funding, while others are in our hands as nonprofit service providers, associations, and community-based organizations.

Several themes emerged from these discussions, including challenges and big ideas for systemic reforms. We invited debate and divergent opinions. We explored the possibilities that will exist in an environment with abundant resources, rather than an environment of scarcity. Ultimately, we started down a path that aims to reach a more justice and equity-centered nonprofit sector.

This paper serves as a report of what we learned through our gatherings and a prospectus of the Think BIG Think Tank’s continuing work. Thank you for your time reading and considering the possibilities. We hope you will join us in our endeavor.

Sincerely,

Heather Iliff
President & CEO
(443) 438-2348
ceo@mdnonprofit.org
In 2020, Maryland Nonprofits executed a COVID-19 and Racial Equity Survey in which over 710 respondents shared critical information affecting organization sustainability. The survey showed that 60% of responding nonprofit organizations under $25,000 in revenue are Black or Latino-led, while 82% of organizations over $1 million are white-led. That means that Black and Latino leaders are essentially working for free to ameliorate the long-term effects of systemic racism in their communities. What if that figure were flipped, and Black and Brown-led organizations were well-resourced to develop and deliver what they know their communities truly need?

From this question, the Think BIG Think Tank was organized to pursue answers and the development of solutions. The Think BIG Think Tank aims to be a justice, liberty, and equity-centered brain trust, bringing together a diverse group of grassroots advocates and experts to discern the most pressing funding and policy issues facing nonprofits and devise a path that leads to sustainability within the nonprofit sector.

This work is truly urgent. Because nonprofits stand in the economic gap—providing services and goods that the government and business sectors cannot or do not—sustaining the nonprofit sector is critical to the security and futures of society’s most vulnerable populations.

This report explains the possibilities that can exist in a justice and equity-centered funding environment as a starting point for generating policies and practices that fulfill these priorities.
Maryland Nonprofits’ mission is to strengthen organizations and networks for greater quality of life and equity. Our vision is a state where nonprofit organizations are well-resourced and nonprofit leaders are effective agents of change, for greater equity, creativity, sustainability, and community well-being.

As part of our values, we are inclusive and promote equity, whereby organizations and systems create opportunities for everyone. We promote and embody excellence, ethics, and accountability. We embrace and foster community empowerment. We are bold, courageous and innovative.
Maryland Nonprofits has an intentional commitment to truth-telling, doing our own work, ongoing education and uplifting voices most affected by the history and legacies of white supremacy. We delve into understanding the history of colonization, slavery, Jim Crow, manifest destiny, the drug war, the war on terrorism, economic, and systemic discrimination in Maryland and the U.S.

Our racial equity work has focused significantly on the Black-white paradigm in the US and Maryland, and the impact of our national reckoning with anti-Black racism following the murders of George Floyd and Breonna Taylor. These events led to intensive action in bringing Dr. Angela Davis as a keynote speaker to our 2020 Annual Conference, and we centered Black and Brown voices in meetings and programs. No matter the topic, we began considering the hard realities in society and the workplace together.

We started our racial equity journey in 2010 under the leadership of Darryl Jones, our first Black President & CEO, who was part of the statewide Racial Equity Collaborative. In 2014, we updated our flagship Standards for Excellence to include standards for Cultural Competency, and later added DEI. In 2016, our mission changed to focus on equity as the primary driver. We engaged 800+ people to define quality of life and equity according to key community metrics.

In 2020, we cemented our commitment by developing a Racial Equity, Inclusion and Justice plan and vision, which states: “We envision an anti-racist culture of practice, policy, learning and participation where all people can fulfill their potential and where dismantling of all oppressive systems is an on-going part of our awareness, work, reality, and outcomes.”

Our race, equity and inclusion goals include:

- Ensuring our internal operations are free from oppression of any kind, and will reflect our commitment to racial equity, inclusion, and justice.
- Ensuring programs and services will be equitably available and prioritize supporting community-based POC-led organizations.
- Educating and guiding nonprofits to embrace policies, principles, and practices that advance racial equity, inclusion and justice.
- Advancing public policy that achieves racial justice.

Because we believe we must apply reforms to our own organization as we live into a visionary future, we continue to commit assets and dedicate programming to building cross-sector trust and alignment as we raise the truth, heal, and repair past and current injustices.
Abel Olivo
Adrea Benedetti
Aimee Olivo
Ako Onyango
Alberto Grosmark
Alphonso Mayo
Amandji Goito
Amy Coates Madsen
Amy Greensfelder
Amy Madsen
Angela Martin
Angineeki Jones
Anita Grant
Annie Speedie
Antonio Chaurand
Ashiah Parker
Becky Witt
Bhim BK
Cara Morris
Carmen Marshall
Caylie Tuerack
Changa Onyango
Charles Johnston
Cheryl Thomas
Chloe Perez
Clark Graham
Claudia Wilson Randall
Coleen Reyes
Coni Grant
Conner Wolfe
Corey Best
Dana Davenport
Dana Stein
Danielle Middlebrooks
Darryus Johnson
Desmirra Quinnonez
DeVaki Leonard
Dipo Almaroof
Donna Richardson
Dru Schmidt-Perkins
Duke Porter
Dustin Bagdasarian
E. Kim Rhim
Eileen King
Emma Adebayo
Eric Golden
Erica Joseph
Evelyn Rhim
Franca Brilliant
Francine Baker
Franklyn Baker
Gabriela Lemus
Grace Lee
Gustavo Minaya
Hannah Shim
Heather Iliff
Henry Bogdan
Ian Clark
Inga James
Jacob Newman
Jamar Barnes
Jameliah Blount
James Sanders
Janice Liggins
Jeffrey Barber
Jenn Severson
Jennifer Broderick
John Brothers
John Felicitas
Julie Westendorff
Kadiatou Cisse
Kali Schumitz
Kaprece James
Kara Norman
Kate Fritz
Kate Hull
Kate McGuire
Katherine LaTour
Kathryn Cooper-Nicholas
Keron Sadley
Kerry McHugh
Kim Jones
Kim Rhim
Kirsten Clark
Kristy Herring
Kyra McDonnell
Laura Johnson Collard
Laura Rosenbaum
Lawrence Grandpre
Leah Paley
Leroy Almaroof
Lesley MacDonald
Leslie Graham
Linda Keely
Lisa Danaczko
Lisa C Jordan
Madonna Gamble
Maggie Osborn
Margaret Vimont
Margaret Williams
Marissa LaRose
Mark Huffman
Martina Martin
Mary Spencer
Maryam Bajoghli
Matt Gayer
Melissa Sines
Mereida Goodman
Mia Bowers
Michael Butera
Michael Dickson
Michelle Siri
Mike Mitchell
Monica Jeffries Hazangeles
Nancy Easterling
Nancy Strohminger
Neil Bergsman
Nyah Vanterpool
Paddy Morton
Pamela Price
Patrick Callihan
Patti Kane
Rachel Mygatt
Rachel Ruben
Raimie Eck
Rasheeda Jamison
Renee Seigley
Rob Smith
Robin Murphy
Roosevelt Toussaint
Rosibel Gomez
Samantha Flottemesch
Shade Olajide
Shalita O’Neale
Shana Roth-Gormley
Shannon Babe-Thomas
Sheila Helgerson
Sheryl Chapman
Simone Solomon
Sonia Su
Stephanie Geller
Stephanie Proestel
Steve Taylor
Sung James Kwon
Susan Elias
Susan Petroff
Suzanne Schlattman
Taija Thomas
Tajala Lockhart
Tameka Payton
Taneeka Richardson
Tatiana Klein
Tiffany Carter
Tiffany Simmonds
Tiffany Turner
Toni Smith
Travis Walter
Twyanna Taylor
Val Davis
Valerie Davis
Vernetta Walker
Veronica Cool
Vincent Scott
Violet Apple
Vivian Mills
Wendy Frosh
Wendy Wolff
WE ENVISION
SUSTAINABILITY

...where local communities –especially historically oppressed communities of color– determine the services, providers, opportunities, and terms that will improve the quality of life for themselves, their families, and their neighborhoods.

...where nonprofit organizations are led, managed, governed, and fiscally directed by the beneficiaries most impacted by the services provided.

...where governing boards reflect the demographics of their beneficiaries.

...where funders and philanthropists conduct grantmaking responsively and without the presumption of fraud and abuse; reparatively, with multi-year commitments; and respectfully engaging nonprofit leaders as experts and authorities in their field.

...where nonprofits are held accountable for providing services with compassion, respect, and dignity for all people regardless of their identity or circumstances.

“There’s a growing recognition in Annapolis that nonprofits are the best vehicle for delivering services. Especially during the time of COVID there was recognition that nonprofits are particularly well placed to help those most in need whether it come to basic needs like hunger or housing or other social service needs.”

Dana Stein
Executive Director of Civic Works
and Maryland State Delegate
The Think BIG Think Tank’s knowledge assets will be leveraged to build cross-sector trust and alignment as we raise the truth, heal, and repair past and current injustices.

Maryland Nonprofits acknowledges that structural racism pervades private and public sectors. For the nonprofit sector to be successful in building upward mobility and closing the wealth gap, our work must be community-led and community accountable.

We believe our work must lead to a redirection of agency and resources to communities that are normally underfunded. Our work must center marginalized experiences, which have historically been hidden or dismissed. And our work must quickly diversify leadership to include Black and Brown people in policy and decision-making.

The moment to activate reform is now. There has been an acknowledgment from federal, state, and local officials and philanthropists that nonprofits are essential services, too often undervalued. To change this trend, officials and philanthropists are infusing historically large amounts of funding for human services, health, job training, the arts, community development, and other policy areas where nonprofits are traditional providers and advocates.

What follows is a shared vision for what could be possible if we operated in an environment of abundance, centered in liberty and equity, where nonprofits and communities are endowed with significant funds and authority to build and strengthen their communities.

There is a lot of money on the table right now available for you, for nonprofits, for the communities you serve.

Tiffany Gourley Carter
National Council of Nonprofits

Housing Security & Development

In an environment of justice and equity, families and individuals would have an array of affordable and safe housing options.

Families and individuals enduring economic hardship would receive rental and transitional assistance rather than eviction.

Underutilized office buildings, retail centers, and other commercial spaces would be converted to affordable housing.

Safe and convenient shelter and transitional housing would be adequate such that no person ever needs to spend the night on the street.

Affordable housing programs would generate paths to homeownership for multi-generational family stability.

Fair housing would be furthered and areas of opportunity expanded to reduce residential segmentation and segregation.

Older adults would be able to age in place with dignity, receiving the accommodations and modifications needed to do so.
Food Security & Development

In an environment of justice and equity, no family or individual would go hungry or experience starvation cycles because healthy food would be accessible and attainable without needing to prove need or eligibility.

Local community centers, churches, schools, and other hubs where community members gather would be supported in opening and maintaining food pantries.

Food pantries would remain stocked because local restaurants, grocers, and individuals would systematically donate good supplies.

Local organizations, staff, and volunteers would support the collection and redistribution of food supplies.

Educational Workforce Security & Development

In an environment of justice and equity, basic and advanced education for working families and individuals would be accessible and attainable without needing to incur debt.

Prospective students and guardians would have the information and support needed to choose a vocational or academic path that meets their individual and family needs and aims.

Job seekers would have access to basic and advanced education and training that leads to family-supporting and fulfilling jobs in the economy’s growth sectors.

Workers would have access to professional development throughout their careers.

Individuals with physical disabilities or neurodivergence would receive educational and workforce accommodations needed to lead self-directed lives.

Economic Income Security & Development

In an environment of justice and equity, workers are no longer asset-limited and income-constrained, struggling to earn above the federal poverty level.

Jobs pay enough to provide sustainable living wages and benefits for the worker and their family.

Families and individuals would be able to save, invest and build assets that lead to intergenerational wealth and security.

Health Security & Development

In an environment of justice and equity, affordable and appropriate healthcare, including mental health services, would be accessible and attainable without needing to incur debt.

Quality primary, preventative, rehabilitative, pregnancy, and mental health care would close the racial health gap because there would be less chronic disease and fewer preventable deaths.

Primary, preventative, rehabilitative, pregnancy, and mental health care would be available via in-person, on-line, and residential treatment services.

Marylanders who qualify for free or reduced-cost care from hospitals would receive that care without being turned away or delayed by providers.

Hospital community benefits programs would reflect the needs and desires of the community
within that hospital’s footprint, and the hospital’s total annual investment would meet or exceed the amount saved through their tax-exempt status.

**Environmental Security & Development**

In an environment of justice and equity, clean air, water, and land would be the standard of living for all communities, especially communities of color which have been historically concentrated in polluted and hazardous environments.

There would be safe and convenient access to outdoor recreation and the natural environment for everyone.

Carbon consumption and other sources of climate change would be rapidly curtailed.

The water quality of the Chesapeake Bay and its tributaries would consistently improve, such that the plants and animals of Maryland’s land and waters would thrive.

**Tech Infrastructure Security & Development**

In an environment of justice and equity, digital access would be recognized as an essential good and human right, necessary for participating in modern society.

Households would have affordable access to broadband services and the devices to use them.

Families and individuals would be able to use their broadband connections to work, learn, recreate, and engage civically.

Basic and advanced digital literacy programs and technology support services would be available to promote and achieve digital inclusion and equity.

**Transportation Security & Development**

In an environment of justice and equity, transportation would facilitate employment, education, civic involvement, and day-to-day living, rather than create barriers to access.

Practical, reliable, convenient and safe transit would be available in urban and suburban areas.

Roads and sidewalks would become more walkable and bikeable, and as a result more people would choose walking and biking as a primary means of transportation.

The transportation infrastructure would shift from polluting and energy-consuming modes to clean and sustainable ones.

**Cultural Security & Development**

In an environment of justice and equity, communities would be able to revive and redefine their cultural heritage, which was erased and degraded through generations of cultural genocide.

A wide variety of performing arts, visual arts, and cultural experiences would be available to everyone.

The artistic traditions of every culture would be preserved and honored, while new artforms and artworks will draw inspiration from Maryland’s many cultural influences.

Maryland artists from all ethnic and cultural groups would have opportunities to develop and produce their best work.

There would be ample opportunity for young people to become educated, trained and mentored in cultural history and the arts.
WE BRAVE CHALLENGES

During the Think BIG Think Tank, participants shared testimonies and recommendations related to the call to identify and resolve significant challenges that face the Maryland nonprofit sector. What follows is a summary of numerous testimonies and observations. This is not an exhaustive list of challenges.

Racial oppression must be overcome

Existing policies, enforcement protocols and social-political perspectives that have long governed the private and public sector are built on a foundation of racism, classism, and patriarchy. From Maryland’s founding through the 21st century, we have struggled to acknowledge the consequences of building an economy that intended to dehumanize, subjugate, impoverish, and criminalize non-white people and women to the advantage of white people, white men in particular.

To overcome racial oppression, Maryland citizens and officials must first acknowledge that the racial wealth gap was created and is perpetuated by race-based exploitation and discrimination. If we are to create a justice- and equity-centered society, Marylanders must incorporate a holistic understanding of our civic history and inheritance, which includes reconciling the reality that racism ungirds America’s social and economic infrastructure. This includes adopting a sense of civic duty to redress the policy frameworks, regulatory and legal structures, and damaging narratives that maintain the racial- and class-wealth gap.

Ongoing apathy and disavowal of this truth risks advancing policies, protocols and perspectives that contribute, if only complicitly, to an ever-widening racial- and class-wealth gap. To achieve a racially reconciled society, we must brave the following issues.

Extractive Labor Practices:
On average, black workers continue to be underpaid and undervalued compared to their white counterparts of equal or less experience. When people begin to understand the dynamics and urgency of undoing racial oppression, they will see stubborn racial and gender pay disparities, intellectual theft or infringement, and undervalued or unrecognized contributions.

Limiting & Damaging Narratives:
Because the average Marylander did not receive a civic education that included an analysis of Black and Brown history, citizens and officials lack an understanding of how oppressive systems were created and adapted over time. When people begin to understand Black and Brown history, they will see the reality that Black and Brown people have been unduly mistreated. Still today, Black and Brown are pressured to assimilate or integrate into white dominant culture if they wish to do more than survive in American society.

Power Hoarding:
Within organizations, the power to decide what happens to the life of individuals, families, and communities is improperly vested in a few people. To impact change, organizations need to share power with employees and the people being served. They need to be heard, valued, and respected. Too often authority is solely held by those who hold the purse, and the exercise of
authority leads to the diminishing influence of employees and beneficiaries.

**White Advantage:**
The “whiteness” of the philanthropic and nonprofit sectors is in large part a function of discriminatory and prejudicial advantages. White people continue to be provided privileged access to wealth and upwardly mobilizing opportunities. Even in the nonprofit sector, we see that the majority of philanthropic dollars go to white-led entities.

**The conversation we’re having about the economic recovery is ‘How do we use these funds reparatively?’ …Because it is possible. When we talk about the economic recovery, we’re talking about creation work. We’re talking about how to create a just and fair society. We’re talking about equity and how do employees get equity, and how do community members get equity in deciding what happens in their community. We all, with these funds, have to be busy doing this truth and reconciling work.**

**Nyah Vanterpool**
NV, Ink

**Burdensome regulatory protocols that must adapt**

The current nonprofit regulatory environment is defined by a top-down relationship between funders and nonprofits. Excessive application, monitoring, and reporting requirements tied to most governmental funding take resources away from producing benefits for communities and individuals. To adapt burdensome regulatory protocols, we must brave the following issues.

**Undue Reporting Requirements & Restrictions:**
Government applications, monitoring, and reporting are often dozens of pages and can take hundreds of hours to respond and manage, and the requisite funding often restricts spending in unhelpful ways.

**Delayed & Reimbursable Payments:**
Government contracts and payments are often only issued as reimbursements, meaning nonprofits must possess significant assets to expend before ever receiving a single payment. Further, payments are often delayed by months, requiring nonprofits to deplete reserves or borrow money to fill the gaps. These dynamics make participation impossible for small organizations.

**Eligibility Requirements & Restrictions:**
Before services can be provided to people in need, nonprofits often must require beneficiaries prove their need and/or maintain eligibility. This is oppressive, often humiliating for beneficiaries, and contrary to trauma-informed practices. As well, to maintain proof of eligibility, nonprofits must create new administrative workloads that are costly and again, keep small organizations from being able to participate.

Ongoing distrust and excessive procedural requirements disproportionately harm small nonprofits, which are more likely to be Black or Brown-led, and further burden minority and disadvantaged
populations who need responsive services most. In order to be adaptable enough to meet the evolving needs of a community, nonprofits seek flexible and streamlined protocols that entrust service delivery and eligibility requirements to the professional judgment of providers.

“I don’t believe there is a great conspiracy of people seeking free mental health care who don’t need free mental health care.”

Amy Greensfelder
Pro Bono Counseling Project

Cycles of scarcity that must be repaired

Although nonprofits maintain the well-being of society by serving where the government and business cannot or do not, nonprofit work is undervalued in the marketplace. Nonprofit service providers have long operated with the expectation of scarcity and are often placed in competition for fewer and fewer resources.

Nonprofit leaders, workers, customers, funders, and governments all assume that it is normal for nonprofit operations to be under-resourced, for nonprofit workers to be under-paid and go without benefits (e.g., health insurance, retirement), for nonprofit facilities to be underequipped, and for nonprofit services to be substandard. To repair cycles of scarcity, we must brave the following issues.

Zero-Sum Game Approaches:
Rather than making long-term investments in human capital and human rights, funding decisions are based on a zero-sum perspective, assuming that one nonprofit’s innovation or approach must win while others lose.

Requirement to Scale:
Funders often approach grantmaking with an expectation that nonprofits must scale to city-wide, regional or national reach. Treating bigger numbers as better outcomes dismisses the importance and responsiveness of small and mid-sized nonprofit.

Service & Employment Interruptions:
Scarcity cycles breed uncertainty for staff and people we serve. It prevents long-term sustainability. To provide the benefits that individuals and communities need to thrive, nonprofit services should be able to draw from an abundance of resources and have the most appropriate tools and services to do their best work.

Performatve Collaboration:
Collaboration is often promoted by funders who are trying to find ways for nonprofits to do more with less. For example, sometimes technical support is offered but not aligned or productive. Or peer-cohorts are created that do more to serve funder interests than community needs. These collaborations do not reduce costs, and evades the reality that more resources, not fewer, are needed if we are to meet the needs of communities and develop genuine collaboration.
Think BIG Think Tank participants raised numerous strategies that will lead to better outcomes for the communities that nonprofits serve. These strategies represent a starting point for the Think BIG Think Tank’s continuing work, which may include the generation of policy frameworks and workgroups that seek to advance one or multiple BIG Ideas.

“Whatever you do from here on out, do it with the people who are mostly impacted by your systems. And do it with vigor. And also, don’t think so much about what you’re fighting against. Let’s think about what it is we are building ourselves for.”

Corey Best
Mining for Gold

WE PURSUE BIG IDEAS

Establish Community Leadership

Those who are closest to the need are the best positioned to assess and respond. To generate meaningful and lasting impact, members of the community being served must be placed in leadership positions. When community members are positioned as the vested authority—to set priorities, determine strategies, make funding decisions, direct programs of service, and evaluate processes and outcomes—nonprofit operations become more aligned with community needs and long-term interests. To advance community ownership, the following strategies for change might be pursued:

- Developing Community Investment Boards to guide government funding, both in funding decisions and making process improvements.
- Placing service beneficiaries, including youth, in leadership roles that inform and establish funding decisions and program strategies.
- Emphasizing inter-agency collaboration, breaking down functional silos between funders, providers, and beneficiaries.

When community investment and impact strategies are community led and accountable, several good things happen.

- Trust between the community and government or philanthropic funders improves because engagement, respect, and transparency increases.
- Effectiveness in service delivery improves because the theory of change is enriched just as the diversity of perspectives, innovations, and insights increase.
- The capacity of community leaders is improved as they are seated as advisors, board members, and trustees for government and philanthropic grantmakers.
- General awareness and access to decision-makers improves as community members engage within the community as a vested representative of the grantmaking agency.
- Inter-agency collaborations improve as new relationships are forged between deputized community members and institutions.
Substandard wages and lack of benefits are chronic problems in the nonprofit sector. The nonprofit, direct-service workforce is disproportionately female, and disproportionately African-American and Latino.

The average care worker earns between $12 - $14 per hour and does not have access to health insurance. In the COVID environment, retaining talent became an acute problem. Forced layoffs caused by revenue loss and uncompetitive wages are now endangering the ability of nonprofit service providers to fulfill their missions.

These trends are unacceptable. The people who care for society’s most vulnerable should not fear for their financial and health security. In order to create upwardly mobile communities and households, we must raise wages and benefits, especially for African-American, Latino and female low-wage earners.

To advance living wages and benefits for nonprofit workers, the following strategies for change might be pursued:

- Community accountability for outcomes improves as the power to influence strategies and responsibility to produce specific outcomes increases.

“Running new government funding through the ‘old’ plumbing will result in the same kinds of inequities that the system suffers now.”

Maggie Gunther Osborn
Maryland Philanthropy Network

Raise Living Wages & Benefits

Substandard wages and lack of benefits are chronic problems in the nonprofit sector. The nonprofit, direct-service workforce is disproportionately female, and disproportionately African-American and Latino.

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To advance living wages and benefits for nonprofit workers, the following strategies for change might be pursued:

- Adopt a new living wage standard that covers the actual cost of living, which includes estimates for childcare, transportation, medical care, and other common expenses.

- Incorporate funded pathways to access health coverage, professional development, and other relevant benefits.

When service providers are funded to pay wages and benefits that are competitive and sustainable, several good things happen:

- Recruitment and retention improves as care work becomes more attractive to job seekers.

- Current care workers are not lured away by better pay and working conditions in the retail and for-profit service sectors.

- The quality of services and continuity of care improves as providers are able to maintain proper staffing levels and increase worker morale by reducing burnout.

- The training and education levels of the workforce improves as employees are able to access professional development.

- Income gaps and wealth gaps are narrowed as households and communities are stabilized by a living wage.

- Standards of living improve as worker wages are used to spend money in the local economy as well as attain home, vehicle, and other asset ownership.

Reform Grantmaking

Nonprofits face dysfunctional grantmaking and evaluation systems that create barriers, especially to small nonprofits, which are more likely to be Black or Brown-led. Government and philanthropic grantmakers need to make the
application, payment, and reporting requirements and protocols less burdensome.

Programmatically, nonprofits should be allowed to treat clients with respect and dignity while delivering services. This means that client information and reporting requirements should be as unobtrusive and confidential as possible. Clients should not be required to reestablish their eligibility with each contact. Clients should be able to attest to their own level of need without being required to produce additional documents. Similarly, nonprofit professionals should be empowered to exercise their judgment when establishing eligibility and performance requirements without being subordinated to funder standards.

Financially, reimbursable funding practices need to be stopped or seriously altered because reimbursement practices and payment delays lead to serious damages. Reimbursable grantmaking requires organizations to dole out large amounts of cash for salaries and supplies before being reimbursed for expenses. This creates a dynamic where small nonprofits typically cannot handle reimbursable funding and larger nonprofits struggle to manage through the challenges.

We have learned of organizations closing permanently while awaiting payment from the City. We have heard from organizations barely maintaining operations while being owed $100,000 or more for work that was rendered a year earlier. Furthermore, Baltimore City, specifically, has a history of not fully expending funds available to it through federal sources, thus depressing future years’ ability to invest in community needs.

Intentional strategies are needed to convert inequities and counterproductive dynamics. To advance grantmaking reforms that generate greater equity and impact, the following strategies for change might be pursued:

- Provide requests for proposals that are timely, clear and flexible, consistent with the expectation that proposals be due diligent and responsive to community needs. Standardize grants and contracts to be multi-year agreements, consistent with the expectation that service providers strengthen sustainability and the continuity of care.

- Eliminate overhead and administrative spending restrictions, enabling service providers to have spending power and adapt to changing circumstances.

- If reimbursable, provide sufficient up-front payments to cover start-up costs, and invest in making periodic payments reliable.

- Eliminate or limit beneficiary eligibility and performance reporting requirements in order to reduce administrative overhead.

- If there are reporting requirements, state all reporting expectations and metrics clearly in the request for proposal.

- Make government grants and philanthropic funds available to social entrepreneurs and service providers with alternative organizational structures such as benefit corporations and LLCs.

When grantmaking and evaluation systems are responsive and equitable, several good things happen:

- Resources get to beneficiaries faster and more equitably as regulations are reduced and protocols are simplified.

- Service provisions become more sustainable and the continuity of care improves as payment becomes more frequent and reliable.

- Additional funds become available for distribution as administrative overhead is reduced for the grantmaker and grantee.
• Additional time towards genuine collaboration becomes available to the grantmaker and grantee as administrative workloads are removed or lightened.

• Trust and collaboration between the grantmaker and grantee improves as service providers feel increasing levels of respect and cooperation from grantmakers.

**Build Common Cause**

Because we both know better and have the tools to do better, together we must make better happen for society’s most vulnerable, marginalized, and oppressed. This work requires shared resolve to adapt with the times. Just as government and philanthropic funders must improve, the nonprofit sector must also do better for ourselves. This includes aligning in our calls for reform.

Together, we must acknowledge shortcomings that stem from a history of damaging and limiting beliefs and practices that were built on a foundation of racism, classism, and patriarchy. To engender civic trust and accountability, we need to infuse more power and decision-making authority to members of the communities being served—especially historically marginalized and oppressed communities.

Additionally, to achieve causes held in common, nonprofit organizations should both provide current services and advocate effectively for justice and equity in systemic reforms. To advance common advocacy causes, the following strategies for change might be pursued:

• Governing boards should include significant representation from the communities being served.

• Nonprofits should be encouraged to compensate representatives from the community for their service on boards and committees.

• Grantmakers should encourage and fund nonprofits to conduct advocacy activities, which includes educating policymakers and government officials by sharing the nonprofit’s story, approach, impact, and insights.

• Nonprofits should understand the difference between non-partisan, public-interest advocacy and “lobbying”, which restricts communications with decision-makers about specific legislations and votes.

The nonprofit sector and funders should value and prioritize sustained, ongoing, and local operations—not just new and scalable programs.

When the nonprofit sector and funders collaborate on common reforms, several good things happen:

• Justice and equity become a shared and actionable priority.

• Systems that facilitate community self-determination begin to be operationalized, and iteratively improved.

• The nonprofit sector is able to adapt and respond more swiftly as alignment between funders and the nonprofit sector improves.

• Citizens’ participation in civic life increases as nonprofits and funders produce results through collaboration.

• Citizens’ sense of trust and self-efficacy when participating in civic life increases as a result of meaningful reforms and relationships that are forged.
NEXT ACTIONS

Advancing justice and equity-centered reforms for the nonprofit sector in Maryland requires direct and regular engagement with policymakers, coalition building, innovation, sound political strategy, and hard work. Maryland Nonprofits is already incorporating the founding work of the Think BIG Think Tank to inform our advocacy agenda and programs.

To be successful, Think BIG Think Tank’s work needs the participation of representatives from a multitude of communities, backgrounds, and disciplines. The early work of the Think BIG Think Tank will include the development of a leadership team.

Maryland Nonprofits is nonpartisan, independent, and open-minded. We believe any idea can be civically debated and improved. In that spirit, we strive to remain open and unbiased in our approach. We will continue to share our data and analyses, be involved in debates, and always look to find a better way in service of the Maryland nonprofit sector.

We will continue to work to guide the direction of policy and improve economic and social outcomes in Maryland. We will reconvene the Think BIG Think Tank to review and refine the agenda laid out in this prospectus with the intention of advancing our top priorities.

“"Yes, we may start in one neighborhood or one community. How do we think five years, seven years, ten years down the road so we can be creating scalable impact that really affects the lives of so many? But we do it in a way that involves the community. We do it in a way that is not ‘To Them’ or ‘For Them’ but is ‘With Them.’”

Franklyn Baker
United Way of Central Maryland