



Lisa Madigan, Illinois Attorney General, oversees the state's nonprofit sector through its Charitable Trust Bureau, working closely with Donors Forum and its members.

RAISING AWARENESS

These six case studies demonstrate the value and benefits of regional associations and their members engaging policymakers at the local, state and federal levels. PolicyWorks is designed to build the capacity of regional associations by: (1) raising awareness; (2) building skills and systems; and (3) catalyzing action. In doing so, PolicyWorks envisions that regional associations will become valued voices and expert resources on issues critical to philanthropy and society.

- ➔ Beyond Tinkering in Education Reform
- ➔ Opening the Charitable Spigot
- ➔ Building the Bridge
- ➔ Striking a Compromise
- ➔ **Forging a Partnership**
- ➔ Supporting Nonprofit Partners

Forging a Partnership

Overview

Pushing to replace a long list of mostly inactive ad hoc charitable advisory groups with one permanent and vibrant Charitable Advisory Council (CAC) to the Illinois Attorney General's Office was the daunting challenge facing Donors Forum in the mid-1990s.

For more than two decades, Illinois grantmakers expressed a desire for open and ongoing dialogue between a succession of attorney generals and their staffs through a structured advisory council. The purpose of such a council would be to help educate state officials about the roles, missions, needs and successes of Illinois' philanthropic sector.

Little progress was made however, as one Attorney General after another dragged their feet on creating another advisory group that would require money and even more valuable time from overburdened staff.

In 1997, then-Attorney General Jim Ryan introduced legislation to create a permanent advisory council with unexpected provisions including annual registration fees for nonprofit organizations as well as standards and a rating system to be developed by the state and imposed on nonprofits.

Ryan's proposal surprised Donors Forum, who welcomed the long-awaited opportunity to negotiate creating the council without any—or at least fewer—provisions.

Donors Forum quickly launched an advocacy campaign aimed at legislators who had long been supportive of their goals.

The first success came in 1999 when Donors Forum—with the help of its members—achieved passage of legislation requiring the creation of the CAC within the Attorney General's office. Disappointingly, it was passed with a one-year sunset.

Unfazed, Donors Forum continued its advocacy work and in 2001 saw its efforts rewarded when the state legislature voted to make the CAC permanent. This time, it passed without the burdensome, arbitrary addendums the nonprofit sector could and would not accept.

Donors Forum once again stepped up to meet the challenge when it agreed to fund the CAC as a legislative condition for its creation.

A strong proponent of the legislation at that time was then-State Senator Lisa Madigan who subsequently was elected Illinois' first female Attorney General in 2003 and was a stalwart supporter of Donors Forum, the state's philanthropic community and the CAC.

Today, the Illinois Attorney General's Office, which oversees the state's nonprofit sector through its Charitable Trust Bureau, works closely with Donors Forum and its members through the CAC when seeking advice on new legislation, rules, regulations and enforcement that could impact funders and the nonprofits they serve.

Challenge

The challenges to creating the CAC were numerous, according to Valerie S. Lies, Donors Forum's president & CEO.

Since the mid-1980s there had been a complacency on the part of the Attorneys Generals (AGs) and their Bureau of Charitable Trust staffs fueled by the belief that a permanent CAC was unnecessary since there were many ad hoc charitable committees already providing advice to the Bureau, says Lies.

"The challenge and reality were the volunteer ad hoc committees were disengaged, never met regularly and simply weren't impactful," she says.

The next challenge came in getting legislation passed in 1999 to make the CAC a full, functioning and permanent committee working through the Attorney General's office, says Lies.

"We had to convince state legislators of the importance of not only understanding the nonprofit sector, but in getting the sector leaders' input on the many topics that came before the AG's staff," says David Rosen, senior vice president of the Jewish Federation, a founding member of the CAC executive committee and a former assistant Attorney General.

Soon after the General Assembly passed legislation in 1999 creating the CAC with a sunset clause, the Donors Forum moved to "find a way to convince them (the legislature and governor) that the CAC was a benefit to both sides (AG and philanthropic sector)," says Janice Rodgers, partner at the national law firm of Quarles and Brady and another founding/current member of CAC's Executive Committee.

"We had to build an informative bridge between the state and nonprofits... and the CAC was that connector," adds Rodgers.

The final challenge to the Donors Forum was offering to secure funding to operate the CAC and to staff it with experts in the field, thus taking that burden from the AG and Bureau staff.

"It was a necessary step to ensure (CAC) would be a success," notes Lies. "It also allowed us to make sure the right people were brought on board and the important issues to our sector were brought to the forefront and addressed."

A continuing and future challenge remains being prepared to educate and persuade each succeeding Attorney General to the importance of—and need for—the CAC, adds Lies.

Strategies

Led by Donors Forum, philanthropic leaders throughout Illinois banded together and developed strategies to provide a strong, solid base upon which the CAC would operate and to make the advisory committee sustainable and relevant for years to come.

Finding a strong ally within the legislature was essential according to Lies.

Donors Forum found that ally in then-State Senator Madigan, an ardent champion of the nonprofit sector and former teacher and community organizer.

In what Lies calls a fortuitous chain of events, Madigan is today Illinois' Attorney General and works closely with the Donors Forum and the CAC to keep her Bureau of Charitable Trust informed and aligned with the needs of the state's nonprofits.

Equally important was finding the best nonprofit, civic and community leaders from across the state to serve on the CAC to ensure that the "... largest pool of ideas, issues and solutions would be raised by the best cross-section of the nonprofit sector possible," says Lies.

Donors Forum also created a CAC Executive Committee to meet with and advise the Attorney General upon request and to oversee three sub-committees focused on priority issues, according to Rodgers. Those sub-committees are:

- Public Education Committee, which helps inform the Attorney General on how to maximize the information, tools and leadership of her office to educate the nonprofit sector, donors and the broader public about charities and charitable giving.
- Data Committee, which advises the Attorney General on how to utilize effectively the wealth of data and information her office collects and maintains on the state's nonprofit sector.



The Illinois State Capitol Building in Springfield.

- Legislative Committee, which reviews existing state legislation and regulations governing the charitable community and develops ideas and suggestions for improvement.

The three working sub-committees typically meet two or three times a year, while the Executive Committee generally meets once or twice per year.

Donors Forum provides the bulk of the staffing support for the committees and usually initiates and coordinates those meetings.

“Another strategy was to appoint people with a deep interest and aligned goals to serve as co-chairs,” says Lies.

Bringing Rosen on board to lend his experience both in the nonprofit sector and as a former assistant Attorney General and his broad personal and professional connections “was a strategic move that has had a far-reaching and positive impact for CAC,” adds Lies.

“David provided us a wealth of institutional knowledge and important contacts that he had developed over the years. That helped our work tremendously.”

The creation of the CAC is “one of the most important developments in both giving an important voice to the nonprofit sector while protecting and keeping the public informed at all times.”

—Michael Madigan, Speaker, Illinois House

Results

All parties involved with the CAC say it has clearly helped strengthen the relationship between the Attorney General’s Office and the nonprofit sector in Illinois.

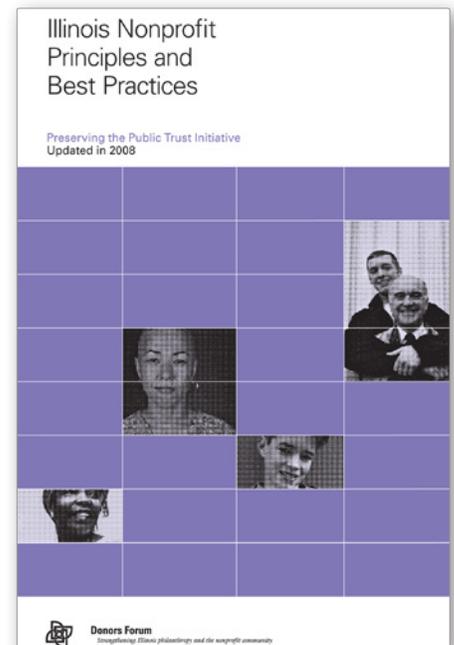
“Donors Forum’s involvement with the CAC has had the significant value added of elevating our credibility with other branches of state government and positioning us in a stronger way to advance our broader policy work and agenda,” says Laurel O’Sullivan, senior director for public policy for Donors Forum.

One of the CAC’s biggest successes—through its Data Committee—was advising the Attorney General’s Office on an extensive project to make all of her office’s charity filings available to the public through a new online database on the AG’s web site.

“We worked very closely with the (CAC) on this project and they were a tremendous resource for us,” says Therese Harris, chief of the Illinois AG’s Bureau of Charitable Trust.

From both Donors Forum’s and the Attorney General’s perspective, the CAC now provides a number of beneficial outcomes for the state’s nonprofit sector and its citizens. According to both Lies and Harris, the CAC:

- Acts as an independent resource for charities and donors
- Helps the Attorney General be a strong supporter of the nonprofit community
- Provides the Attorney General with a large, direct and ready-made constituency that can speak about the state’s work on behalf of the sector while reaching out to the philanthropic community
- Supports self-regulation of nonprofits
- Decreases the likelihood of harmful legislation that could impede the work of grantmakers and other nonprofits
- Enhances Donors Forum’s value to its members



“We couldn’t be more pleased with the results we’ve realized from having the CAC as a permanent committee attached to the Attorney General’s Office,” says Lies. “CAC is respected throughout state government; it has impact when its leadership makes recommendations on behalf of the nonprofit sector; and it provides a strong voice when dealing with the many issues that arise that could affect our work.”

Response From Policymakers

Illinois AG Madigan calls the CAC “one of the most important components of my office when it comes to working with the nonprofit sector throughout the state.”

“The CAC (executive) leadership is smart, tremendously dedicated to representing the best interests of its sector and has the political savvy to assist us in providing information to get things done in state government,” adds Madigan. “While our job is to oversee the nonprofit sector, working with the CAC provides needed insight and direction that helps protect not only those involved in philanthropy, but the public as well. It’s a win-win for all of us.”

Harris, chief of the AG’s Bureau of Charitable Trust, agrees.

“It took a long time to establish the CAC, but its positive impact has been felt ever since its inception...and we are more focused, educated and directed in our work thanks to the leadership of this committee and the work that they do,” she adds.

Former Illinois Majority Leader James F. Clayborne Jr., also credits the CAC “with providing beneficial insight into the nonprofit sector that wasn’t always available prior to its creation. Its (CAC’s) work is extremely important as it represents a sector of our state that touches many lives and communities.”

KEY LESSONS FOR SUCCESS

Illinois’ experience in creating and operating a legally-mandated charitable advisory group was a long-term effort, requiring patience and persistence. One of the key tips Lies offers is that charitable organizations looking to work with an AG’s office need to realize it can be a time-consuming process... and they should understand and accept the costs associated with doing it.

- ➔ Manage expectations, making sure everyone involved has the same expectations
- ➔ Look for political allies and champions within the legislature
- ➔ Find the right people who understand the field and navigate the political terrain
- ➔ Devote sufficient time and resources
- ➔ Be patient and persistent
- ➔ Create win-win outcomes

DISCUSSION QUESTIONS

- 1) What arguments for establishing a Charitable Advisory Council would be most persuasive in our region or state?
- 2) What steps can be taken to ensure that a Charitable Advisory Council maintains its autonomy and independence from government control or pressure?

PolicyWorks FOR Philanthropy

Helping Regional Associations Engage Policymakers

POLICYWORKS FOR PHILANTHROPY seeks to build the capacity of regional associations of grantmakers’ staff, board and volunteer leaders to engage policy makers in support of a vibrant and effective philanthropic sector. The 20 regional associations participating in PolicyWorks serve more than 3,000 foundations and corporate giving programs in 39 states. Policy work includes: government relations—related to legislation and regulations affecting the work of charitable foundations; and public policy engagement—supporting the achievement of charitable foundations’ grantmaking goals.

PolicyWorks is led by the Council of Michigan Foundations (fiscal agent), Donors Forum (Illinois), Grantmakers of Western Pennsylvania, Northern California Grantmakers, Ohio Grantmakers Forum and Philanthropy New York and funded by the William and Flora Hewlett Foundation and the Charles Stewart Mott Foundation. PolicyWorks partners include the Communications Network, Forum of Regional Associations of Grantmakers and the Philanthropy Awareness Initiative.