

# MAIN STREET MONTANA PROJECT

A BUSINESS PLAN *For Montana by Montanans*

## **Main Street Montana Project March 10, 2017 Non-Profit KIN Meeting Minutes Montana Department of Commerce, Room 226**

### **KIN Members Present:**

Bob Wilmouth, President, Rocky Mountain College (Co-Chair)  
Liz Moore, Executive Director, Montana Nonprofit Association (Co-Chair)  
Kurt Alme, President/Consul, Yellowstone Boys and Girls Ranch Foundation  
Rachel Haberman, Executive Director, Energy Share Montana  
Jasyn Harrington, Executive Director, Career Training Institute  
Gina Heckey, Executive Director, Foundation for Community Care  
Glenn Marx, Executive Director, Montana Association of Land Trusts  
Maureen Rude, Executive Director, NeighborWorks  
Tawnya Rupe, Executive Director, Mountain Sky Guest Ranch  
Rhonda Safford, Programs Manager, Reach Higher Montana  
Chantel Schieffer, President/CEO, Leadership Montana

### **On the phone**

Michelle Belknap, CEO, Easter Seals Goodwill of Northern Rocky Mountains  
Mary Rutherford, Executive Director, Montana Community Foundation  
Daniel Kemmis, Consultant  
Marci McLean, Executive Director, Western Native Voice  
Susan Hay Patrick, United Way Missoula

### **Staff and Public:**

Mary Craige – Director Data Initiatives/Special Projects, MT Department of Labor & Industry  
Tom Kaiserski – RIS Bureau Chief, MT Department of Commerce  
Michaela Wolfinger – Program Assistant, MT Department of Commerce  
Ashly Tubbs- Director Constituent Services, Office of the Governor  
Erik Rose – Compliance & Workforce Data Analyst, Office Commissioner of Higher Education  
Andy Shirtliff – Small Business Ombudsman, Governor’s Office of Economic Development  
Ken Fichtler – Chief Business Officer, Governor’s Office of Economic Development  
Jessica Rhoades –Health Policy Advisor, Office of the Governor  
Shannon Lewis– SWIB Acting Director, MT Department of Labor & Industry  
Pam Bucy – Commissioner, MT Department of Labor & Industry

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### **9:30 AM Welcome and Introductions**

Co-Chairs did a quick recap of previous meeting and overview of agenda

### **9:40 AM Remarks from Lt. Governor Mike Cooney**

The Lt. Governor thanked the KIN members for their time and effort. He recognized this project is driven by private industry, not government, and that the nonprofit sector could be a greater focus.

### **9:45 AM Presentations related to KIN Action Plan Items from Group A -Elevating the Nonprofit Sector**

The KIN discussed with the Lt. Governor that one of its early initiatives was to create a cabinet level policy position for nonprofits. The Lt. Governor noted funding such a position would be difficult particularly in the current legislative session. He introduced Jessica Rhoades, the Governor's Health Policy Advisor, who talked to the KIN about her extensive experience working for and with nonprofits. Jessica discussed how she supports the work of nonprofits in her position with the Governor. Chantel Schieffer suggested that perhaps the Governor's Office of Community Service could serve in the role of nonprofit policy. Bob Wilmouth noted that nonprofits need to engage better regionally. Kurt Alme mentioned that former Senator Baucus did a good job of raising the profile of nonprofits suggesting the Governor could look to the Senator's model for ideas.

The discussion on the nonprofit policy position led to a conversation about the economy and how good leadership is critical to developing the nonprofit sector and the economy as a whole. It was discussed how the KIN and executive branch can spur economic development by encouraging businesses, specifically nonprofits, to relocate their corporate offices or operations to Montana.

KIN members discussed the need for coordination within the Governor's office and across the agencies. Areas for work include: how to engage staff and leverage positions agencies have, setting goals jointly, demonstrating innovation, and using connections to get things done. Following this discussion, Liz Moore recommended that in the absence of getting a nonprofit policy position funded in this session, a task force could be formed that would connect existing state resources and the policy position deferred until the next legislation session occurred. Issues the task force could focus on include: adding nonprofit start-up processes to GOED's Business Navigator, setting goals and developing a plan for MSMP nonprofit economic objectives such as increasing resident philanthropy, attracting national nonprofit corporate offices, and developing a public awareness campaign on the value of nonprofits.

### **Presentations related to Action plan items from Group B – Developing the Nonprofit Workforce**

Shannon Lewis with the State Workforce Innovation Board (SWIB) gave an overview of the board and an update on current projects. The thirteen KIN group structure within the Main Street Montana Program (MSMP) was developed from the sector partnership model that SWIB

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uses regionally. The SWIB recently revised its structure so it could oversee all MSMP workforce related KIN recommendations. Shannon has been combining common workforce recommendations from the different KINs in the work for the SWIB. She noted that KIN members can serve on SWIB ad hoc committees.

The question arose as to how to attract and retain younger people. Maureen Rude stated that her organization (NeighborWorks) is working on how to attract youth to nonprofits. Shannon mentioned that there will be a millennial panel at the Innovate symposium in July. There will also be a workshop at the Innovate symposium on how to create apprenticeship programs as well as a sector strategy session.

Liz noted the need to increase nonprofit wages with Kurt adding that nonprofit credentialing requirements and skills are high but pay is low. Liz pointed out that Montana nonprofits have not adequately dealt with the ability to negotiate indirect costs with federal agencies – negotiations which OMB allows but aren't happening.

Mary Craigle asked Andy Shirliff how nonprofit recruitment fits into what GOED is doing to attract business to the state. Andy mentioned that more could be done with government contracting.

Erik Rose from the Office of the Commissioner of Higher Education (OCHE) presented information relevant to workforce educational development in general as well as aspects relating more specifically to nonprofits:

- MT student debt averages \$26,946 – lower than the national average of \$28,950 for student borrowers (figures from the Institute of College Access & Success 2015 study)
- MT college tuition has been frozen for 10 years
- Currently there is a \$23 million gap in state funding for higher education. This includes a 9% decrease in funding for OCHE and 5% cut in the Family Student Loan Forgiveness program
- The Montana University System is providing programming on a number of issues: financial literacy, drugs, sexual harassment, and college completion (some schools are paying students to see advisors)
- Apprenticeships are increasing statewide, for example initially the health professionals did not think apprenticeships were viable, however, there are now seven healthcare apprenticeship engaging 40+ individuals. Apprenticeships require extensive cooperation between employers and schools. There are currently 1,640 apprenticeships in MT (KIN asked for data on NP specific apprenticeships)
- The MT University system has increased prior learning assessment which gives college credit for experience.
- Iowa's Grinnell College has a nonprofit management apprenticeship which could be a model to offer,

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- Dr. Kirk Lacy's position as a coordinator between business and higher education is the only one of its kind. The position is jointly funded by the Department of Labor & Industry and the MT University System. There is also a MOU with tribal and private colleges as well to do this work.
- OCHE is represented on the SWIB by Dr. John Cech providing another bridge between higher education and workforce development
- The Carl Perkins grant is being restructured in order to provide support to career pathways in the K-12 system
- It is important to work on the entire continuum of work based learning and continue to expand credentialing.

## **Presentations related to Action plan items from Group D - Strengthening the Nonprofit Sector**

There was conversation about how leadership training is difficult for small non-profits to afford – both the cost of the training and time away from the organization. Glen Marx mentioned an intense and effective land trust boot camp leadership program that is a good model. Tanya Rupe mentioned the problem of retaining nonprofit executive directors that receiving training. There was discussion around opportunities to work with education systems to create a nonprofit leadership certificate. Shannon Lewis mentioned that the state of Tennessee has mastered the pipeline of early childhood into career pathways.

Chantel Schieffer presented on the challenges to developing leadership:

- Lack of leadership development programs - more needed in nonprofit sector
- Nonprofit leadership does not have the same for-profit measure of leadership as the private sector

Leadership Montana hosted a nonprofit workshop in December that was well attended demonstrating the interest in and demand for this type of leadership development.

Liz Moore mentioned she looked at a weeklong leadership course that was going to cost \$50,000 to bring to the state. KIN members expressed that there is no need to spend that much to get good leadership training. Mary Rutherford mentioned that there are some national funders for leadership such as Philanthropy Northwest; this could be a good KIN initiative. Erik Rose said MUS hosted a leadership webinar series that was very successful.

Andy Shirtliff gave an overview of GEOD's Business Navigator and site selector. Having a few non-profit executive directors (who are not in the health industry) try out the Navigator tool would help GOED staff learn what was needed so the tool could be useful for those using Navigator to start a nonprofit.

Ken Fichtler spoke on what is next for the next phase of MSMP stating that GOED will use recommendations from KINS and involve state agencies in carrying out the recommendations

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and continue to engage the KINS. The completion of Phase 1 will be capped off with a media event and announcement of MSMP Phase 2.

**Noon – Lunch discussion with Lt. Governor Cooney.** Conversation focused on how the KINs will be sustained and engaged. The GOED will be the focal point for non-workforce Main Street recommendations with SWIB implementing the workforce KIN recommendations.

### **1PM - Commissioner Bucy**

Commissioner Bucy provided a MSMP background. There is great information to exchange between agencies and the Nonprofit KIN. Commissioner Bucy thanked the KIN and stated the agencies are here to help you.

### **1:15 PM - Prioritize Recommendations**

The KIN began its work on developing recommendations for the Governor. Mary Craigle reminded the KIN that the recommendations all would enhance the ability of the nonprofit sector to grow Montana's economy, be accomplished within a short time period, not have a big general fund spend, and improve Montana's quality of life of its citizenry and provide a future for the state.

The recommendations developed are:

#### **Recommendation 1: Have a seat at the table**

Create a taskforce convened under Governor's Office of Economic Development that enhances pathways: reduces barriers, that enhances the Nonprofit Sector as an economic engine (best climate).

Issues to for the taskforce to examine include:

- Contracting OMB direct cost
- Navigator enhancements for nonprofits
- Regulation barriers across executive branch
- Attracting dollars to the nonprofit sector
- Growing rural philanthropy in particular but all service work
- Integrating the value of the nonprofit sector and work into Governor/agency external messaging
- Integrate into Governor/executive branch internal work an appreciation and recognition of the importance and value of nonprofit work - point of pride
- Attracting nonprofit organizations and dollars to the state through enhancements
- Understanding of the value to MT of nonprofits including:
  - The charitable giving tax credit
  - 2<sup>nd</sup> largest employer
  - Major economic sector (DLI data)
  - Key to live, work, play campaign

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- Contribution to a civil discourse society and overall Montana quality of life

### Recommendation 2: Leadership Development Pathway

There is a need for a focused effort that leads to sustainable nonprofit leadership programs and continued growth/advancement as a leader.

The recommendation is to develop a 5 -year plan that leads to sustainable leadership development in the non-profit sector including:

- Work across generations
- Coalition building
- Pipelining for workforce
- Shared services
- Funding from national organizations
- Sustainability efforts and growth as leaders
- Skill building of the leaders
- Professionalism/wages that match the work being done
- Works across generations
- Is built as a coalition public and private, across nonprofit sector
- Provides attraction of workforce/Management retention
- Pursues national/regional funding

Recommendation 3: Work with Leadership to remove or reduce barriers on those issues impacting the sector

- Low wages
- Perception of the nonprofit sector as volunteer not as a high skilled / career choice
- Public relations to change unfamiliarity and misconception of the importance of the nonprofit sector in the economy, professionalism, etc. Target audiences include:
  - Public
  - Funders
  - Economic developers
- Need for affordable support services
  - IT
  - Financial
- Need to reduce student debt which keeps students from taking nonprofit jobs

Recommendation 4: Education; training specific to nonprofit sector as a focus of OCHE, DLI, SWIB, and OPI

Possible outcomes could include:

- Nonprofit management degree

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- Credentialing for service learning/credits nonprofit experience, activism
- Integration into coursework across MUS/K-12 about nonprofit sector and service work
- Promotion of nonprofit careers as professional great careers
- Increase in apprenticeships within nonprofits
- Work-based learning partnerships between nonprofits and education:
- Credit for prior learning
- Grant writing and business plans by students for credit on behalf of nonprofits
- Review of credentialing and coursework to make sure match nonprofit job requirements

Recommendation 5: Dramatic improvements in government contracts and grants in terms of both process and results

- Streamline processes
- Remove regulations
- Provide assistance in procuring funding
- Fast track former successful recipients

### **3PM Break**

3:15 Next steps

- Look at fine tuning the navigator system with GOED
- Recommendations will go out to the full KIN for review
- Get the KIN information from Department of Labor on the number of apprenticeships within nonprofit organizations and from education on the number of employees in nonprofit with student debt working towards debt forgiveness
- Participate in the MSMP Innovate symposium