NONPROFIT NEW YORK | Nonprofit Excellence Awards

THE EXCELLENCE TOOLKIT

MARCH 2021

About

Nonprofit New York developed the ***Key Areas of Nonprofit Excellence*** to give nonprofits a roadmap of core management areas and excellent performance strategies within them. Though the nonprofit sector varies in size and mission, and the art and science of management is ever-evolving, these *Key Areas* are a good starting point for evaluating an organization's management practices and potential for growth and improvement. Below is a list of our *Key Areas*, each hyperlinked to its section in this report which lists relevant tools and resources. We strongly recommend you read these *Key Areas* prior to reading this toolkit, to ensure a deeper understanding of excellent nonprofit management practices.

1. **Advocacy and strategic alliances**
2. **Communications**
3. **Diversity, equity, and inclusion**
4. **Financial management**
5. **Fundraising and resource development**
6. **Governance**
7. **Human resources**
8. **Planning and evaluation**
9. **Technology and data use**

Nonprofit New York's programming is organized around the *Key Areas*, which were originally developed for Nonprofit New York's **Nonprofit Excellence Awards** program. This program provides nonprofits with an opportunity to gain a 360-degree review of their own organizational management, access feedback from experts that supports improvement, and the opportunity to be recognized for their management excellence and uplift their 'best' practices with the entire sector.

This toolkit contains data from top applicants (winners, finalists, and special recognitions of each *Key Area*) of the Nonprofit Excellence Awards from 2018, 2019, and 2020. Specifically, we reviewed their applications, sifting through their application narratives for outstanding tools, practices, strategies, and systems these top applicants established to pursue excellence in nonprofit management. Then, we distilled those findings into a short list of tools which other nonprofits can learn from to establish practices and strategies within their own organizations.

Take our Organizational Health Assessment!

The Organizational Health Assessment gives organizations a starting point in assessing how their management practices line up compared to our standards listed in the *Key Areas*.

Take the **Organizational Health Assessment** today! Discover areas of inefficiency in your organization and use this toolkit as a roadmap in tandem with the *Key Areas* to improve your management practices!

What kind of organizations used the tools listed below?

This toolkit examined 22 applications from: 3 winners, 6 runner-ups, and 21 special recognitions (some applicants also had an overlap of winner or runner-up status). The budget range of applicants was between 500,000 and upwards of $10 million - with a median budget size of 6,234,337. Most top applicants were from the human services (36%) and education (27%) subsectors, employed a median[1] of 77 staff, and worked with roughly 100 volunteers.

In terms of financial health metrics, we looked at the number of months of operating expenses covered by an organization's liquid reserves and cash on hand, which was (respectively), 4 and 2 months. For context, most banking organizations recommend maintaining available net assets equal to at least three months of operating costs.[2] [3]

[1] Given our small dataset and the broad range in budget sizes, the following data are reported by **quartiles**, rather than averages.
[2] Fiscal Management Associates Institute (2012).**Strengthening Nonprofits**.Online
[3] Candid.**How much should my nonprofit have in its operating reserve?**.Online

The Tools

Each Nonprofit Excellence Awards applicant answered questions about how their organization exemplified excellence in the Key Areas. The following are tools and systems that they provided as examples of how they pursued excellence in nonprofit management, which are supplemented with additional resources Nonprofit New York provides in each Key Area.

ADVOCACY AND STRATEGIC ALLIANCES FURTHER THE MISSION

Top Applicant Tools & Strategies

1. To inform their advocacy strategy, several organizations compiled literature reviews on a policy issue, looked at relevant policy memos, and/or conducted bellwether interviews[4].
2. To stay connected to their allies, organizations maintained partnerships with umbrella groups and coalitions to coordinate advocacy efforts, share information, and brainstorm strategy.
3. Many organizations provided learning opportunities to their communities, including: "Know Your Rights" forums and regular policy updates in the form of policy memos and newsletters.
4. Organizations hosted advisory boards and other regular convenings to create space for clients and communities to independently organize, advocate, and strategize.
5. Tracking relevant legislation, rehearsing policy asks, and reviewing policy gains allowed organizations to track their small wins in the slow process that is policy change, which was both motivating and informative for future work.
6. Fostering private, government, and public partnerships allowed nonprofits to create allies and encourage change outside of the nonprofit sector.
7. Participation in town halls, public hearings, and writing letters to elected officials were all ways some top applicants offered their expertise to policy makers.

Resources From Our Knowledge Center

1. A comprehensive guide to **Evaluating Advocacy** work at your organization. Created by the **Harvard Family Research Project**.
2. **Community Engagement & Participation Checklist** provides key indicators for authentic and participatory community engagement processes. Created by **PolicyLink**.
3. **The Do's and Don'ts of Media Interviews and Presentations** is a list of general guidelines for handling media coverage on your organization. Created from a workshop presented by **The Samansky Group**.

[4] Bellwether interviews involve posing your policy-related questions to influential people whose positions require that they track a broad range of policy issues (e.g. policy makers, advocates, think tanks/academia, media outlets, and more).

COMMUNICATIONS ARE STRATEGIC, EFFECTIVE, AND BUILD THE ORGANIZATION'S BRAND IDENTITY

Top Applicant Tools & Strategies

1. An annual communications calendar helped organizations monitor their outgoing communications in order to track key messaging and prioritize communication pushes.
2. Social media platforms — such as Twitter, Facebook, Instagram — were used to reach as wide a target audience as possible. Many organizations tracked engagement by monitoring likes, reshares, views, and comments to assess how effectively they engaged with their target community.
3. To design their communication materials, several organizations reported using graphic design sites like Canva, as well as data visualization sites like Datawrapper and Tableau.
4. Email marketing software — such as MailChimp, ConstantContact, and Drip — were used to send out newsletters, donation requests, and project updates.
5. It was vital to have an easily accessible brand/style guide that described how to use the organization's logo, its colors, and fonts. Oftentimes this was accompanied by a narrative/storytelling guide to be used by staff for consistency in explaining the organization's mission, story, and current work.
6. To disseminate their work, organizations reached out to reporters and news outlets, sometimes writing op-eds and/or simply tagging reporters in a social media post.
7. To prep staff for public-facing events, communications staff created press policies to guide staff through the dos-and-don'ts of interviews.
8. One organization had an internal crisis team for formulating rapid responses to unexpected events.

Resources From Our Knowledge Center

1. A **Sample Communications Calendar** to help your communications/marketing team track key messaging, important launches, and communication vehicles. Created by **Nonprofit New York**.
2. **How Do I Better My Organization's Storytelling Practices?** is an article explaining how a nonprofit can develop a strong narrative to support their organization's communications. This article was assembled from a workshop presented by **Andy Goodman**.
3. **What are the Basics of Social Media?** is an article giving a broad overview of what social media is, examples of social media platforms, and how to best use them. Created by the Interactive Engagement Group at **WNET**.

Bonus Resource: **Chicken & Egg Pictures**, 2020 Nonprofit Excellence Awards finalist and recipient of special recognition in communications, provided a sample **COVID-19 Communications Plan**, which can be used to plan out COVID-19 related campaigns.

THE ORGANIZATION IS DIVERSE, EQUITABLE, AND INCLUSIVE

Top Applicant Tools & Strategies

1. Top applicants embedded broad, extensive hiring outreach as part of their strategy to recruit diverse candidates; often using multiple websites (e.g. LinkedIn, Idealist, Indeed, our **Job Board**) and rewarding successful referrals from existing staff.
2. Anonymous surveys of staff perceptions of diversity, equity, and inclusion (DEI) culture within their organization helped leadership design more targeted DEI programming and training.
3. It was important for some organizations to have a board and leadership team reflective of staff and/or client demographics; some organizations specifically sought to hire from previous clients for this reason.
4. Many top applicants emphasized that staff perspectives must be listened to. Sometimes this was facilitated through staff-led presentations, including topics like intersecting identities or other DEI-related topics.
5. As a lasting commitment to equity, many organizations made clear, unambiguous anti-racism and anti-oppression statements which were publicly visible. And formal DEI policies were published in the organization's handbook.
6. Anti-racism committees and affinity groups were created to provide a space for staff to safely have difficult conversations on how DEI affects their work.
7. Many organizations said they offered DEI training that included implicit bias, often with consultants if their organization lacked staff trained to facilitate DEI discussions.
8. Many organizations hire from the populations they serve because they value how lived experience informs their work.

Resources From Our Knowledge Center

1. **Sample Anti-Oppression Policy** outlines the definition and meaning of oppression and outlines aspirations/expectations for the organization and its staff. Created by **Nonprofit New York**.
2. **Sample External Code of Conduct/Non-Harassment Policy** outlines the expectations of external stakeholders when engaging with the organization and what to do if someone suspects harassment. Created by **Nonprofit New York**.
3. **Racial Equity Resource Glossary** provides definitions for the vocabulary surrounding racial equity. Created by the **Racial Equity Resource Guide**.

Bonus Resource: **Global Kids**, 2020 Nonprofit Excellence Awards winner for Overall Management Excellence, provided a sample **Diversity, Equity, and Inclusion Training Overview**, outlining the content of their DEI trainings and their DEI strategies and practices.

FINANCIAL MANAGEMENT IS STRONG, TRANSPARENT, AND ACCOUNTABLE

Top Applicant Tools & Strategies

1. Participatory/collaborative budget meetings were held as an inclusive way for all staff to be involved in budget planning. Organizations had very clear methods of involving staff, for example: providing budget templates, holding forums, or reviewing department budgets with all staff.
2. Several organizations said they used some form of financial management software, like Expensify, PayChex, Quickbooks, and Intuit.
3. Many organizations tracked the financial health of their organization using accounting indicators such as liquid unrestricted net assets (LUNA), months of cash on hand, and months of operating expenses held in reserve.
4. Applicants consistently emphasized the importance of maintaining reserves in case their organization needed to weather difficult times.
5. When budgeting, many organizations made a habit of projecting worst-case fundraising scenarios to ensure they account for unexpected economic contractions.

Resources From Our Knowledge Center

1. **Financial Management Assessment** is for evaluating the strengths and weaknesses of the organization's financial operations, identify areas that need strengthening, and identify gaps. Created by the **NFP Advisors, LLC**.
2. **What are the Responsibilities of an Audit Committee?** is a guide outlining the typical responsibilities of nonprofit audit committees. Created from a workshop presented by Julie Floch and D. Edward Martinwith **EisnerAmper LLP Accountants and Advisors**.
3. **How Much of a Donor's In-Kind Donation is Tax-Deductible?** is a guide on how to gauge how much an in-kind donation is tax deductible. Created from a workshop presented by Karen Kowgios with **Fried & Kowgios Partners LLP**.

Bonus Resource: **Edible Schoolyard NYC**, recipient of special recognition in financial management in 2019, created a **template budget**, with a statement of cash flow and forecasting sheet.

FUNDRAISING AND RESOURCE DEVELOPMENT ARE STRATEGIC, DONOR-CENTERED, AND ADVANCE THE ORGANIZATION'S MISSION

Top Applicant Tools & Strategies

1. Development calendars were used to track fundraising initiatives and deliverables, such as fundraising campaigns, grant application deadlines, grant deliverables, and receipt of funding.
2. Organizations would fundraise on multiple platforms, including physical events (e.g. galas) and websites (gofundme, Classy, AmazonSmile).
3. Many would routinely engage with past donors with newsletters and reports, often translating donation amounts to specific programming (e.g. $100 = 1 hour of counseling) and providing routine updates on new programming and program outcomes.
4. Some organizations offered volunteer opportunities to donors and funders — both to give them a more intimate understanding of the work they are funding and to foster closer relationships with supporters.
5. Social media and brand recognition were important for soliciting individual donations, many organizations used playful, concise, and eye-catching graphics to grab the attention of individual donors.
6. Some applicants took a very creative approach to funder engagement. One organization held walking tours through their organization and another hosted a physical/virtual museum that connected their organization's history to their work today.

Resources From Our Knowledge Center

1. **Fundraising Compliance Guide** lays out the regulations you need to know and the steps you need to take in order to maintain compliance. Created by **Harbor Compliance**.
2. **Creating a Stellar Fundraising Plan** outlines the steps a nonprofit should take when developing a fundraising plan. Created from a workshop presented by Doug Wingo and Christa Orth of **Wingo NYC**.
3. **Sample Development & Marketing Calendar** provides a high-level overview of development and marketing campaigns throughout a year. Created by **Growth for Good**.

GOVERNANCE STRUCTURE MOVES THE ORGANIZATION FORWARD

Top Applicant Tools & Strategies

1. Many organizations reported creating intentional opportunities for staff-board engagement, such as through staff presentations at board meetings and staff involvement in board committees.
2. Board committees allowed board members to work on targeted projects for the organization.
3. Some organizations held optional interim board meetings to give board members a more in-depth explanation of programs and offer additional staff engagement opportunities.
4. Board performance evaluations were used to assess board members' engagement and effectiveness for the organization.
5. One organization required senior board members to mentor new members as part of new member orientation.
6. Board newsletters were sent out to keep board members up to speed on the newest internal updates.
7. Board retreats were held as a way to foster trust, brainstorm new ideas, and address past challenges.
8. Program dashboards were provided at board meetings to give high-level data on key performance indicators.
9. Most organizations had a board handbook published and available to all board members, and its policies were reviewed and revised on a regular basis.

Resources From Our Knowledge Center

1. **Board of Directors Scorecard Template** helps an organization track key board indicators, such as attendance, giving, committee participation, and mission-related work. Created by **Nonprofit New York**.
2. **Board and Governance Manual** is a guide to board and governance essentials, including an outline of board roles and responsibilities, committee charters, and templates for board recruitment and assessment. Created by **Board Coach**.
3. **Development Dashboard Template** helps an organization track their yearly fundraising goals and actuals on a monthly basis. Created by **Nonprofit New York**.

Bonus Resource: **Literacy, Inc.**, 2019 finalist for overall management excellence, provided a sample **Board Committee Charter**, which can be used to outline the powers and responsibilities of a board committee.

HUMAN RESOURCES ARE VALUED AND DEVELOPED

Top Applicant Tools & Strategies

1. Sustainability Committees were used to develop strategies in increasing employee retention and satisfaction.
2. Staff satisfaction surveys were used to better understand staff workload, responsibilities, office culture, perceptions of internal DEI, and more.
3. Organizations reported removing educational requirements from job descriptions, in order to not exclude skilled candidates with relevant work experience.
4. Especially for organizations serving marginalized populations and hiring direct service staff, some organizations had clients present at and involved with in-person interviews.
5. New manager toolkits and exit memos — often outlining outstanding projects, needed contact information, and more — were used to preserve institutional knowledge and help onboard new staff.
6. An anonymous suggestion/gratitude jar (sometimes done virtually, like through google forms!) was used so staff could anonymously and safely provide feedback to coworkers and leadership.
7. In an effort to address pay disparities, organizations created and made public to employees a structured compensation plan which would outline how compensation factors such as seniority and additional skills (e.g. bilingualism) would lead to pay increase.
8. Many organizations offered formal opportunities for professional development, through trainings or lunch-and-learns. Some also allocated money into professional development funds so staff could attend conferences, take courses, or attend workshops.

Resources From Our Knowledge Center

1. **An Overview of Law and Regulations for Employers** provides a basic overview of some of the laws and regulations employers must follow. Created from a workshop presented by **Allen Breslow**.
2. **What is a Roles and Responsibilities (RASI) Chart?** is an overview and template for defining responsibilities, major milestones, and timelines in key tasks and major areas of responsibility. Created by **Nonprofit New York**.
3. **Sample Sexual Harassment Policy and Complaint Form**, New York State has a website with resources, including a sample sexual harassment policy and complaint forms that are compliant with New York State labor laws. Created by **New York State**.

Bonus Resource: **Day One**, 2018 Nonprofit Excellence Awards winner in the area of Human Resources, developed a **Feedback Form** as a template for supervisor and supervisee check ins, as well as a **Pipeline to Leadership** to explain how staff are promoted based on their work and merit.

PLANNING AND EVALUATION GUIDES THE MISSION AND VISION

Top Applicant Tools & Strategies

1. Many organizations surveyed the communities they served, sometimes for the sake of grant deliverables but also in order to better understand how they can tailor their programs and services to their clients' needs.
2. A strategic plan was developed to center an organization's work around an overarching goal and keep programs and services focused.
3. One organization invested in research and development, which included running pilot programs for novel interventions.
4. Many applicants regularly borrowed from the knowledge and expertise of external researchers. They did so by partnering with universities or think tanks to design and implement research plans.
5. Logic models were developed to ensure programming promotes and aligns with the organization's mission by delineating the relationship between activities and their intended outcomes.
6. Data visualization tools, such as Google Sheets, Excel, Google Data Studios, Tableau, and Datawrapper, were used as an accessible way to understand trends and outliers in data.
7. Organizations would publicize their findings and research methods so that others could learn from their work.

Resources From Our Knowledge Center

1. **Logic Model Template** is designed to help your organization map out the resources, activities, outputs, outcomes, and ultimate impact of your programs. Created by **Barretto Consulting**.
2. **What is a Strategic Plan?** explains what a strategic plan looks like and how it helps get your organization where it wants to be. Created by Lisa Kohn of the **Chatsworth Consulting Group**.
3. **The Basic Principles of Program Evaluation** outlines the basics of program evaluation, as well as tips for an organization just getting started. Created from a workshop presented by Peter York and Anne Sherman, Consultants with **The Conservation Company**.

TECHNOLOGY AND DATA USE IMPROVES EFFICIENCY AND ADVANCES THE ORGANIZATION'S MISSION

Top Applicant Tools & Strategies

1. Cloud storage—such as Google Drive, Dropbox, OneDrive, Amazon Web Services, Box, and many more—facilitated access and collaboration by allowing staff to upload, modify, and share files amongst each other.
2. Multi-factor authentication was used to bolster security around access to an organization's accounts and data. Some multi-factor authentication technology includes LastPass, Duo, Okta, and Google Authenticator.
3. An IT security handbook was created to protect client data and other sensitive information. And either within the handbook or as a standalone, an Incident Response Plan was developed so organizations could prepare for potential leaks and disruption.
4. Many organizations made use of software which facilitated online collaboration, such as online calendars (e.g. Google Calendar, Calendly), online word processors (e.g. Google Docs), project management software (e.g. Asana or Trello), and instant messaging tools (e.g. Slack, Google Hangouts, Microsoft Teams, Discord, and Mattermost).
5. Some organizations, especially those with remote workers, used Virtual Private Networks (VPN) to ensure their staff worked within a safe online environment and could securely access and share data.
6. Equipment upgrade schedules were created to replace obsolete equipment and software as needed, as well as plan for future transitions into new technologies.
7. Password managers—such as LastPass, Dashlane, and Keeper— were used to securely store and share passwords among staff.
8. One organization created a decision tree to inform future IT-related decisions, such as whether to transition from one software to another.
9. Time was set aside in all-staff meetings for skill sharing: a moment for staff to teach each other tips and tricks for more effectively using technology.
10. Customer relationship management (CRM) software, like Salesforce, were used to track and manage client-organization relationships and interactions, as well as tracking client data.

Resources From Our Knowledge Center

1. **What is an IT Strategic Plan?** Explains the details of an IT strategic plan and how an organization should go about designing one. Created from a workshop presented by Joshua Peskay of **RoundTable Technology**.
2. **Work From Home Cybersecurity Self-Assessment** is a survey to help you identify security concerns and provide recommendations for ways you can improve your protection. Created by **RoundTable Technology**.
3. **Remote Working: Setting Yourself and Your Teams Up for Success** series of resources published on how to effectively work and manage teams remotely. Created by **LinkedIn**.

About Nonprofit New York

Nonprofit New York's mission is to strengthen and unite New York's nonprofits. We're building a thriving community of extraordinary nonprofits—a relentless, collective force for good.

Engaging over 4,000 nonprofits in the New York City area in the last year, we've been building a powerful nonprofit community in New York for more than 35 years, driven by the belief that when one nonprofit is stronger, all of us are stronger. Together, we're changing New York—and the world.

Looking for ways to improve your management practices? Check out our upcoming **trainings** and **other learning opportunities**!

Have questions on this toolkit? Contact Celine Yip at **cyip@nonprofitnewyork.org**.

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