Annual Meeting

October 7, 2014
October 2014

Members of The Nonprofit Association of Oregon
5100 SW Macadam Ave., Suite 360
Portland, OR 97239

Dear Friends,

To all who have gathered for The Nonprofit Association of Oregon’s annual meeting, I want to welcome you and thank you for your service and contributions to the people of our great state.

Nonprofit organizations share the same mission: to better the lives of Oregonians. Because of your leadership and commitment, children receive educational opportunities; families access necessary health and social services; immigrants are empowered to thrive in their communities; job seekers gain skills to find employment; and families explore the wonders of our state, from the arts to Oregon’s picturesque outdoors.

While the state provides many of the same services your organizations do, we can’t do this work alone. We need you, the more than 166,000 nonprofit workers, to help tackle our state’s biggest challenges and strengthen our communities.

Your work symbolizes the power of communities and people working together to realize our collective vision: that Oregon is at its best when it’s a great state for each and every one of us. Again, my deepest appreciation for the work you do. I hope this meeting provides you with inspiration and ideas to keep moving forward.

Sincerely,

John A. Kitzhaber, M.D.
Governor
October 7, 2014

Dear Members and Friends,

Welcome to our 2014 Annual Meeting. We believe that Oregon nonprofits are some of the best engaged, most innovative and deeply committed nonprofits in the nation! We are proud to serve as the leadership of your state association. We want to take this opportunity to celebrate Oregon’s diverse nonprofit sector. We know that the work you do in communities large and small across the state has lasting effects for all Oregonians.

We have big aspirations for the coming year! We see a future where Oregon nonprofits have available to them a suite of tools and services that will create a standard of excellence for other nonprofits across the nation to follow. We know that the power of the nonprofit voice in Oregon is strong, and we are committed to strengthening it further through deeper partnerships with our public sector colleagues and policy makers. With over 15,000 charitable benefit nonprofits in Oregon, we are placing a renewed emphasis on building our membership with the goal this year of becoming 1,000 members strong.

We will be strengthening the capacity of nonprofits to network and learn across their towns, regions and the state as a whole, through structures like the Rogue Valley Nonprofit Network and the Nonprofit Network of Central Oregon. We believe that positive community actions are most successful when they are led by on-the-ground efforts and knowledge. By bringing that expertise to bear for the common good, we are all better equipped to support our charitable missions.

We know that our programs and strategic partnerships are instrumental to our continued success. We are excited that you – our members - are a part of this meaningful work. We are energized by what we have accomplished together and motivated to meet the challenges ahead of us. Thank you for your support of NAO!

Sincerely,

Karin Kelly-Torregroza
President

Jim White
Executive Director
We thank the following sponsors for their generous support of NAO’s Annual Meeting:

Kaiser Permanente
Bliss Sequoia Insurance & Risk Advisors
Jones & Roth
The Standard
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James E. Richman, CPA, PC
FOUNDATION SUPPORTERS

Ford Institute for Community Building

The Jackson Foundation

Kaiser Permanente

The Kinsman Foundation

MJ·Murdock Charitable Trust

The Oregon Community Foundation

Meyer Memorial Trust

The Paul G. Allen Family Foundation

The Collins Foundation

The Samuel S. Johnson Foundation
AGENDA

Annual Meeting

7:30 - 8:15 a.m.  Breakfast, Networking, Information Tables

8:15 a.m.  Business Program

Welcoming Remarks
Karin Kelly-Torregroza, Board President

Mission & Service Report
Jim White, Executive Director

Governance Report & FY15 Board Introduction
Ross Laybourn, Secretary

Voice of the Sector Discussion
Jim White & Mark Langseth, Public Policy Committee Chair

Looking Ahead
Karin Kelley-Torregroza

9:45 - 10:00 a.m.  Conference Registration (Deschutes BC)

High Desert Nonprofit Leaders Conference

10:00 - 4:00 p.m.  Join other nonprofit leaders for the High Desert Nonprofit Leaders Conference featuring morning and afternoon breakout sessions and a keynote discussion, *Best Practices in Nonprofit Governance*, by award-winning author and national consultant, Peter Brinckerhoff.
Our Mission

Nonprofit Association of Oregon (NAO) exists to strengthen the collective voice, leadership, and capacity of nonprofits to enrich the lives of all Oregonians.

Our Vision

NAO’s vision is that Oregon’s nonprofits are visible and valued as essential contributors to our society.

Our Core Values

Our core values are the principles that guide our internal and external actions and drive our accountability to each other and our stakeholders. We are inspired by these values and we aspire to fully live these values.

- **Collaboration**: We are better together. We encourage strategic collaboration to bring out the best solutions and strengthen the fabric of our communities.
- **Equity and Inclusion**: We value diversity in many forms. We are committed to strengthening nonprofits as change agents that contribute to a just and equitable society.
- **Excellence**: We challenge ourselves to do great work. We actively seek feedback to continually improve and evolve our practices and services.
- **Impact**: We make a difference. We focus on results that matter to nonprofit leaders, organizations networks, the sector, and ultimately, society.
- **Learning**: We are curious, ask good questions, and listen well. We believe continual learning is essential for adaptation, innovation, resilience, and relevance.
- **Service**: We are responsive and flexible. We build relationships. We meet people where they are, developing experiences, content, and outcomes that advance nonprofit missions.
- **Stewardship**: We are effective stewards of the financial, human, and natural resources.
Our Results

The results we are dedicated to achieving require a results-based accountability framework that can guide NAO and our stakeholders to success. Using our four core strategies over the next three to five years, NAO is focused on achieving and evaluating the following results:

- Nonprofit leaders are developed to reflect Oregon's growing diversity
- Nonprofits have the tools, knowledge, and capabilities to achieve their missions
- Nonprofits are better connected for greater learning and collaboration
- NAO is a trusted source for nonprofit management information and practices, as well as sector-wide data and trends
- Opinion leaders recognize the essential roles of nonprofits in our communities
- Nonprofit sector voices and issues are heard and incorporated in public policymaking
- NAO’s development (Theory of Change, value proposition, and business model) leads to additional members, partners, and resources
YEAR IN REVIEW

Built the Nonprofit Sector Voice

NAO strives to increase the influence, understanding, and respect of the nonprofit sector in Oregon. Our members, elected officials and government agencies, and the media all look to NAO for leadership, ideas, and guidance in public policy.

In Oregon: We worked with our members and partners to:

- Mobilize our nonprofits to engage in advocacy issues in their local communities through a series of reports, seminars, town halls and electronic bulletins.
- Alerted nonprofits and public officials to substantive changes in the Office of Management and Budget (OMB) guidelines for nonprofit contracting by conducting focus groups and training events.
- Raised the visibility and advanced public understanding of the nonprofit sector's importance in delivering public sector and public benefit work.

At the Federal level: NAO continued to monitor federal fiscal policies and met with members of Oregon’s congressional delegation, providing analysis of how various “tax reforms” would negatively impact nonprofits and charitable giving.

- Lobbied Senators Wyden and Merkley for the passage of the “America Gives More Act” to help secure important tax incentives for giving to nonprofits – the food donation tax deduction, an enhanced deduction for conservation easement donations and the IRA charitable rollover.
- Worked in partnership with Independent Sector, Grantmakers of Oregon and Southwest Washington, the National Council of Nonprofits, Philanthropy Northwest and our state association colleagues in the Northwest to educate and inform the sector and policymakers about issues that affect nonprofits.
Grew Nonprofit Capacity

A cornerstone of NAO’s work as the state association is to help build the capacity of nonprofits to effectively and efficiently deliver their missions. NAO offers a suite of services to assist nonprofits in their organizational development. This year NAO:

- Strengthened strategic partnerships with other local and national capacity-building organizations to offer state-wide programs. This includes co-producing professional development seminars in order to maximize impact for Oregon nonprofits.
- Elevated and strengthened Oregon’s nonprofit resources, through the Oregon Nonprofit Events Calendar.
- Developed additional content and research capacity to provide critical support to nonprofits in Oregon through the Helpline.
- Provided in-depth consulting and training services on topics including strategic planning, Board development, and fundraising with specific emphasis on rural areas of Oregon.
- United with the Rogue Valley Nonprofit Network to become a single entity supporting nonprofit professional development and networking in Southern Oregon. This new model includes an engaged and motivated local Advisory Committee in Southern Oregon, which is spearheading a robust outreach campaign to support reduced season pass prices and an introductory one year NAO membership.
- Through support of the Partnership to End Poverty, NAO established an on-the-ground staff resource in Central Oregon, who is providing critical outreach to nonprofits in Central Oregon through a series of “Resource Roundups” and individualized light coaching sessions.

“I WOULD USE NAO'S SERVICES AGAIN AND AGAIN! THEY ARE HELPFUL, HAVE GREAT RESOURCES AND ARE OF GREAT SERVICE. OUR ORGANIZATION HAS GROWN BY LEAPS AND BOUNDS, THANKS TO NAO.”
Developed Leadership

- Offered expert-level coaching, leadership development and training to nonprofit leaders in an effort to ensure efficient and effective mission impact.
- Worked to expand NAO’s interim executive director and development director placement consultancies as well as search services around the state.
- Collaborated with state nonprofit leaders to further identify and advance effective professional development needs across the state.
- Developed a partnership with CFO Selections to provide interim Chief Financial Officer placements for nonprofits in Oregon.
- Worked with the Young Nonprofit Professionals Network of Portland (YNPN) as fiscal sponsor to develop the next generation of nonprofit leaders.
- Explored strategic partnerships across the state to further develop regional leadership resource hubs.

NAO BY THE NUMBERS

1. Oregon Nonprofit State Association

- 720 NAO members
- 18,000 nonprofits supported through advocacy
- 1,000 individuals seeking information from NAO's Helpline
- 26 member benefit programs
- 95,876 user visits to NAO online resource pages
NAO BY THE NUMBERS

- 19 rural hubs
- 7 peer learning networks
- 135 trainings & workshops
- 5,000+ nonprofit leaders trained statewide
NAO BY THE NUMBERS

- **21** Executive Transition placements
- **181+** organizations assisted with specialized support
- **160** Organizational Development coaching & consulting assistance
MEMBER OVERVIEW

Primary Service Area

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Percent</th>
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</thead>
<tbody>
<tr>
<td>Community Improvement &amp; capacity</td>
<td>24%</td>
</tr>
<tr>
<td>Mental health &amp; crisis intervention</td>
<td>26%</td>
</tr>
<tr>
<td>Food, agriculture &amp; nutrition</td>
<td>22%</td>
</tr>
<tr>
<td>Youth development</td>
<td>27%</td>
</tr>
<tr>
<td>Environment</td>
<td>26%</td>
</tr>
<tr>
<td>Housing &amp; Shelter</td>
<td>22%</td>
</tr>
<tr>
<td>Health care</td>
<td>32%</td>
</tr>
<tr>
<td>Public &amp; societal benefit</td>
<td>33%</td>
</tr>
<tr>
<td>Philanthropy, voluntarism &amp; foundations</td>
<td>16%</td>
</tr>
<tr>
<td>Other</td>
<td>0%</td>
</tr>
</tbody>
</table>

Budget Size

Our nonprofit members are small, medium, and large organizations, though most have budgets over $100,000.

- Less than $50,000: 24%
- $50,001 to $100,000: 5%
- $100,001 to $250,000: 14%
- $250,001 to $500,000: 14%
- $500,001 to $1,000,000: 10%
- $1,000,001 to $5,000,000: 23%
- Greater than $5,000,000: 10%

Place of Business by County

- Multnomah, 51%
- Other, 13%
- Clackamas, 9%
- Washington, 8%
- Lane, 6%
- Marion, 5%
- Deschutes, 4%
- Jackson, 4%
- Marion, 5%
- Washington, 8%
- Clackamas, 9%
- Other, 13%
FINANCIAL OVERVIEW

Statement of Activities
For the Year Ended 9/30/14 (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>FY13 Y/E</th>
<th>FY14 Budget</th>
<th>FY14 Y/E Estimate</th>
<th>FY15 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted Support &amp; Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants &amp; Sponsorships</td>
<td>775,154</td>
<td>485,895</td>
<td>479,500</td>
<td>513,445</td>
</tr>
<tr>
<td>Individual Contributions</td>
<td>14,328</td>
<td>5,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Program &amp; Service Fees (Net of Client Costs)</td>
<td>810,387</td>
<td>1,046,549</td>
<td>1,060,416</td>
<td>1,185,010</td>
</tr>
<tr>
<td>Membership Dues</td>
<td>89,416</td>
<td>90,000</td>
<td>105,000</td>
<td>140,000</td>
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<tr>
<td>Interest</td>
<td>894</td>
<td>800</td>
<td>850</td>
<td>800</td>
</tr>
<tr>
<td>Sales &amp; Other Income (Net)</td>
<td>27,688</td>
<td>19,000</td>
<td>30,000</td>
<td>16,100</td>
</tr>
<tr>
<td>Total Unrestricted Support &amp; Revenue</td>
<td>1,717,867</td>
<td>1,647,244</td>
<td>1,679,766</td>
<td>1,859,355</td>
</tr>
</tbody>
</table>

Expenses

|                        |          |             |                   |             |
| Personnel              | 1,190,115 | 1,198,900   | 1,198,900         | 1,223,305   |
| All Other Expenses (incl Depreciation) | 492,475  | 484,965     | 409,583           | 625,725     |
| Total Expenses         | 1,682,590 | 1,683,865   | 1,608,483         | 1,849,030   |

Income (Deficit)

<table>
<thead>
<tr>
<th></th>
<th>FY13 Y/E</th>
<th>FY14 Budget</th>
<th>FY14 Y/E Estimate</th>
<th>FY15 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income (Deficit)</td>
<td>35,277</td>
<td>(36,621)</td>
<td>31,335</td>
<td>10,325</td>
</tr>
</tbody>
</table>

Percentages of Revenue from Specified Sources FY14 Estimate
Eloise Damrosch, Portland (through 2015)
Ms. Damrosch has been with the Portland tri-county Regional Arts and Culture Council (RACC) since 1988, and Executive Director since 2004. RACC is a $7 million organization that works to integrate arts and culture into all aspects of community life through grants to artists and arts organizations, placing specific works of art in public spaces, and supporting arts education. Prior to coming to Portland, Ms. Damrosch lived in Bend for more than a decade where she taught art history and managed the Artists-in-Education program for Central Oregon.

Tonya Graham, Ashland (through 2015)
Ms. Graham has been Executive Director of the Geos Institute since 2001. The Geos Institute, which has a budget of about $1.5 million and maintains an office in Washington, D.C. as well as in Ashland, helps people predict, reduce, and prepare for climate change bringing the best available science to community and natural resource planning processes. Ms. Graham has also developed ClimateWise, a nonprofit consulting firm that is part of the Geos Institute.

Chris Krenk, Portland (through 2015)
Mr. Krenk has served as the President and CEO of Albertina Kerr Centers for the past 22 years. Founded in 1907, Albertina Kerr Centers partners with the community to support people with developmental disabilities and mental health challenges to lead self-determined lives and realize their full potential. Mr. Krenk is past Chair and current Board member of CareOregon, past President of the Foster Family Care Network, past President of the Oregon Alliance of Children's Programs, and past member of the Governor's Task Force to evaluate Oregon State Hospital abuse prevention and reporting procedures.

Mark Langseth, Portland (through 2015)
Mr. Langseth has been the President and Chief Executive Officer of “I Have A Dream” Foundation since 2009, which with a budget of $1.2 million helps low-income kids succeed in school and college. Mr. Langseth moved to Portland from Minneapolis in 2006 to take the position of Assistant Vice President for University Development at Portland State.

David Leslie, Portland (through 2016)
Mr. Leslie is Executive Director of Ecumenical Ministries of Oregon (EMO), a statewide association of religious denominations, congregations, ecumenical organizations, and interfaith partners. EMO’s mission is to address the well-being of all Oregonians through faith-based social ministries, advocacy initiatives, and interreligious dialogue programs. EMO serves more than 50,000 people annually and has a $3.5 million operating budget. Mr. Leslie’s Board and community service includes the Oregon Ending Homelessness Advisory Committee, National Religious Campaign Against Torture, and National Council of Churches Interfaith Commission.

Bob Lieberman, Grants Pass (through 2015)
Mr. Lieberman arrived in Oregon from Chicago in the early 1970s and began his career in children’s mental health services. He has been associated with Kairos, formerly Southern Oregon Adolescent Study and Treatment Center (SOASTC) since the late 70s and has been its Executive Director since 1989. Kairos, with a budget of $7.5 million, provides both residential and outpatient treatment to emotionally at-risk children and their families throughout southern Oregon. Kairos has pioneered school-based mental health prevention and promotion programs in Josephine County.

Michelle Neal, Portland (through 2015)
Ms. Neal is the Pacific Northwest Regional Director of INROADS. The mission of INROADS is to develop and place talented underserved youth in business and industry and prepare them for corporate and community leadership. Ms. Neal achieves organizational goals by providing quality services to students, corporate clients, and the community. Ms. Neal has over 15 years of experience in the public, private, and nonprofit sector in various managerial and professional positions. Ms. Neal is a former adjunct professor at Portland State University, Marylhurst University, and the University of Phoenix focusing on topics such as communication, strategic planning and diversity.
Rick Nitti, Portland (through 2015)
Mr. Nitti has been the Executive Director of Neighborhood House since 1991. Neighborhood House, founded in 1905, is a $5.6 million agency serving 12,000 low-income children, families, and seniors annually. Mr. Nitti is a former Board President of Children First and Board Chair of the Southwest Community Health Center. He currently serves as Treasurer of the Board of the Hillsdale Farmers Market and is a member of the Multnomah County Poverty Advisory Committee. Mr. Nitti was the co-Chair of the NAO Steering Committee when it was a program of TACS and joined the Board in January 2010.

Chris Otis, Portland (through 2016)
Ms. Otis is the Executive Director for SMART – Start Making a Reader Today. SMART is a volunteer-driven statewide nonprofit, with a budget of $3 million, providing one-on-one reading support for children pre-K through third grade. Prior to joining SMART in 2010, Ms. Otis served as executive director for the Children’s Relief Nursery, a child abuse prevention program serving high-risk children and families in Portland. Prior to her five-year tenure at the Children’s Relief Nursery, she served as the executive director for the Cystic Fibrosis Foundation-Oregon Chapter; the Oregon Alliance of Senior and Health Services; the California Association of School Psychologists; and deputy executive director for the California Chiropractic Association. Ms. Otis has been an adjunct faculty member of the University of Portland, where she was recruited to design and teach a course on nonprofit management for MBA students at the University’s School of Business.

Claire Seguin, Springfield (through 2015)
Ms. Seguin has served as Executive Director of the Neighborhood Economic Development Corporation (NEDCO) since 2010. NEDCO, Oregon’s first Community Development Corporation, helps neighborhoods and families build assets through homeownership, neighborhood revitalization, and business development in Lane County and the Mid-Willamette Valley serving Salem, Clackamas County, Marion County, and neighboring communities. In 2008, prior to her move to Oregon, Ms. Seguin was awarded the Nonprofit Woman of the Year award from the San Diego East Chamber of Commerce for her 15 years of nonprofit leadership.

Karin Kelley-Torregroza, Beaverton (through 2016)
Ms. Kelley-Torregroza is Executive Director of Vision Action Network (VAN), a $400,000 organization serving Washington County. VAN’s mission is to identify critical issues and support collaborative community-based solutions. In the last two years VAN has focused on health care, sustainability, and economic security for Washington County residents. Prior to joining VAN in 2008, Ms. Kelley-Torregroza was the Director of Children, Youth, and Family Services for Portland Impact. Ms. Kelley-Torregroza moved to Oregon in 2007 from California where she directed the Redwood City School District’s Community Schools initiative and its School-Community Partnerships program.

Brandi Tuck, Portland (through 2015)
Ms. Tuck moved to Portland from Florida in 2006, and in five years has founded both the Portland Jazz Composers Ensemble, where she serves as Board President, and Portland Homeless Family Solutions, where she is Executive Director. Portland Homeless Family Solutions has two shelters for homeless families with children, both in downtown Portland, and a budget of about $400,000. In 2013, Ms. Tuck received the Crystal Award for excellence in nonprofit fundraising work.

AT-LARGE DIRECTORS

Nancy Ramirez Arriaga, Portland (through 2016)
Ms. Ramirez Arriaga serves as an independent consultant providing coaching, training, and facilitation to nonprofit organizations. Ms. Arriaga was drawn to building the capacity of individuals and organizations in order to help create social change. This passion is rooted in her binational experience. Ms. Ramirez has 15 years of experience in the nonprofit sector include program management, advocacy, stakeholder involvement, and change management. As a consultant, she specializes in intercultural strategies to develop innovative sustainable solutions while promoting culturally fluent workplaces.
Ross Laybourn, Portland (through 2016)
Mr. Laybourn is a former Assistant Attorney General with the Oregon Department of Justice, where he served for more than 30 years, including 20 years as the Attorney-in-Charge of the Oregon Charitable Activities Section. Mr. Laybourn is a past president of the National Association of State Charity Officials and served on NASCO’s Board of Directors for over a decade. Locally, he has been a longtime member of the Giving in Oregon Council.

Ian Lombard, Portland (through 2015)
Mr. Lombard is currently the Managing Partner of Skyline Capital, a Portland based Venture Growth investment fund focused on apparel, footwear and gear companies in the Active Lifestyle market. Skyline targets companies at a growth inflection point, where consumer demand has been proven, but further expansion requires additional capital and operational scale. Prior to Skyline, Mr. Lombard served as the Chief Operating Officer at Tora. During his tenure, Tora expanded from 6 employees to nearly 200 in offices around the world, becoming one of the largest financial technology providers in Asia, responsible for handling nearly 6% of the daily volume on the Tokyo market, and 1-2% of the Hong Kong and Singapore markets.

Jen Rusk, Bend (through 2016)
Ms. Rusk serves as the Development Director for MountainStar Family Relief Nursery in Bend, Oregon. Ms. Rusk has 27 years of experience in the nonprofit sector. As a manager, director, consultant and Board member, Ms. Rusk offers a unique vantage on nonprofits, both as independent businesses and as a growing sector of the US economy. Over the past 12 years, Ms. Rusk has helped 35 Central Oregon nonprofits achieve great success in the areas of planning, organization development, and fundraising. She has worked successfully with nonprofits in the fields of human services, education, job training, youth development, community development, community service, homelessness and housing, the arts and culture, and the environment.

OUR STAFF

Membership & Advancement
Amy Callahan
Director of Communications & Advancement

Melissa Young
Helpline & Membership Coordinator

Training & Events
Jennifer Bugley
Training Director

Ali Benson
Training Coordinator

Rural Programs
Amy Carlson
Director of Rural Programs

Alexis Millet
Rural Programs & Helpline Manager

Maribel Mora
Rural Programs Coordinator

Regional Staff & Contractors
Adrienne Graham
Regional Director, Central Oregon

Rachel Schaaf
Training Event Manager, Southern Oregon

Consulting & Executive Transition Services
Kim Cumming
ETS Director

María Lisa Johnson
Consulting Director

Guadalupe Guajardo
Senior Consultant

Cliff Jones
Senior Consultant

Barb Gibbs
Senior Consultant

Abe Conway
Technology Manager, Consultant

Janelle Culley
Consulting Programs Coordinator

Operations & Finance
Jim White
Executive Director

Allison Adcox
Operations Manager

Kim Vu
Financial Manager

Kathleen Ris
Operations & Billing Coordinator
Voice of the Sector Discussion Exercise

Part of NAO’s mission is to strengthen the collective voice (advocacy) of nonprofits in Oregon. We are interested in your thoughts and ideas on engaging in advocacy as a nonprofit. Your responses will help us build the NAO Policy Agenda for the coming year.

In this exercise, please address the questions in the sets that they appear. Please ensure you address the final question.

**Set 1:**
How do you learn about issues facing the nonprofit sector?
**What do you believe are the most pressing/important issues facing the sector (and your ability to serve your organization’s mission)?**

**Set 2:**
When does your organization feel compelled to act on an issue facing the sector?
**In what ways is this (action/feeling) shaping your work and passion toward the work of your organization?**

**Final question:**
What advocacy issues do you believe NAO must be tracking to keep our sector strong and vibrant?