A Thriving Economy - an Opportunity and a Challenge for Nonprofits

By: Jim White, Executive Director, Nonprofit Association of Oregon

The trees are beginning to change colors and the chill is in the morning air. I hope that you’re having a great start to fall!

Last week the State of Oregon’s Employment Department released its latest data with the headline – “Lowest on Record: Oregon Unemployment Rate Drops to 3.8 Percent in August.” Oregon’s unemployment rate of 3.8 percent is the lowest unemployment rate since comparable records began in 1976.

As many of you know, Oregon’s nearly 20,000 charitable nonprofits employ close to 200,000 Oregonians with $10 billion in payroll (2017).

This week county and metropolitan area unemployment rates for August were released. Benton County had Oregon’s lowest seasonally adjusted unemployment rate at 2.8 percent in August 2018. Other counties with some of the lowest unemployment rates in August included Hood River (3.0%), Washington (3.1%), and Wheeler (3.1%). Total nonfarm payroll employment rose in all six of Oregon’s broad regions between August 2017 and August 2018. The largest job gains occurred in Central Oregon (+3.1%). Southern Oregon (+2.9%), the Willamette Valley (+2.6%), the Portland area (+1.7%), the Oregon Coast (+1.7%), and Eastern Oregon (0.5%) also added jobs.

We know that good news on the economy’s front translate to low numbers on the unemployment front – and in turn results in a very tight job market overall. This is true for all sectors, but particularly for the nonprofit sector.

Those of us in Oregon’s nonprofit sector intuitively knew this well before last week’s official pronouncement – we’ve been hearing about and experiencing this phenomenon for quite a few months now. NAO’s affinity partner Mac’s List is hearing similar rumblings. “In the past, we were inundated with inquiries and calls from individuals seeking employment; now we have a steady stream of nonprofit employers who are challenged finding candidates to fill their open positions,” says Ben Forstag, Managing Director of Mac’s List, Oregon’s premier job board.

Recruitment and retention of qualified employees in the nonprofit sector has been getting tougher. Add to this the wrinkle that many nonprofit leaders across Oregon are retiring or considering retiring as the economy thrives. That means we have a real challenge on our hands.

Nonprofits by the very nature of what they do are resilient and creative – and now’s the time to be all that – and more.

Continue reading >>
SO WHAT DOES NAO ADVISE FOR YOUR EMPLOYMENT CHALLENGES?

1. **Retain your current employees**: It’s more expensive to hire and recruit new employees than to retain current ones. Here are a few ideas. Make sure:
   - Staff understands your mission, strategy, business plan and metrics of success
   - Your work environment is a healthy, open and energizing one
   - There’s a balance of hard work and fun
   - Your staff knows and **feels** diverse perspectives are welcomed
   - That all staff members are held accountable and treated fairly
   - You recognize good performance and provide constructive feedback

2. **Improve your hiring strategy**: Organizations can sometimes unwittingly create recruitment barriers. Make sure:
   - Your hiring process is not too tedious or rigid
   - You are ensuring you’re engaging a pool of candidates that reflect the diversity of your program participants and/or your community
   - The qualifications you’re looking for are aligned with the position
   - You are able to share succinctly your nonprofit’s mission, programs and the measurable impact it makes on the community you serve
   - You are transparent about your nonprofit’s culture, challenges and opportunities

3. **Find competitive advantages**: Generally, salaries at nonprofits are not the competitive advantage, but we offer other incentives that appeal to today’s workforce, such as:
   - Professional development and learning opportunities
   - Good health benefits
   - Retirement plans
   - Flexible hours
   - Summer hours
   - Creative experiences
   - Sense of achievement that can’t be gained through for profits

For more resources, check out: Mac’s List and Cascade Employers Association.

We invite you to share your ideas on how you are retaining and recruiting employees! Go to our Facebook page.

Enjoy Oregon’s spectacular fall weather and stay safe!

Jim White
Executive Director, Nonprofit Association of Oregon

YEAE-ED CHARITABLE GIVING AND THE IMPACTS OF TAX REFORM

On Tuesday, September 18, 2018, the Nonprofit Association of Oregon had the pleasure of hosting a members-only webinar - **Are You Ready for Year-End Charitable Giving and the Impacts of Tax Reform?** with guest panelists Tom Soma - Executive Director of the Children’s Center, Brian Rogers - Executive Director of the Oregon Cultural Trust/Oregon Arts Commission, and Marc Kadomatsu - Director of Financial Planning for Human Investing.

During this session the panelists discussed the tax law changes, what they’re already seeing in charitable giving and what your nonprofit may be able to do to keep donations up.

If you missed this members-only webinar, a recording (duration: 1:00:19) and webinar slide deck can be downloaded in our [Members-Only Area](#).

Not a member? Don’t miss out on our next sessions. [Join today](#)!

This webinar series is made possible through the support of The Ford Family Foundation and powered by Nonstop Administration and Insurance Services, Inc. - thank you!
PARTIAL SELF-INSURANCE 101

By Ted Grigsby, CIMA®
Director of Nonprofit & Philanthropy
Human Investing

Available health insurance funding options for nonprofits make it challenging to provide quality, affordable healthcare benefits to valued staff. But there’s a new way for nonprofits with more than 50 employees on benefits to take control of skyrocketing health benefits costs.

Download Nonstop Administration & Insurance Services, Inc.’s complimentary white paper to see how partial self-insurance can provide savings on annual premiums, eliminate or reduce employee out-of-pocket expenses and increase recruitment and retention of top talent.

Inside you’ll learn:
• The benefits and savings of partial self-insurance
• Solutions for nonprofit organizations facing challenging health insurance renewals
• Key identifiers to know if your nonprofit is a candidate for partial self-insurance

IS YOUR MISSION IN JEOPARDY?

By: Ted Grigsby, CIMA®
Director of Nonprofit & Philanthropy
Human Investing

With the recent Tax Cuts and Jobs Act of 2017 – which became effective January 1, 2018 – there’s concern that the increase in standard deduction will dis-incentivize donors who will no longer receive a tax deduction for their charitable giving. This could pose a challenge to nonprofits who rely on consistent donor funding – and it’s not to be discounted. However, while it’s true that a charitable tax deduction is an incentive, it’s not the only reason people give. Oregonians in particular love their nonprofits. They care deeply about communities, they care about causes and they give in increasing numbers. We’re encouraging nonprofits to plan, be proactive and make sure donors know the impact of their investments. Importantly, this could be an opportune time to modify your fundraising perspective and consider new ways to energize your donor base.

Qualified Charitable Distributions from an Individual Retirement Account

One consideration is to inform your donors who are 70.5 years or older that they are eligible to make charitable contributions from their tax deferred Individual Retirement Accounts. Retirement account holders may distribute up to $100,000 per year, including their Required Minimum Distribution, directly to a nonprofit and avoid taxes on the distribution. These distributions avoid ordinary income tax but also reduce the potential income tax liability on Social Security and may lower Medicare premiums.

Donor Advised Funds

Another opportunity exists for nonprofits to further understand Donor Advised Funds and inform their donor base about the benefits. A DAF is a vehicle where a donor can make a charitable contribution, immediately receive eligible tax deductions and then distribute donations to one or multiple nonprofits of their choice in any time frame.

Read full article here.
**MEMBER SPOTLIGHT**

The objective of this section is to highlight representative NAO nonprofit members of various sizes, geographic locations and subsectors to showcase the great work our members are doing across Oregon!

700 Village Drive
Cottage Grove, OR 97424

[www.cottagetheatre.org](http://www.cottagetheatre.org)

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**What does your organization do? Who does it serve?**
Cottage Theatre’s mission is engaging and enriching our community through the magic of live theatre. Now in our 36th year, CT has grown tremendously since humble 1982 beginnings under a parachute on the lawn of the Village Green. The theatre now produces a year-round season of six plays and musicals, presenting 80 performances annually, and offers summer camps for children.

**What has been your organization’s biggest accomplishment lately?**
This year, Cottage Theatre was one of six community theatres in the country selected to produce a world premiere play as part of the American Association of Community Theatre’s 2018 NewPlayFest. In August, we gave the first production of TREEHOUSE, a riveting story of love, loss, and healing by Alabama playwright Joe Musso. More details here: [https://www.registerguard.com/entertainmentlife/20180809/at-cottage-theatre-treehouse-world-premiere-brings-excitement-passion](https://www.registerguard.com/entertainmentlife/20180809/at-cottage-theatre-treehouse-world-premiere-brings-excitement-passion)

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**How has being an NAO member helped you succeed in furthering your organization’s mission?**
As an organization with a very small staff, we greatly appreciate NAO for keeping us up to date on broader nonprofit trends and issues. We have benefitted tremendously from attending various NAO trainings over the years and are grateful for NAO’s continued advocacy on behalf of the entire sector.

**Anything else you’d like to share?**
In 2019, Cottage Theatre will be taking a bold step forward, remodeling our facility to add 50 new seats, improve sightlines, and upgrade technical and safety features. This "ACT III" project, which follows many sold-out performances in recent years, will dramatically transform the patron experience at CT and strengthen the theatre’s role in our community. Here’s a link to a recent TV video interview regarding this planned expansion: [https://nbc16.com/news/local/theater-in-cottage-grove-awarded-grant-for-new-improvements](https://nbc16.com/news/local/theater-in-cottage-grove-awarded-grant-for-new-improvements)

"Special thanks to Susan Goes, Executive Director, Cottage Theatre"
What does your organization do? Who does it serve?
We are an emergency food bank that provides food to our community for those in need. We also have a daily food program for clients, and a snack pack program for children ages 2 to 17.

What has been your organization’s biggest accomplishment lately?
We finished a Food Drive & Donor Drive with Grocery Outlet in Brookings. We raised $13,544.00. For more information, here is an article published by The Curry Coastal Pilot: https://www.currypilot.com/home/6443014-151/13544-raised-in-drive.

How has being an NAO member helped you succeed in furthering your organization’s mission?
We attended workshops for Board & CEO Training and Grant Writing. These have helped us further our mission to our community.

Anything else you’d like to share?
We are open Monday to Friday from 9 a.m. – 1 p.m. We appreciate our donors and our community, how they support us and those in need of our help in Brookings.

Special thanks to Pamela Winebarger, Executive Director, Brookings Harbor Community Helpers, Inc., Brookings Harbor Food Bank
MEMBER BENEFIT SPOTLIGHT

Did You Know? ... There’s an alternative to paying state unemployment taxes!

This month, we are highlighting one of NAO’s cost-savings benefits for our members through NAO’s strategic partnership with Unemployment Services Trust.

Unemployment Services Trust is a national nonprofit that provides unemployment and workforce solutions to help 501(c)(3) nonprofits reduce costs and strengthen their missions.

As the largest unemployment trust in the nation, UST currently serves nearly 2,200 nonprofit members. Collectively, UST members save more than $35 million in unemployment claims annually.

Federal law allows 501(c)(3)s to opt out of paying state unemployment taxes, and instead reimburse the state only when they have an unemployment claim, dollar-for-dollar. UST helps nonprofits with 10 or more employees to assess whether reimbursing is the right option for them, and to file paperwork with the state if it is determined a good fit.

By exercising their federal exemption, nonprofits that work with UST are able to pay only for their own unemployment costs and set aside a reserve account to pay for their claims. And because they are no longer part of the tax-rated pool, these 501(c)(3) organizations can avoid the claims volatility of other organizations.

The average unemployment claim in the U.S. costs employers $5,174. UST program participants only pay an average $2,287 per claim. The savings are like a grant for thousands of dollars annually! Last year, UST helped 2,200 nonprofits save more than $26.2 million in claims.

Several NAO members are part of UST’s program and are saving money! If you are an NAO member and are not participating in UST’s program, don’t wait, log into your individual user account on NAO’s homepage and visit our Members Only Area to benchmark your unemployment costs AND get a complimentary Two-Year Savings Projection.

Upcoming State Opt-Out Deadline and FREE Unemployment Cost Analysis

To get a more extensive preview of UST’s program options, as well as the opportunity to identify any hidden savings for 2019, you must submit the Cost Analysis before Nov. 15 to meet the deadline for 2019 enrollment. (Use priority code 2018NAO-E to expedite your request)

NAO understands the importance of creating opportunities for our members to access resources at a reduced cost so you can make smart business decisions. This strategic partnership with UST supports the work you all do to achieve your missions!

Not an NAO member? Join today!

If you’re a NAO Business Verified Member and would like to potentially explore a deeper partnership with NAO to promote cost-saving benefits to Oregon’s nonprofit sector, contact membership@nonprofitoregon.org.
SAVE YOURSELF 55% OFF NAO’S 2018-2019 SERIES

Over the summer NAO launched its 2018-2019 professional development networks for Central Oregon, Southern Oregon and Portland Metro regions. We are thrilled to bring a fresh group of presenters, panelist and facilitators this year.

We are excited to re-introduce NAO’s Network Season Passes. For a limited time, NAO members have the opportunity to purchase pre-registered seats to a specific network at 55% off! Not a member? Join today!

To view a list of topics and dates, choose a network below:

- Nonprofit Network of Central Oregon (Bend)
- Rogue Valley Nonprofit Network (Medford)
- Equity & Inclusion Leaders Network (Portland)
- Nonprofit Fiscal Managers Association (Portland)
- Nonprofit Leaders Network (Portland)

Season Pass sales end on Wednesday, October 31, 2018.

NORTHEASTERN OREGON NONPROFIT REGIONAL FORUM

This is the first of four free regional forums that NAO is convening in Oregon. We hope you can join us!

As society continues to change, nonprofits are often at the inflection point for that change and feel the pinch and the pull. Nonprofits are often trying to do so much with not enough. Over the past few years, NAO has been involved in applied research on best practices in nonprofit management. Some of our findings reinforce commonly held understandings, yet others are controversial and challenge conventional wisdom.

Come hear the finding and share your thoughts with us!

Topic: Success Factors for Nonprofits in Northeastern Oregon
Presenters: Jim White, Executive Director, NAO and Adrienne Graham, Senior Consultant, NAO
Date: Thursday, October 4, 2018
Time: 12:30 p.m. - 3:30 p.m. (Lunch provided)
Location: Blue Mountain Conference Center in La Grande
Register here

THANK YOU NETWORK SPONSORS!
FREE VOLUNTEER
RECRUITMENT POSTS

Mac’s List, the Pacific Northwest’s premier job board connecting skilled professionals to meaningful work, now offers complimentary listings for organizations seeking volunteer support.

Previously a paid service, Mac’s List chose to stop charging for volunteer posts to promote community service and support job seekers.

NAO encourages all organizations to utilize this amazing service offered to nonprofits. NAO board member and founder and publisher of Mac’s List, Mac Prichard says: “It’s a great way to support local organizations, make new connections, and show others what you can do. Free volunteer postings on Mac’s List is a win-win, both for organizations who need help and for professionals looking to showcase their abilities.”

Organizations looking for volunteer help, including time, expertise, or labor, can now post their volunteer listings absolutely free. To get started, visit macslist.org/post
PUBLIC POLICY UPDATE: SALT & JOHNSON AMENDMENT

Proposed Regulations on SALT Workaround and State Tax Credit Programs
Oregon is one of 33 states that have state tax credit programs that may be affected by the Treasury/IRS proposed regulations announced August 27. This came up on NAO’s most recent Member Webinar, so we want to provide you with an overview of the issues presented, share some resources, and keep the conversation going about what NAO and other state associations are doing to address the issues and your concerns. Read full report on SALT here

Protecting Nonprofit Nonpartisanship Johnson Amendment at Greatest Risk
Hot off the press – an update on the Johnson Amendment: On September 27, the U.S. House-Senate conference committee that would make the decision to keep, reject, or revise the harmful provision in the House bill that would undermine the Johnson Amendment did not take action. This means that we will have to wait for a closeout in the lame-duck session of Congress after the November elections. The Johnson Amendment is the provision of federal tax law that protects charitable nonprofits, houses of worship, and foundations from demands from politicians and others for endorsements and other support. At issue is controversial language that would effectively block the IRS from enforcing the Johnson Amendment when “churches” violate it in even the most egregious ways, such as diverting charitable assets to influence partisan political campaigns.

The Nonprofit Association of Oregon
The Nonprofit Association of Oregon is the statewide nonprofit membership organization representing and supporting charitable nonprofits of all sizes, geographic locations and missions across Oregon.

NAO’s mission is to serve public benefit nonprofits by strengthening the collective voice, leadership, and capacity of nonprofits to enrich the lives of all Oregonians. NAO’s vision is that Oregon’s nonprofits are visible and valued as essential contributors to society. We are deeply invested in our core values: Collaboration, Equity and Inclusion, Excellence, Impact, Learning, Service and Stewardship.

For more information, visit: www.nonprofitoregon.org

Nonprofit Association of Oregon
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YOUR NEWS HERE

We encourage NAO members to send news, success stories, events, or announcements for inclusion in our quarterly newsletter. All submissions (or questions) should be sent to news@nonprofitoregon.org. Because of limited space, NAO’s communication team will review submission and determine inclusion in the next newsletter.

This is a membership benefit for NAO members only.

To view other member benefits, click here.

Thank you for your continued support and membership!

SAVE THE DATE FOR NAO'S ANNUAL MEETING CALL

Date: Tuesday, November 20, 2018
Time: 9 a.m. - 10 a.m.
More details coming soon!

See our newest list of members!
(September 1 – September 27)

Current Nonprofit Members
Current Affiliate Members

Connect with NAO: