



For Immediate Release

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Grassley Advances Provision to Help Small Charities Get Training, Management Help

WASHINGTON – Sen. Chuck Grassley today advanced a proposal to authorize \$25 million over the next five years to help small- and medium-sized charities get training and management help. The funding would be given as grants to qualified organizations nationwide. Iowa charities and foundations with established training programs would be eligible for a grant, if they chose to apply.

“Small charities do a lot of good work,” Grassley said. “They don’t have a lot of staff to take care of paperwork and fund-raising. This program will help them learn skills and comply with tax laws so they can spend less time in the office and more time in the field, helping their communities.”

Grassley is ranking member of the Committee on Finance, with jurisdiction over tax policy, including non-profit policy. He and Sen. Max Baucus, committee chairman, won Senate approval for their amendment to create a “Nonprofit Capacity Building Program” within the Corporation for National and Community Service during Senate consideration of a national service bill. The senators supported proposals endorsed by the Panel on the Nonprofit Sector to authorize federal funding for increased oversight and education of charitable organizations. Grassley has long promoted good governance and accountability at charities and other tax-exempt groups, which receive billions of dollars in local, state, and federal tax breaks.

Following is a fact sheet on the proposal and a list of organizations that endorse it.

Fact Sheet on the Nonprofit Capacity Building Program

Senators Baucus and Grassley believe their amendment is important because it creates a public-private partnership in an innovative effort to increase support to small charities. Including it in the Serve America Act is critical for two reasons. 1) The Serve America Act promotes increased participation in community service programs. However, without this program many charities may not have the resources to effectively and efficiently

utilize additional volunteers. 2) The programs authorized in the Serve America Act will be more effective if charities are provided training on best practices, financial planning, grant writing and tax compliance.

- The amendment creates the Nonprofit Capacity Building Program (NCPB) to grant money to nonprofit organizations with established programs for conducting education and training for small charities.
- The Corporation for National and Community Service would be authorized to issue grants up to \$5 million each year for 5 years. These amounts are reserved from amounts authorized for Subtitle H (Investment for Quality and Innovation) of the Serve America Act.
- Small charities that serve people in need of food or clothing, run afterschool programs, provide housing counseling, and other tasks that are vital to our communities seldom have resources to learn how to manage their finances, fundraise effectively, accurately file tax forms, adopt new computer technologies or conduct long-term strategic planning.
- Charity experts say these small and mid-size charities lack “capacity”, while training in these areas is called “capacity-building”.
- Because these kinds of training opportunities, or capacity-building efforts, are particularly rare for charities located in areas that do not have significant individual, corporate or foundation investments, the amendment explicitly states that the Corporation should give preference to grantees assisting charities located in areas with scarce resources.
- In order to receive a NCPB grant, a grantee must also secure a matching grant from non-federal sources in the same amount. Non-federal sources include, but are not limited to, individuals, businesses, charities, and state, and local government entities.
- If the NCB grantee is a charitable grant-making entity, that entity’s own funds must be used to fund the match. The amendment also contains a “maintenance of effort clause” which prohibits such charitable grant-making entities from reducing funds available for their other grant programs because they provide matching funds for the NCBP grant.

State Nonprofit Associations Endorsing
Nonprofit Capacity Building Initiative (NCBI)

The Nonprofit Resource Center of Alabama
Alliance of Arizona Nonprofits
Arkansas Coalition for Excellence
California Association of Nonprofits
Colorado Nonprofit Association
Connecticut Association of Nonprofits

Delaware Association of Nonprofit Agencies
Center for Nonprofit Advancement, DC
Hawai'i Alliance of Nonprofit Organizations
Idaho Nonprofit Center
Donors Forum, IL
Iowa Nonprofit Resource Center
Nonprofit Leadership Initiative, KY
Louisiana Association of Nonprofit Organizations
Maine Association of Nonprofits
Maryland Association of Nonprofit Organizations
Massachusetts Council of Human Service Providers
Michigan Nonprofit Association
Minnesota Council of Nonprofits
Mississippi Center for Nonprofits
Montana Nonprofit Association
Nonprofit Association of the Midlands, NE
Nevada Association of Nonprofit Organizations
New Hampshire Center for Nonprofits
Center for Non-Profit Corporations, NJ
New York Council of Nonprofits
Nonprofit Coordinating Committee of New York
North Carolina Center for Nonprofits
North Dakota Association of Nonprofit Organizations
Oklahoma Center for Nonprofits
Nonprofit Association of Oregon
Pennsylvania Association of Nonprofit Organizations
South Carolina Association of Nonprofit Organizations
Texas Association of Nonprofit Organizations
Utah Nonprofits Association
Virginia Network of Nonprofit Organizations
Northwest Nonprofit Resources, WA
Wisconsin Nonprofits Association