



MINNESOTA COUNCIL
ON FOUNDATIONS



the source on minnesota philanthropy

Advocacy Toolkit

Strategies for Engaging Foundations in Advocacy



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Resources Used to Develop this Toolkit

David Arons – Power in Policy: A Funder’s Guide to Advocacy and Civic Participation

Marcia Avner – The Lobbying and Advocacy Handbook for Nonprofit Organizations

Marcia Avner – The Nonprofit Board Member’s Guide to Lobbying and Advocacy

Center for Lobbying in the Public Interest – Make a Difference for Your Cause

Minnesota Council on Foundations – Giving Forum, Winter 2007

Definitions

Advocacy and Public Policy Terminology

Administrative Advocacy – an attempt to influence policies within the executive branch such as agency rulemaking, grant programs, or agency budgets. Also known as “regulatory advocacy.”

Charity – a nonprofit organization that is tax-exempt under IRS Code Section 501 (c)(3), which derives substantial support from the general public or is a religious, educational, medical, or governmental or charitable support institution.

Civic Engagement – individual and collective actions designed to identify and address issues of public concern. Civic engagement can take many forms, including efforts to directly address an issue, work with others in a community to solve a problem, or interact with the institutions of representative democracy.

Coalition – a group of organizations working together for a common purpose.

Direct Lobbying – to present a case for or against a specific piece of legislation and to ask a legislator to vote a certain way.

Electoral Advocacy – efforts to educate voters or to register or encourage them to vote.

Exempt Purpose Expenditures – public charities registered under 501 (c)(3) of the IRS code are permitted to spend a percentage of their annual exempt purpose expenditures on lobbying based on the amount of exempt purpose expenditures they make in a year if they have made the 501(h) exemption. Examples of exempt purpose expenditures include program expenditures, compensation paid, a portion of administrative expenditures, lobbying expenditures, research costs, communication costs, capital depreciation, and some fundraising costs.



501(h) Election – when a public charity (including a community foundation) takes this election, it is choosing to adhere to the IRS regulations that govern lobbying known as the expenditure test.

Grassroots Lobbying – stating a position on a specific legislative proposal to the public, then asking the public to urge their legislators to support that stated position.

Information Advocacy – activities to provide information or ensure the provision of information that can be used to shape public policy.

Judicial Advocacy – working for policy change through the legal system either by lawsuits, amicus briefs, or providing information for legal cases.

Legislation – action by Congress, state legislatures, local governing bodies, or by the public in a referendum, initiative, Constitutional amendment, or similar procedure.

Legislative Advocacy – efforts to change policy through the legislative branch. May include formal lobbying in support of or opposition to a bill, the crafting of new legislative language, writing amendments to existing bills, or encouraging others to contact legislators.

Lobbying – communications with elected officials or their staff that expresses a position on a pending piece of legislation.

Public Policy – the principles guiding any level of government or its representatives on a given topic, as expressed in laws, administrative practices, regulations, funding priorities, and executive or judicial orders.

Public Policy Participation – the utilization of tactics and strategies to gain access to public decision-making and to influence government, media, individuals, and other institutions that make decisions affecting the public.

“Self-defense” Lobbying – an exception permitting lobbying when the proposed legislation would affect the existence of the private foundation, its powers and duties, its tax-exempt status or the deductibility of contributions to the foundation.

Legal Guidelines

What Foundations Can Do Legally

Public Foundations

Public foundations that are registered as 501 (c)(3) organizations can engage in a wide range of advocacy activities, including:

- Providing general support grants to organizations engaged in advocacy activities
- Conducting public education and training sessions about political participation
- Engaging in limited direct lobbying (up to 20% of annual expenditures)

The 501 (h) Election

Public organizations wishing to engage in direct lobbying must take the 501 (h) election, or else they will be subject to much more restrictions on advocacy activity. The limits are indicated in the chart below:

Expenditures	Overall Ceiling	Grassroots Ceiling
Not over \$500,000	20% (up to \$100,000)	5% (up to \$25,000)
\$500,001 to \$1,000,000	\$100,000 + 15% of excess over \$500,000	\$25,000 + 3.75% of excess over \$500,000
\$1,000,001 to \$1,500,000	\$175,000 + 10% of excess over \$1,000,000	\$43,750 + 2.5% of excess over \$1,000,000
\$1,500,001 to \$17,000,000	\$225,000 + 5% of excess over \$1,500,000	\$56,250 + 1.25% of excess over \$1,500,000
Over \$17,000,000	\$1,000,000	\$250,000

Private Foundations

Private foundations are subject to increased restrictions under the 1969 U.S. Tax code. This does not mean they cannot engage in advocacy. Private foundations can:

- Provide general support grants to organizations engaged in advocacy activities;
- Fund nonpartisan research and education efforts;
- Fund nonpartisan voter registration and voter education efforts;
- Take a public stance on a policy issue.

Additionally, there are six major exceptions to the federal lobbying restriction for private foundations. They are:

- Nonpartisan research;
- Discussion of broad social problems;
- Legislative testimony and technical assistance;
- “Self-defense” lobbying;
- Jointly funded programs.

Corporate Foundations

Corporate foundations are different in that they typically follow the lead of the corporation that funds them. Corporate foundations typically register as 501 (c)(3) organizations, would afford them many of the freedoms of public foundations, however, public policy is usually set by the company’s government relations team.

Advocacy Step-by-Step

Creating an Advocacy Framework for Your Foundation

Integrate advocacy into the organization's mission or vision:

If your foundation is serious about doing advocacy work, it is important to integrate that commitment into the organization's mission statement and publications, including the web site, annual reports and funding guidelines. A public commitment makes the foundation more accountable to the work.

Establish principles and identify issues:

Where will the decision to engage come from – staff or the board? How will the foundation decide which issues to engage in?

Develop public policy awareness:

Before you begin, it is important to know the policy process for the area of legislation you are trying to affect. Familiarize yourself with others involved, such as policy makers, lobbyists and other engaged organizations. Know their arguments as well as your own.

Assemble an internal public policy planning team:

Who is going to be working on this effort within the organization? Is the foundation board on board with the effort and what key connections do they have? Set meeting dates and work plans.

Articulate vision and goals:

What is the desired end result of this particular effort? What compromises will you accept? What will you do if the effort fails?

Identify collaborations, partnerships and other resources:

As with any effort, there is strength in numbers. Know who else is participating in the process and what work they may have already completed. Collect research and evidence that supports your position. Prospect for other resources and allies.



Determine political and social risk:

Be prepared for the ramifications of doing advocacy work and evaluate risks: Will the foundation lose donors? How will the public respond? How much risk are the board and staff willing to accept?

Design a strategy:

Once the groundwork has been laid, develop a specific action plan for this particular effort. This should include a list of responsibilities for partners and their staff and board members, a timeline, budget, etc. A detailed plan will keep everyone on track for success, but remember to plan for shocks and set backs.

Allocate resources:

Determine the investments of each partner or collaborator in the form of staff time, financial and other resources.

Execute strategy:

Put the plan into action!

Evaluate process and outcomes:

Be sure to follow up and evaluate outcomes as well as the strategy and action plan taken. Use the information to make future advocacy efforts more efficient, justify participation in advocacy efforts and publicize successes.



Ways to Engage

How to Involve Your Foundation in Advocacy Activities





Communications

- Public Education Campaigns
- Op-Ed Pieces and Letters to the Editor
- Emails and Listservs
- Media Education

Direct Actions

- Lobbying
- Demonstrations, Picketing
- Judicial, Administrative and Regulatory Advocacy

Information & Research

- Education (Public, Media, Legislators)
- Funding Research
- Doing Research
- Providing Technical Expertise to Policy Makers

Civic Participation

- Voter Registration and Get Out the Vote Efforts
- Organizing and Mobilizing People
- School and Community-Based Civic Education

Leadership Development

- Strengthening the Capacity of People to Advocate for themselves and their Communities

Partnerships & Collaborations

- Forming Partnerships and Coalitions
- Convening Stakeholders Around Policy
- Holding Meetings, Roundtables, Conferences, Forums

Funding

- Funding Organizations that do Advocacy
- Funding Nonpartisan Research and Analysis
- Strengthening the Capacity of Organizations

Evaluation

How to Determine the Effectiveness of an Advocacy Program

Evaluation is the best way to gauge the success of any advocacy activity by measuring outcomes and impact. Information gained from evaluations can be used to modify programs and strategies, secure additional resources, justify future participation in advocacy efforts and publicize successes.

There are three main types of evaluations used in advocacy work: **process evaluation**, **outcome evaluation** and **impact evaluation**. Process evaluation measures the efficacy of the particular process undertaken to achieve a goal. Outcome evaluation attempts to measure the campaign's affect on it's targeted audience, which can take more time or resources to ascertain. The most ambitious evaluation effort is impact evaluation. Impact evaluation attempts to measure the broader impact of the advocacy activity on public behavior and opinion.

Why Should You Do Evaluation?

- To measure the success or failure of a particular advocacy activity.
- To engage the board, staff and collaboration partners in overall strategy.
- To effectively allocate foundation resources.
- To make both grantees and foundations accountable for their work.

As mentioned previously in the Advocacy Step-by-Step section, evaluation should be included in the foundation's advocacy strategy from the very beginning. However, it can also be integrated into the foundation's funding guidelines.

Some things to keep in mind about public policy and outcomes:

- Know which phase of policy change the project is focused on.
- Policy change may not happen quickly and it may not be linear.
- Policy change is messy
- How successful a program is might depend on who you ask and how you ask the question.
- Look for both short- and long- term impacts related to the specific policy.

Web Resources

Organizations and Online Toolkits

Organizations:

Advocacy Institute

www.advocacy.org

The Advocacy Institute has information on how to conduct a policy campaign as well as publications, links to news and events, and stories of successes

Council on Foundations

www.cof.org/action

The Council's public policy page has many resources for foundations, including examples of foundations nationwide that have been recognized for their advocacy work.

GrantCraft

www.grantcraft.org

Grantcraft provides publications, one-pagers, and advocacy primers and toolkits.

Independent Sector

www.independentsector.org

The Independent Sector is an association of a number of different types of nonprofits. They provide information on issues affecting the nonprofit sector.

OMB Watch

www.ombwatch.org

Focuses on a number of different issues important for nonprofit organizations, including advocacy.

Urban Institute

www.urban.org/nonprofits

The Urban Institute's Center for Nonprofits and Philanthropy conducted a seminar on nonprofit advocacy. The discussion papers from that seminar series provide information on nonprofit advocacy in the political process.

Toolkits:

Alliance for Justice

www.afj.org

AFJ is spearheading the Foundation Advocacy Initiative, an effort designed to increase grantmaker support of nonprofit advocacy. AFJ has a number of publications and resources about the legality of engaging in advocacy, as well as “how to” guides for funders who are interested.

Center for Lobbying in the Public Interest

www.clpi.org

Though geared more towards nonprofit organizations, CLPI has many useful, easy to read one-pagers and other tools for organizations interested in engaging in public policy and advocacy. There are also stories from foundations that have funded advocacy work.

Forum of Regional Association of Grantmakers

www.givingforum.org/policy/toolkit

Northern California Grantmakers:

www.ncg.org/toolkit/home.html

Northern California Grantmakers has an online toolkit that is a wealth of useful information for grantmakers interested in becoming more engaged in advocacy work, specifically in the areas of capacity building for funders.

W.K. Kellogg Foundation’s Policy Toolkit

<http://www.wkkf.org/default.aspx?tabid=75&CID=280&NID=61&LanguageID=0>

The W.K. Kellogg Foundation Policy Toolkit has research papers, “how tos” and a number of other resources for grant makers looking to be more involved in advocacy work.

Further Reading

More Information on Foundations and Advocacy

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