



**National
Center on
Nonprofit
Enterprise**

Advisory Letter

More Effective Advocacy by Nonprofits for their Own Policy Interests *Rob Fischer, Ph.D.*

Nonprofit mission statements routinely espouse not only civic betterment but often social change. To deliver on such aspirations often requires going beyond the street level service delivery taken on by many organizations to consider strategies that embrace policy advocacy. Here, let us distinguish between advocacy and lobbying. Advocacy should be understood as general efforts designed to inform and promote awareness related to a civic cause or community need. Lobbying, on the other hand, constitutes specific activities designed to influence legislation or voting behaviors, including endorsing specific candidates. As nonprofits begin to consider any policy advocacy efforts, here are four areas to be considered:

Know your status and legal limits – When considering policy advocacy, nonprofits first need to know where the legal lines are in regard to specific practices. Though most will be concerned with the rules related to organizations with 501(c)(3) status, organizations qualified under other categories of the U.S. Code will need to

consult the IRS and other sources to be aware of any differences in limitations. 501(c)(3) nonprofits are generally allowed to hold educational meetings and create and distribute educational materials without jeopardizing their tax-exempt status. On the other hand, contacting or urging the public to contact elected officials or their staff about specific legislation would generally be out of bounds. The main thing that nonprofits need to be aware of is that in total their efforts to influence legislation cannot be a “substantial” part of their activities in order to retain tax-exempt status.

Understand the advocacy landscape on your issues – On any civic issue there is a continuum of organizations that seek to influence public policy decisions. These include nonprofits, for-profits, as well as governmental and quasi-governmental entities. Within the nonprofit sphere there may be a wide range of potential partners that possess different capacities and limitations in regard to policy advocacy. A nonprofit should take stock of the available partners and assess their particular strengths

in advancing an advocacy agenda. For example, 501(c)(4) organizations can engage in unlimited direct lobbying, whereas 501(c)(3) organizations have a more limited ability to do so. Just as nonprofits may use a collective impact framework in thinking about their direct service work, so too can this collective thinking apply to policy advocacy. Potential collaborators likely already exist within coalitions, consortia, associations, or task forces in which a nonprofit participates. A policy coalition is strengthened by a diverse set of players, so nonprofits need to reach out beyond those organizations that are most like themselves.

Have board support – Boards of directors provide the essential and proximal oversight for the nonprofits they govern. As such, any foray into policy advocacy by a nonprofit must have the full support of its board. This requires responding to the board’s concerns and questions regarding how the work is both legally permissible and consistent with the organization’s mission. Winning board support is the first and essential act of internal advocacy that can open the route to a broader policy impact. Ultimately, boards must judge the extent to which it is advisable and important to divert limited financial and staff resources away from core services to support advocacy efforts. Yet, if advocacy can lead to changes in policies impacting a service system, this results in broad benefits for the population served. Policy advocacy efforts should also be evaluated, but the measures will look very different than those used for direct services. Advocacy is best evaluated by its scope and reach, and ultimately by whether policy

changes are proposed, approved, and implemented.

Leverage your strengths - In the policy advocacy space, nonprofits bring a unique vantage point. Crucially, nonprofits are often well-connected to the community members who are directly touched by the civic issue/policy at hand. Often these individuals have had limited voice in the policy decision making process, so it is incumbent on nonprofits to provide a mechanism to represent these interests. Nonprofits are uniquely positioned by virtue of their mission and community-connectedness, to speak on behalf of groups with limited voice when these individuals are not represented in the dialogue. When assessing the current policy landscape on an issue, a nonprofit should examine the extent to which they could bring new perspective or capacity to the potential group of organizational partners. Before engaging with these partners, a nonprofit should have a clear understanding of what they can and are willing to bring to the advocacy table.

Undoubtedly, many nonprofit leaders (staff and board members) are concerned about the potential risks associated with engaging more in policy advocacy. The primary risks to nonprofits are (1) Status risk - jeopardizing nonprofit status due to engagement in excessive or unallowable lobbying activities, (2) Reputational risk – engaging in activities that supporters and funders think is outside the organization’s role, and (3) Operational risk – undertaking activities that place a strain on agency resources and core capacities. Despite this, the potential pay-off to advancing mission is

considerable and worth exploring. In a current initiative in Cleveland focused on eliminating childhood lead exposure, a nonprofit with a strong direct service record has taken on new community education and advocacy efforts. This nonprofit role was pivotal in the passage of a new city ordinance requiring lead safe certification for all rental properties.

Nonprofit Advocacy Resources

Bolder Advocacy (An Initiative of Alliance for Justice)

<https://bolderadvocacy.org/>

Resource to make advocacy easy and accessible for the nonprofit and foundation leaders who want to be great fighters for their cause

BoardSource

<https://boardsource.org/resources/what-is-advocacy/>

A campaign about a fundamental understanding of the role of nonprofits in society, what the work means to this country and the people served, and how it is affected by the decisions elected officials make and the policies they enact.

The Chronicle of Philanthropy

<https://www.philanthropy.com/resources/toolkit/how-nonprofits-can-advocate-ef/128>

Series on How Nonprofits Can Advocate Effectively — and Stay Within the Law

National Council of Nonprofits

<https://www.councilofnonprofits.org/everyday-advocacy-resources>

Connecting the policy dots across all levels and branches of governments, the Council of Nonprofits keeps nonprofits informed and empowered to create a positive public policy environment that best supports nonprofits in advancing their missions.

Stand For Your Mission

<https://standforyourmission.org/resources-tools/>

The Stand for Your Mission campaign is an ongoing effort to build awareness about the importance of board advocacy to advance an organization's mission.

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