

FROM SILOS TO SYNERGY

ANNE ARUNDEL COUNTY'S
NONPROFIT SECTOR

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Community Foundation
of Anne Arundel County
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Civic Collaboration Summer Report

2024

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INTRODUCTION

In Summer 2024, the Community Foundation of Anne Arundel County hosted five Morehead-Cain scholars from the University of North Carolina at Chapel Hill for eight weeks to conduct an independent project guided by the needs of the Community Foundation and greater Anne Arundel County.

The following report contains a high-level overview of the scholars' findings. Each section groups together various related topics we gathered from individuals or through our own research and analysis.

We hope the contents of this report will inform nonprofit and government leaders by better illuminating the nonprofit sector.



*Top to bottom:
Brady Andrew, Lillian Brooks,
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Methodology

Upon our arrival, we completed the orientation for new CFAAC board members to learn more about the community foundation and participated as grant reviewers for the Fund for Anne Arundel. To gain deeper context about the county and its needs, we were briefed by Dr. Pamela Brown, lead researcher and author of the 2022 report *Poverty Amidst Plenty*.

Through the following weeks, we gathered information from stakeholders across the county, conducting interviews with community members, nonprofit leaders, and government officials. These individuals are specialized in areas of education, housing and homelessness, social services, health, violence prevention, food security, and more. We are grateful to everyone who helped us along the way.

Beyond interviews, we gained insight through visiting and volunteering with nonprofits in West, North, Central, and South County.

Key Community Issues

Throughout our interviews, five standout categories were consistently cited as the areas of greatest need in Anne Arundel County: mental health, food security, housing, childcare, and transportation.

The insights gained from our conversations echo very closely the findings of the *Poverty Amidst Plenty* report, indicating that these issues remain unaddressed today. Meaningful progress will require structural change to the way these issues are addressed, and given the complex and cyclical nature of these issues, the solutions must be comprehensive and collaborative.

Challenges Facing Nonprofits

As we met with philanthropic leaders and humanitarians across Anne Arundel County, we found that obtaining funding and resources was consistently the most crippling obstacle facing local nonprofits.

We have included discussions about *Applying for Grants*, *Lack of Long-Term Funding*, *Big and Small Nonprofits*, and *Capacity Building*.

Applying for Grants

The Problem

County Health Officer Dr. Tonii Gedin emphasized that managing multiple grant applications with varying formats and deadlines is incredibly time-consuming and inefficient, even for an established organization.

Furthermore, many nonprofits lack experienced grant writers who can craft compelling applications for substantial and competitive grants, since hiring a grant writer is a costly investment for many small nonprofits.

As a result, already overloaded staff members shoulder this responsibility among their numerous other duties. Notably, even well-established organizations delay these capacity investments. For example, Kingdom Kare, despite their established size, hired their first dedicated grant writer this past year.

Recommendations

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Lack of Long-Term Funding

The Problem

Multiple nonprofit executive directors highlighted how nonprofits find it difficult to build capacity, plan for the future, and deliver consistent, high-quality services to the community, without dependable long-term funding.

Current funding opportunities, characterized by short-term grants and individual donor support, force organizations to constantly seek new funding, diverting time and resources from their core missions. This situation is particularly detrimental to smaller, grassroots organizations that may lack the infrastructure to navigate complex grant applications or compete with larger, more established nonprofits.

Additionally, with their next grant in mind, organizations have an incentive to attach their name to any benefits they provide instead of focusing on meeting needs at large. Thus, the lack of stable revenue increases the competitive nature of the nonprofit sector and inhibits collaboration.

Recommendations

Fund for Anne Arundel should continue to allow nonprofits to opt in to receiving funding over two years, although grants spanning three years of funding would be more optimal for capacity building.

However, under the current Fund for Anne Arundel structure, nonprofits are incentivized to apply for the maximum one-year funding (\$50,000 per year) in two consecutive years instead of the two-year option (\$25,000 per year) to maximize their funding. The grant maximum for multi-year grants should be raised to be more competitive.

Therefore, there may be value in folding all of CFAAC's designated funds into Fund for Anne Arundel in order to have a larger amount of grant money available to disburse.

Big and Small Nonprofits

The Problem

While evaluating Fund for Anne Arundel applicants, we were often faced with choosing between two or more nonprofits that provided similar services. Often, size was the distinguishing factor, but nonprofits typically served different geographical or demographic areas.

Kingdom Kare CEO Dr. Barbara Palmer championed support for grassroots nonprofits, asserting their vital role in nurturing vulnerable communities that demand heightened attention and resources. Other nonprofit leaders favor larger organizations, because they are already efficiently delivering impactful services. While nonprofits arise from unmet needs, there is a concern that new nonprofits are doing the same work as their veteran counterparts, without the efficiency of scale.

A larger nonprofit with a multimillion dollar operating budget cited how they struggle to access certain grants and donors because of their size. Large nonprofits are often formally or informally prevented from certain funding.

Recommendations

The challenge lies in striking a balance that nurtures grassroots efforts while supporting effective, established programs.

Many new nonprofits may want to provide services that are similar to those that already exist, but it may be a better use of their resources to work within an existing nonprofit with tried and true practices. Big nonprofits should embrace the spirit of collaboration and share resources like curricula and other best practices with smaller nonprofits. After all, grassroots organizations should act as boots on the ground in communities that they know best; Brooklyn Park community leaders credited their success in nonprofit collaboration to understanding the people they serve.

Grantmakers should be cognizant of whether they are funding projects whose resources could be more efficiently utilized elsewhere while seeking to understand how a small nonprofit might fill a gap better than a large nonprofit can.

Capacity Building

The Problem

Experienced nonprofit leaders and involved donors noted that in an attempt to maximize their impact, small and medium nonprofits hesitate to invest in capacity-building.

Furthermore, it is difficult for nonprofits to find grants and donors interested in capacity-building, as many feel the need to see tangible impacts from the money they are granting.

Dedicating an outsized portion of the budget to programmatic expenses in order to lower fixed costs often leads to a small staff that is stretched too thin, significantly limiting the administrative and fundraising capacity of an organization as well as its potential for growth.

Recommendations

Grantmakers and donors should recognize the value of capacity building to nonprofits. CFAAC should also encourage capacity building within its discretionary grants and among donor-advised funds.

We feel that the county's Nonprofit Center can help to solve this issue by offering shared resources. For example, having a lawyer is essential just to receive 501(c)(3) status. If the Nonprofit Center included a lawyer that nonprofits housed within the Center and those wishing to start nonprofits could use at a reduced rate, it could save money for organizations.

Additionally, the Nonprofit Center should tailor its educational courses to target smaller nonprofits without large capacity. Featuring courses led by nonprofit leaders who began at the grassroots level is very important, as they understand the pertinent challenges and questions. Courses on how to use AI to maximize efficiency may also be valuable for nonprofits of all sizes.

Speaking with County
Executive Steuart Pittman



Cultivating Collaboration

Through our interviews with nonprofit and government leaders, the theme that stood out more than any other was collaboration.

Dr. Pamela Brown, Mayor Buckley, County Executive Steuart Pittman, Community Engagement and Constituent Services Director Vincent Moulden, Dr. Jennifer Purcell, and Dr. Erin Snell stressed the need for increasing collaboration in the nonprofit sector to adequately address the needs of the county. Others like Director of Social Services Rachael Maconachy and Community of Hope Director Mizetta Wilson cited collaboration as a key part of their agency or organization's success.

Nonprofits are all applying for the same grants, leading to a highly competitive and potentially inefficient allocation of resources. Given the widespread agreement that efficient collaboration in the nonprofit sector would greatly benefit the county, we have combined advice from community stakeholders and our own research to compile a list of innovative approaches for increasing collaboration.

We have highlighted *Incentivizing Collaborative Grants*, *Learning From One Another*, and *Policy-Driven Grantmaking*.

Incentivizing Collaborative Grants

Creating a monetary incentive for submitting collaborative grants is one promising solution adopted by community foundations and other grantmaking entities across the country.

Collaborative grants could take the form of a separate portion of money reserved for those applying for collaborative grants, or a higher maximum grant amount for those submitting collaborative rather than individual grant applications. Regardless, the structure of the current application should be altered to create a more collaboration-friendly format.

Additionally, Dr. Snell and Vincent Moulden each highlighted that it is important that grantmaking organizations like CFAAC sit down with all involved organizations to outline specific expectations and responsibilities to facilitate the execution of collaborative projects.

Learning From One Another

Each community in the county is unique—effective collaboration could look very different in different areas. However, partners can still learn best practices from one another and share expertise. In fact, the aggregate of knowledge among a trusted network has repeatedly been cited as the most helpful form of collaboration.

Yet CFAAC or the future Nonprofit Center for the county can develop an educational series with exercises for nonprofits to learn what day-to-day shared work, budget collaboration, and collaborative grant proposals can look like. This serves the purpose of preparation for carrying out future collaboration as well as getting nonprofits in the same room to spark ideas among partners for collaboration.

Policy-Driven Grantmaking

The Problem

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Dr. Barbara Palmer, Kingdom Kare



Advocacy

In addition to meeting with community stakeholders, we evaluated whether CFAAC's grantmaking aligns with the county's greatest needs outlined in *Poverty Amidst Plenty*—affordable housing, child care, and transportation. We assigned all 2023 CFAAC grantees to ten mutually exclusive categories (e.g. Education and Youth Development, Health and Wellness). Then, we created a list of more specific labels based on common areas of interest (e.g. Women's Wellbeing, Youth, Immigrants and Refugees) and assigned all that applied to each grant. We found that child care comprises 0.6% of our grantmaking, transportation 0.9%, and affordable housing 5.8%.

While affordable housing, child care, and transportation are issues that the nonprofit sector could address, they can more efficiently be remedied through government policy. Community foundations can engage in advocacy to affect policy in two ways: lobbying government agencies and testifying in support of legislation or teaching nonprofits how to advocate themselves.

The former has been explored by multiple community foundations across the nation including the Baltimore Community Foundation (BCF). In 2020, BCF started a Digital Divide Project that addressed the lack of affordable internet in Baltimore City, in which they used advocacy to ultimately change the lives of over 500,000 Marylanders. They began by advocating for the first Director of Broadband and Digital Equity in Baltimore City. This effort was followed by their testimonial in support of the Digital Connectivity Act of 2021 that established the Office of Statewide Broadband.

CFAAC may not have the capacity to dedicate towards such a direct approach to advocacy right now, but they could focus on educational efforts until then. This could include creating an educational series that emphasizes the advocacy efforts of larger nonprofits and teaches the organizations in Anne Arundel County how to adapt best practices. In addition, this could inspire a new era for Fund for Anne Arundel in which grant applications include requests for advocacy resources and personnel.

CFAAC Staff and Board Members



Conclusion

The philanthropic organizations of Anne Arundel County face complex challenges that demand innovative and collaborative solutions. By streamlining grant processes, fostering collaboration, and embracing advocacy, CFAAC can create a more robust and effective nonprofit ecosystem.

As we look to the future, it is imperative that all stakeholders—from grassroots organizations to established nonprofits, grantmakers, and government entities—work together to leverage their collective strengths. Only through such unified action can we hope to build a more equitable and thriving Anne Arundel County for all its residents.

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Justin Bieler, Anne Arundel County Homeless Coordinator

Gavin Buckley, Mayor of Annapolis

Dr. Pamela Brown, Executive Director of the Anne Arundel County Partnership for Children, Youth and Families

Dr. Tonii Gedin, Anne Arundel County Health Officer

Rachael Maconachy, Anne Arundel County Director of Social Services

Adrienne Mickler, Anne Arundel County Mental Health Agency Executive Director

Lara Mish, teacher at Annapolis High School

Dr. Barbara Palmer, President and CEO of Kingdom Kare, Inc.

Steuart Pittman, Anne Arundel County Executive

Dr. Jennifer Purcell, Anne Arundel County Nonprofit Center Executive Director

Dr. Erin Snell, Executive Director of Charting Careers

Mizetta Wilson, Community of Hope Director of the Anne Arundel County Partnership for Children, Youth and Families



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