

Philanthropy Journal

OF NORTH CAROLINA

New opportunities

Tar Heel nonprofits looking to offset federal cuts

This is the third installment in a series examining the response of nonprofit leaders to the new priorities of policy leaders in Washington and Raleigh. The topic also is the focus of Philanthropy '96, the state's annual nonprofit conference, sponsored by the Philanthropy Journal of North Carolina.

By SEAN BAILEY

Federal budget or no federal budget, nonprofits that have depended on money from Washington now must face the cold, hard realities of the new political order: The money is no longer there - either cut completely or reduced from last year. And the likelihood of it returning any time soon seems slim.

Those nonprofits now face a new competitive world in which the many good causes far outnumber the avail-

THE NEXT REVOLUTION

able dollars to support them. And the continued health of some nonprofits, formed for the express purpose of delivering federal aid, seems shaky.

A fundamental shift in philanthropy, based on the current political climate in Washington and Raleigh, means that many nonprofits will be competing against each other for support.

"I'm anticipating that there's going to be a much greater pressure to contribute to basic human needs for food, shelter and health care, and that that is going to impact on things such as historic preservation, the arts and some aspects of education," says David Winslow, a Winston-Salem-based fundraiser and consultant.

Nonprofits face a simple, difficult challenge: "They've got to figure out some new things if they want to con-

tinue fulfilling their missions," says Winslow.

He and others in the fundraising and foundation fields suggest that nonprofits steer away from the highly competitive field of foundation grant-seeking and look to build longer, more stable sources of funding.

Winslow says that the private sector holds some promise for nonprofits seeking support. But he doesn't mean traditional philanthropic dollars. He thinks nonprofits should build alliances with the marketing departments of corporations. Those businesses are eager to share in some of the considerable public good will that nonprofits have garnered over the



David Winslow

years.

"We think the key to making up some of the shortfall will be in the creative use of ...the marketing dollar."

In some ways, the times ahead are a return to the 1980s when the Reagan administration began to reduce federal support for human services and education.

Whitney Jones, a Winston-Salem-based consultant and professional fundraiser, says nonprofits will have to do now what they did then: find ways to increase and diversify their fee-based services.

In addition, he says, nonprofits are going to have to accept the need to "partner" with other nonprofits. He cites, for example, the collaboration of 10 hospices in North Carolina that have banded together to contract with managed care providers.

One new strategy for improving the future financial picture of a nonprofit is the development of endowments by nonprofits that have not



Whitney Jones

normally pursued that approach in the past. Endowments typically have been vehicles used by larger nonprofit institutions such as universities and hospitals. Now, smaller human service nonprofits are heading in that direction. For instance, Jones says, Family Services of High Point, a nonprofit that delivers a variety of family counseling and protective services, is developing its own endowment.

"More and more organizations are raising endowment money because that's part of the survival for the future," Jones says.

Foundation money is probably not

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Completing the circle

Partnership targets teacher training, development

A collaborative initiative involving four school systems and the School of Education at UNC-CH aims to improve the teaching profession.

By TODD COHEN

Chapel Hill

Jill Fitzgerald has come full circle. After receiving her undergraduate degree in English in 1969, Fitzgerald landed a job as a third-grade teacher - without having been a student teacher.

"I learned the hard way," says Fitzgerald, now a professor at the School of Education at the University of North Carolina at Chapel Hill.

Fitzgerald taught public school for seven years, then earned a doctorate in education and began to teach future teachers at UNC-CH.

Several years ago, however, standing in front of an undergraduate class, she realized she was "teaching teachers to teach in ways I never taught myself."

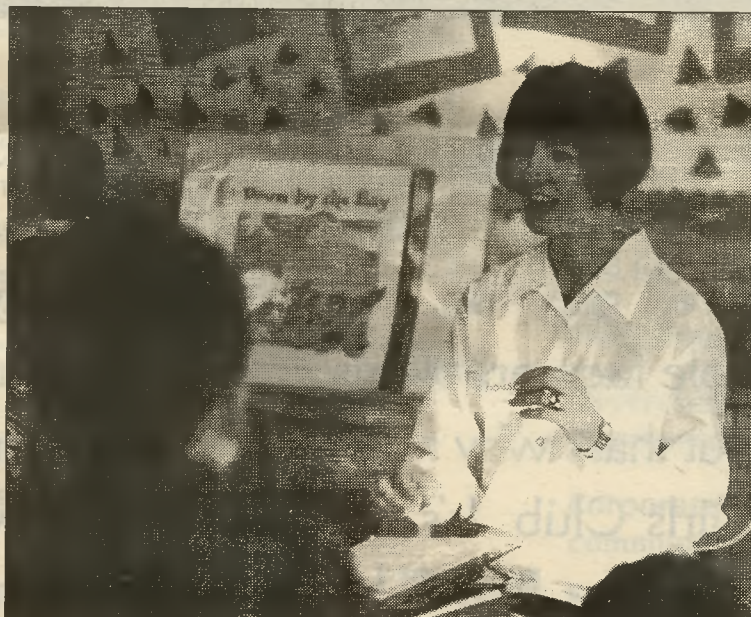
EDUCATION

So this year, under a new program at the School of Education, she's back in a public school classroom, teaching first-graders at Siler City Elementary School in Chatham County. The school is a world apart from Chapel Hill, sitting off a two-lane country road two miles west of Siler City's main street. The mooring of cows in an adjoining pasture echoes over the school's playground.

Fitzgerald's specialty is literacy. She teaches teachers how to teach students to read and write better. And as a professor of education, she aims to connect research and practice so her students understand not only teaching techniques, but also the theories and research behind them.

Yet standing in front of her Siler City first-graders, Fitzgerald has discovered something about the reality of teaching in a classroom that she had not gleaned from her research.

"You can't practice the ideal, at



Jill Fitzgerald, a professor at UNC-CH, is teaching this year at Siler City Elementary School as part of a collaborative initiative to improve teacher training and development.

Photo by Elaine Westor

least I haven't been able to practice my ideal," she says, "in large part because I don't have unlimited time. The amount of time I have is like a big pie and there are a lot of pieces of that pie that have to be devoted to so many other things, particularly daily health issues and hearing and sight problems and things you don't really think about when you're thinking about ideally how to set up a writing program. I didn't consider these to be as significant as they are on a day-to-day basis."

Her experience this year, she says, "will help me figure out how to

talk about theory and research that maybe will be more understandable to the [School of Education] students and maybe bring it into their world in a better way than I did before."

Lessons like those Fitzgerald is learning are the goal of an innovative partnership among four Triangle-area public school systems and the School of Education at UNC-CH that aims to improve the training and professional development of public school teachers.

The partnership, which could

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Making an impact

Kellogg invests in nonprofits

The Michigan foundation created by a cereal industry fortune is helping to strengthen North Carolina's nonprofit sector.

By BARBARA SOLOW

One of the country's leading foundations is playing a key role in building North Carolina's nonprofit infrastructure.

The W.K. Kellogg Foundation - the nation's third-largest in terms of both

GRANT MAKING

assets and grantmaking - is now funding 25 projects in the state worth \$15 million, and has completed another 24 projects worth \$8.8 million since the early 1980s.

That amount is only a fraction of grants awarded by other large foundations to Tar Heel nonprofits. In 1994 alone, the Charlotte-based Duke Endowment gave out \$41.7 million in North Carolina grants, while the Lilly

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Saving open spaces

Mushrooming growth in the Charlotte region has led a coalition of nonprofits to work to preserve open spaces and greenways.

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FOUNDATIONS

A major gift

The estate of a quiet philanthropist will deliver a major gift to the Charlotte-based Foundation for the Carolinas to help meet educational and recreational needs of area residents.

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Helping students

A new incentive program will guarantee needy high school students a scholarship to Central Piedmont Community College as part of the Cities in Schools volunteer initiative.

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CORPORATE GIVING

Recycling history

One week after a Greensboro-based textile company announced it was closing a plant in Edenton, a citizens group began an effort that led to the donation of a cotton mill for preservation.

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FUND RAISING

A hand to nonprofits

The Self-Help Development Bank is offering loans to North Carolina nonprofits to assist them in accomplishing their missions in an era of reduced government funding.

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