



Why are nonprofits important to Louisiana?

The Louisiana Association of Nonprofit Organizations (LANO) is a statewide network of nonprofits, foundations and individuals dedicated to improving the operations of nonprofit organizations in order to improve the quality of life for Louisiana's citizens.



LOUISIANA ASSOCIATION OF NONPROFIT ORGANIZATIONS

Why are nonprofits important to Louisiana?

LANO was founded in 1997 by the Council for A Better Louisiana and separately incorporated in 1999. LANO is governed by a 30-member statewide board of directors. The 2004 annual operating budget is \$1.6 million. LANO employs 12 people.



This is the first in a series of public policy papers LANO is producing. Future papers may explore:

- Nonprofit accountability
- The impact of faith-based organizations
- Louisiana's tax policies regarding nonprofits
- Nonprofits doing business with the state
- Charitable giving

The recommendations contained in this report are intended to serve as a policy agenda for LANO and the nonprofit sector to pursue. Various nonprofits that illustrate the high caliber of work being accomplished in Louisiana today are featured throughout the report.

Why should policy makers care about nonprofit organizations?

- Economic Impact
- Service Delivery
- Public Support

Everyone in Louisiana should care about the importance of nonprofit organizations and their role in the economic and civic life of our state. From soup kitchens to symphony halls, nonprofit organizations play a vital role in our communities because **healthy businesses want and need healthy communities.**

A healthy nonprofit sector is part of the economic development equation. We cannot improve the economic health of our state while cutting programs that provide answers to the social, cultural, health, educational and environmental needs of our people. With the state and local governments predicting budget shortfalls, more people are relying on nonprofit organizations for assistance with basic needs. Corporations looking to move to Louisiana want a good place to raise families and live. Nonprofits contribute to improving the quality of life and safety for Louisiana citizens. Despite these significant contributions, nonprofit organizations face many challenges in their work.

LANO was created to address these challenges. LANO works to promote charitable giving and philanthropy to sustain nonprofit growth, the Louisiana Standards for Excellence to improve accountability, and public policy and advocacy to raise the visibility and support of nonprofits.

What are the challenges facing nonprofit organizations?

- 1. Increased demand for services:** Nonprofit organizations have limited resources and increasing demands for services.
- 2. Uncompensated mandates:** Even though many large social and human service nonprofit organizations receive funding through state grants and contracts, these contracts often do not cover 100% of the costs of the services. Nonprofits must depend on community fundraising to cover their costs.
- 3. For-profit competition:** Increased competition has resulted in part from the growth of voucher-type payments and contracting practices open to for-profit firms, which have the advantages of access to capital and technology innovation and the ability to lobby without restrictions.
- 4. State fiscal policy priorities:** Health and human services budgets are often the first to be cut, which impacts nonprofits that are providing these critical services.
- 5. Random and contradictory tax policies:** Louisiana is one of 16 states in the US that has either limited or zero sales tax exemptions for nonprofit organizations. In our state, organizations must obtain exempt status individually through the legislature.¹
- 6. Accountability and Effectiveness:** In light of current scrutiny of nonprofit organizations by the media and policymakers, there is a critical need for the nonprofit sector as a community to take an affirmative and forward-looking position about collective values and aspirations for accountability.

¹ Margaret Eisler, ed. 2002 [Guide to Sales and Use Taxes](#) (2002).

To fully understand these issues, we must first examine the following questions:

What is a nonprofit organization?

What is the scope of nonprofits in Louisiana?

What is the public perception of nonprofits in Louisiana?

What are LANO's Public Policy Recommendations regarding the nonprofit sector?

What is a nonprofit organization?

A nonprofit organization is an incorporated legal entity created to serve the public good. Nonprofits are governed by a board of directors, as well as applicable state and federal laws.

Nonprofit organizations are funded by donations, fees for services, contracts, grants, sponsorships and other entrepreneurial activities to support the operation and mission of the organizations.

Under the IRS regulations, nonprofits are classified as 501(c)'s, exempting the organizations from federal income taxes. There are 27 different 501(c) classifications defining the purpose of the nonprofit. The most familiar classification is 501(c)3, which is reserved for charitable and religious organizations. The 501(c)3 organization is the only type of nonprofit able to accept tax-deductible donations and grants from foundations.

In order to receive federal recognition as a charitable organization and to receive tax-deductible contributions, nonprofits must apply to the IRS for nonprofit status as a 501(c)3. However, nonprofit organizations only need to register with the IRS if they have financial activity of \$5,000 or more. If they have activity of \$25,000 or more per year, then they must file an IRS Form 990 as an annual informational tax return. For the purpose of this paper, only 501(c)3 organizations, often referred to as "public charities," were used to compile data.

Is a nonprofit organization a business?

Nonprofits are in fact businesses that operate under the policy direction of volunteer boards of directors for the public good and are accountable to the public. They are legally incorporated entities registered with the Secretary of State, just like for-profit corporations. Nonprofits file Articles of Incorporation, establish by-laws to govern their operations and select a board of directors. Nonprofits with financial activity over \$25,000 file tax returns with the IRS and must comply with state and federal regulations regarding employees, workers' compensation and other employment requirements based on the number of employees. Nonprofit organizations create jobs and provide services just like businesses. They also bring in new revenue to the state in the form of grants from corporations, foundations and the federal government.

The most obvious difference between for-profit businesses and nonprofit organizations is that the objective of a for-profit business is to maximize profit, while the objective of a nonprofit organization is to maximize services. Therefore, nonprofits and for-profits have different business models in terms of access to capital, operating revenue and the dispersion of excess revenue at the end of the year. Nonprofits must keep any excess revenue for the program operations or expansion, whereas a for-profit can disperse revenue to owners or stockholders in the form of profits or dividends. Nonprofits access capital through grants and donations, whereas for-profits have easier access to investment capital and loans.

LANO's STANDARDS FOR EXCELLENCE PROGRAM

creates benchmarks for the "business side" of nonprofits – board governance, financial and legal accountability and six other core areas of strong nonprofits. LANO helps nonprofit organizations communicate their credibility and stability, so that corporations, individuals and foundations have confidence in supporting their work.

Nonprofit organizations are institutions playing vital roles in modern democratic societies by serving as the guardian of the public good, providing essential community services, mobilizing community responses to problems through advocacy and education and generally serving as a means to build the social capital of the country.

Dr. Lester Salamon

Institute for Policy Studies
Johns Hopkins University



LANO is pleased to be a member

of the National Council of Nonprofit Associations (NCNA). The mission of NCNA is to advance the vital role and capacity of the nonprofit sector in civil society and support and give voice to state and regional associations of nonprofit organizations. By representing the views and concerns of its state and local members NCNA serves as a credible voice and champion of the sector at the national level.

VOLUNTEERS OF AMERICA GREATER BATON ROUGE

Established in 1921

Annual Operating Budget:
\$12 million

Number of Employees: 400

Each year, this faith-based organization helps more than 13,000 people in need - abused and neglected children, at risk youth, the elderly, homeless individuals and families, people with physical or developmental disabilities, people with mental illness, working parents, and many more.

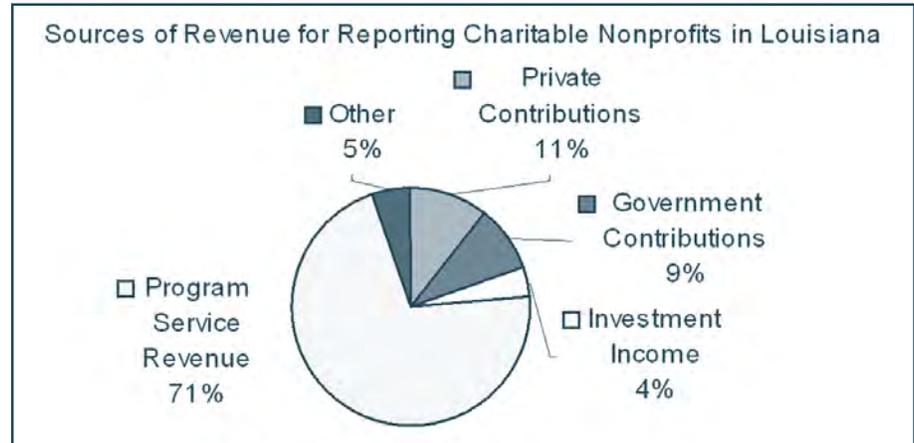
Notable among Volunteers of America Greater Baton Rouge's services is Parker House, a unique residential program that provides intensive therapy in a family-like setting to very young children traumatized by physical or sexual abuse. This is the last resort for many of the almost 5,000 children living in foster care in Louisiana.

Volunteers of America Greater Baton Rouge must provide much of the funding necessary for this important program because it costs \$15,000 more per year to care for a child at Parker House than Volunteers of America receives in state funding.



Accountability and Effectiveness

The expectations of operating a nonprofit are changing. No longer is it sufficient for a nonprofit to have only good intentions. Nonprofits are expected to operate using business principles, to generate more revenue and to be accountable for the services and funds they receive. The fastest growing source of revenue for nonprofits is in program service revenue, fees for services and contracts from third party payers including government and insurance sources.



Source: National Center for Charitable Statistics, Urban Institute, 2000

What is the scope of nonprofits in Louisiana?

We often take for granted the important role played by nonprofit organizations in strengthening our communities and providing essential services. Nonprofit organizations have a significant impact on Louisiana's economy, employing approximately 130,000 people.² This number is based on data from the Department of Labor and includes organizations with three or more employees. Many employees of smaller organizations, such as nonprofit churches, are not reported.

Nonprofit jobs are important to families and the community, and provide significant services to improve the quality of life in our state. Based on 2001 data, nearly two and a half times as many people are employed by nonprofit organizations as in the chemical, petroleum and manufacturing industries combined.³

Nonprofits contribute to the economy of the state as any other business would. For every two jobs created by the nonprofit sector, one job is created in the community in retail, wholesale, business and financial services.⁴ To get a better idea of the scope of the nonprofit sector, a review of its breadth is necessary. In Louisiana:

- Five of the 20 largest employers in Louisiana are nonprofit health organizations⁵
- Approximately 130,000 people, or 7% of the workforce, work for nonprofits⁶
- \$2.6 billion in total wages are paid to employees of nonprofits⁷
- Nonprofits have total assets of over \$12.8 billion⁸
- Nonprofit annual expenses exceed \$7.3 billion⁹

2 Johns Hopkins Nonprofit Employment Bulletin (September 2001)

3 Johns Hopkins Nonprofit Employment Bulletin (September 2001)

4 Based on the model developed by Regional Econometric Models Incorporated (REMI)

5 Louisiana Department of Labor (2001)

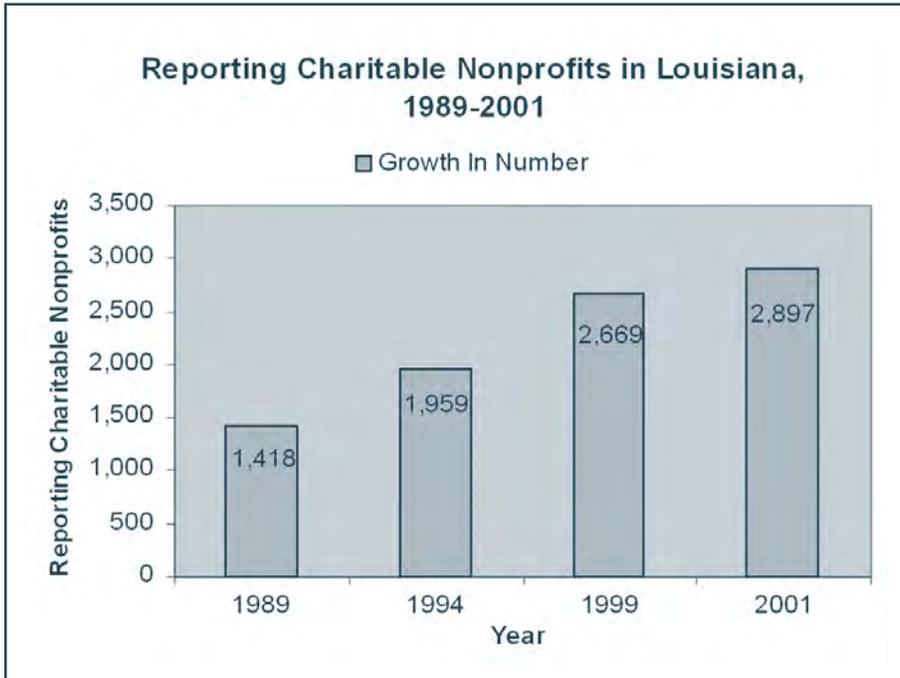
6 Johns Hopkins Nonprofit Employment Bulletin (2001)

7 Johns Hopkins Nonprofit Employment Bulletin (2001)

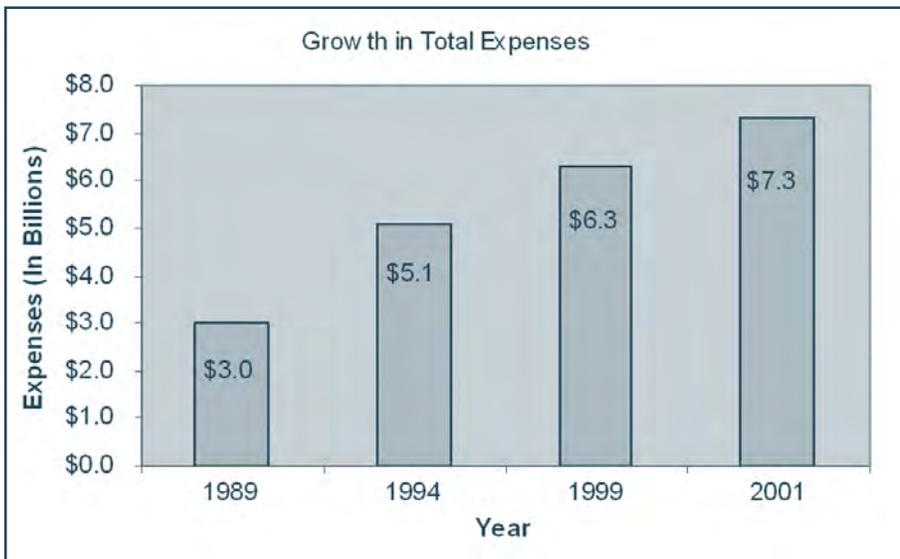
8 National Center for Charitable Statistics, Urban Institute (2001)

9 National Center for Charitable Statistics, Urban Institute (2001)

Nonprofits can be found in every area in the state. They range in size, service type and location, but all are vital to the daily activity in their community. From 1989 to 2001, the number of 501(c)3 nonprofits doubled.¹⁰ There are nearly 31,000 nonprofits registered with the Louisiana Secretary of State's Office, 15,000 registered with the IRS and 8,000 501(c)3 organizations. Almost 3,000 of these organizations have financial activity of over \$25,000 and file the IRS Form 990.¹¹ We are most concerned with these 990 filers, referred to as Reporting Charitable Nonprofits, since the most accurate data is available on these organizations.



Source: National Center for Charitable Statistics, Urban Institute



National Center for Charitable Statistics, Urban Institute

FOOD BANK OF NORTHEAST LOUISIANA

Incorporated in 1997
Annual Operating Budget:
\$490,000
Number of Employees: 10
Programs: Adopt-A-Senior and
Agency Food Distribution

In 2002, the Food Bank of Northeast Louisiana distributed 3 million pounds of food through 100 agencies and provided 1,420 senior citizens living below the poverty level with a 50-pound box of food each month. This is an excerpt from one of the many letters the Food Bank receives from grateful participants in the Adopt-A-Senior program.

“ I just wanted to drop you a line to say thank you for the box of food I get each month. I could not make it without it. I usually have only 30 or 40 dollars a month for food, so you can see how important it is to me. I thank you and everyone there.

I know God has a special place for all of you. ”

¹⁰ National Center for Charitable Statistics, Urban Institute (2001)

¹¹ Louisiana Secretary of State Office (2003)

**THE VOLUNTEER CENTER OF
SOUTHWEST LOUISIANA**

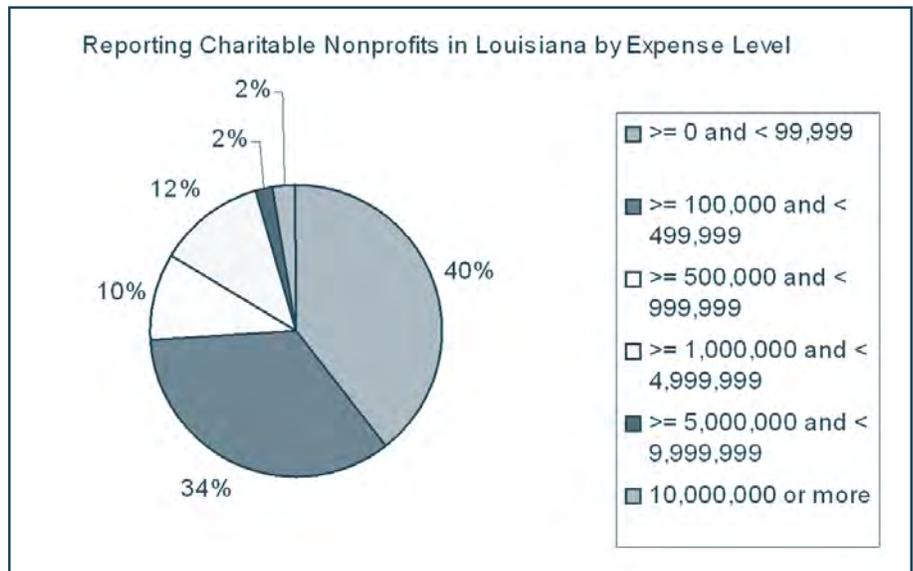
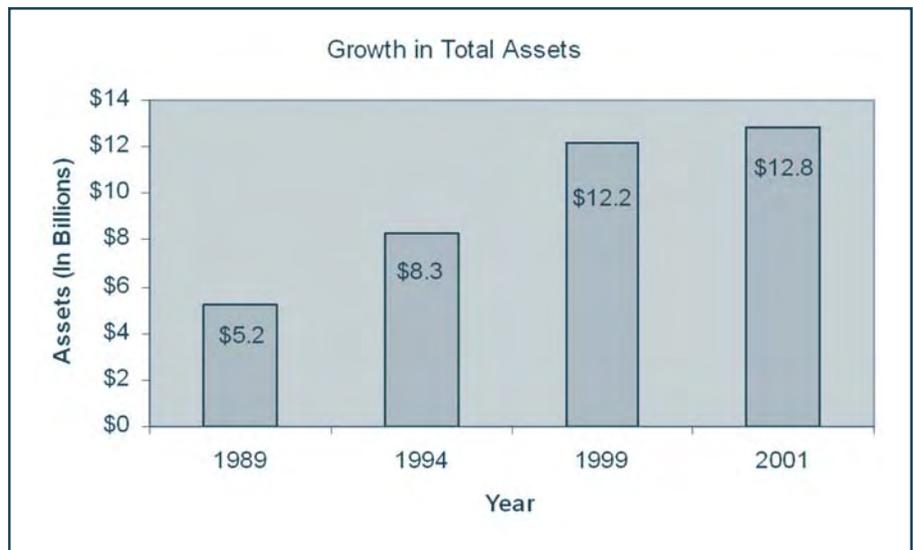
Founded in 1988

*Annual Operating Budget:
\$190,000*

Number of Employees: 4.5

*Programs: Volunteer Connection and
310info.org*

The Volunteer Center of Southwest Louisiana is the designated 2-1-1 provider for Southwest Louisiana, providing callers with information and referrals to health and human service resources for everyday needs and in times of crisis. The Center receives many calls for help every day from people like the young mother who works at a minimum wage job and wants to get job training skills so she can provide a better life for her family, or the 45-year-old man who wants to help his son with his homework, but needs to improve his reading skills in order to do so. Calls range from people who cannot afford health insurance to people who fear family or spousal abuse. By referring callers to agencies that can help them, the Volunteer Center of Southwest Louisiana is truly making a difference in the community.



Source: National Center for Charitable Statistics, Urban Institute, 2001

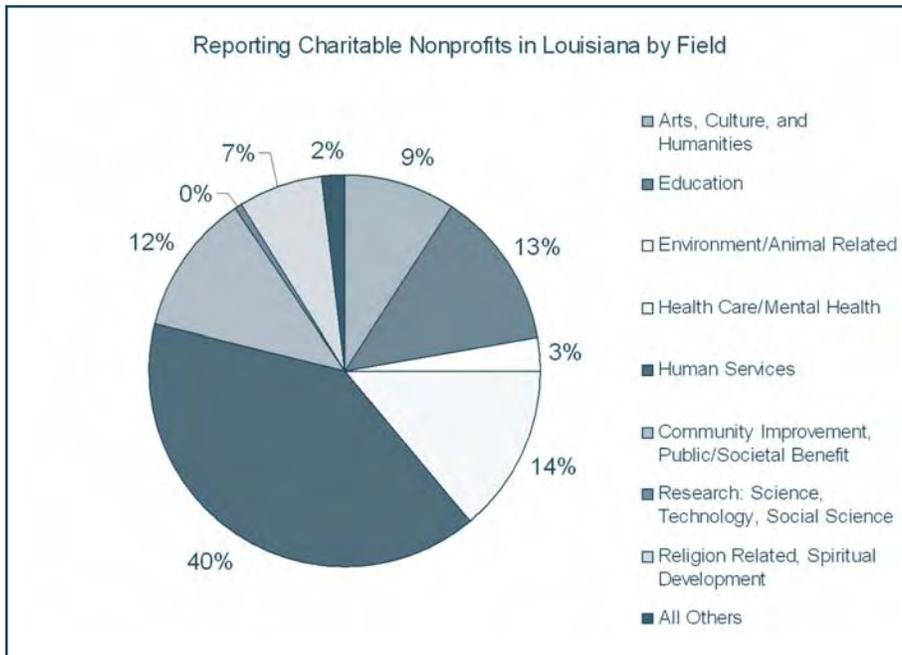
There are actually many more organizations delivering services in Louisiana than are presently recorded because religious entities are not required to file or register in the same way non-faith-based organizations are. There are currently only 9,000 faith-based organizations registered with the Secretary of State.¹² Many more of these groups could incorporate as nonprofits, but they do not have the information or resources available to do so.

What services are provided by nonprofit organizations?

Human service organizations comprise the largest portion of the state’s reporting charitable entities, representing 40%. Human service organizations include those addressing the issues of hunger, unemployment, poverty, crime, public safety, disaster relief, youth development, recreation and sports.¹³

¹² Louisiana Secretary of State (August 2001)

¹³ National Center for Charitable Statistics, Urban Institute (2001)



Source: National Center for Charitable Statistics, Urban Institute, 2001

Meeting Community Needs

To facilitate access to community health and human service resources and increase America's preparedness in the event of a terrorist attack, the FCC and the U.S. Senate have designated the phone number 2-1-1 for the exclusive use of information and referral providers (I&R's) across the nation. A 2-1-1 system will provide information and referrals to individuals, private businesses, public entities and social service professionals, thereby facilitating access to a community's health and human service resources. With approximately 20,000 health and human service resources in Louisiana, plus thousands of government and faith-based programs, ease of access is critical to matching people in need with appropriate resources.¹⁴ After hearing a brief description of the services 2-1-1 would provide, 61% of people surveyed in Louisiana supported its implementation.¹⁵

LANO has served as a member of the 2-1-1 Advisory Planning Board since its inception in 2002. The 2-1-1 Board includes representatives from the United Ways, local I&R providers in Louisiana and several government agencies. The 2-1-1 Board composed a business plan for the implementation of a seamless, statewide 2-1-1 system in Louisiana and presented the plan to the Louisiana Public Service Commission (LPSC) on December 19, 2003. The LPSC endorsed the plan and recommended it be funded through state tax dollars.

United Ways in Louisiana

The 2-1-1 Advisory Planning Board is only one of the many activities United Ways are involved with across Louisiana. LANO works with many of these organizations on public policy and the implementation of the Louisiana Standards for Excellence. There are 14 United Ways in Louisiana providing funding for hundreds of nonprofit organizations, and the people of Louisiana recognize the value of this institution. In a recent survey, 81% of respondents had a favorable opinion of United Way.¹⁶

¹⁴ Louisiana 211 Collaborative (2003)

¹⁵ The Public Policy Research Lab, "Attitudes toward Nonprofit Charitable Organizations and Charitable Giving," survey sponsored by LANO (2003)

¹⁶ The Public Policy Research Lab, "Attitudes toward Nonprofit Charitable Organizations and Charitable Giving," survey sponsored by LANO (2003)



ACADIANA OUTREACH CENTER

Incorporated in 1990

Annual Operating Budget:

\$1.2 million

Number of Employees: 15

Programs: Acadiana Outreach Center is the umbrella organization for several shelters including the Well Day Shelter, Naomi House, Joshua House and the Lighthouse Women's & Children's Shelter, as well as the Job Opportunities & Training Center (JOTC).

In the past year, Acadiana Outreach Center served 1,435 people and currently helps an average of 200 people a day. However, the focus is on changing one life at a time. It is when women like Erica Jones, 26, and her 2-year-old daughter, Angela, get a new start on life that success is truly measured. When Erica and Angela fled an abusive home to seek shelter at Acadiana Outreach Center, the staff began working with them right away. They provided Erica and her daughter with warm beds and hot meals while the young mother searched for work, and they have helped her find an apartment. "I never pictured myself in this position," Erica said. "My daughter deserves better. I'm so thankful we had people to help us get back on our feet and get on with our lives."



THE ARC OF CADDO-BOSSIER

Incorporated in 1954
Annual Operating Budget:
\$14 million
Number of Employees: 721 full- and
part-time

In addition to the staff, the Arc of Caddo Bossier employees 325 people with disabilities, making this organization one of the top 50 employers in Shreveport-Bossier.

Program Areas: Community Employment, Sheltered Employment and Day Habilitation for Adults, Individual and Family Advocacy Services, Infant Intervention, Inclusive Day Care, Respite Care, Personal Attendant Care Services, Community Homes, Recreation/Leisure, Speech Therapy, Physical Therapy, Occupational Therapy, Supported Independent Living, Inclusive Summer Camp and Therapeutic Horseback Riding.

Nonprofits Contracting with the State

The nonprofit sector is emerging as an engine of government service due to the increase and expansion of government contracting at the local, state and federal level. In 2003, the state of Louisiana had more than 1,750 contracts with nonprofit organizations for over \$1 billion of social and professional services.¹⁷ These services ranged from after-school programs to nonprofit hospitals.

In these difficult fiscal times, nonprofits should be considered as a more affordable and accountable option for high quality service delivery. Contracting with nonprofit organizations is a good investment on the state's behalf because any excess revenue realized by the organization is re-invested into services in Louisiana and state dollars are leveraged by charitable donations and volunteer time. This complex topic will be explored in further depth in a future report.

Nonprofits Contracting with the State

| Contracting Agency | # of Contracts | Amount |
|---|----------------|---------------------------|
| Office of the Governor | 181 | \$53,883,043.11 |
| Workforce Commission Office | 1 | \$46,000.00 |
| Division of Administration | 3 | \$345,000.00 |
| Safe & Drug Free Schools | 27 | \$962,702.59 |
| LA Indigent Defense Assistance Board | 9 | \$4,700,000.00 |
| Office of Disability Affairs | 1 | \$35,586.00 |
| Facility Planning & Control | 1 | \$2,700,000.00 |
| Department of Justice | 1 | \$644,800.00 |
| Office of Lieutenant Governor | 2 | \$25,000.00 |
| LA Dept. of Agriculture & Forestry | 6 | \$146,850.00 |
| Department of Insurance | 3 | \$20,000.00 |
| Department of Economic Development | 53 | \$110,628,394.09 |
| Department of Culture, Recreation & Tourism | 44 | \$5,882,655.00 |
| Department of Transportation & Development | 3 | \$123,099.00 |
| Department of Health & Hospitals | 686 | \$482,064,353.87 |
| Department of Social Services | 313 | \$76,658,167.82 |
| Corrections | 58 | \$129,204,189.08 |
| Department of Safety | 1 | \$145,900.00 |
| Department of Natural Resources | 3 | \$927,864.70 |
| Department of Labor | 69 | \$25,508,093.00 |
| Wildlife & Fisheries | 5 | \$621,750.00 |
| Medical Centers | 47 | \$49,018,009.97 |
| Universities & Higher Education | 24 | \$103,070,425.00 |
| LA Systemic Initiatives Program | 1 | \$121,500.00 |
| Community & Technical Colleges | 9 | \$1,993,875.00 |
| Education | 163 | \$34,330,882.50 |
| Department of Environmental Quality | 7 | \$1,344,115.00 |
| LA Housing Finance Agency | 24 | \$2,248,680.00 |
| Boards & Commissions | 7 | \$2,181,500.00 |
| Total | 1752 | \$1,089,582,435.73 |

Source: Louisiana Office of Contractual Review, 2003

¹⁷ Louisiana Office of Contractual Review (2003)

What is the public's perception of nonprofits in Louisiana?

In 2003, LANO and the LSU Public Policy Research Center completed a survey of Louisiana voters to determine attitudes toward nonprofit organizations and charitable giving. Results revealed Louisiana voters trust nonprofit organizations more than state agencies and corporations, as well as several other interesting statistics.

- 85% of respondents believe that nonprofits make a difference in their communities¹⁸
- 68% of respondents reported a monetary contribution to a nonprofit between March 2002 and March 2003¹⁹
- 34% of respondents reported volunteer work for a nonprofit organization²⁰
- 28% indicated they currently serve or have served on a nonprofit board²¹

It is apparent that Louisiana citizens believe strongly in the work nonprofits are doing and are showing their support through contributions of their time and finances. In fact, based on data collected from the Internal Revenue Service on itemized deductions, the average charitable contribution made in Louisiana by itemizers in 1999 was \$3,281, which was 8% higher than the national average of \$3,028.²²

Charitable Giving in Louisiana, 1996 through 2001

| Year | No. of Itemizers Taking Deduction | Total Charitable Contributions |
|------|-----------------------------------|--------------------------------|
| 1996 | 262,353 | \$868,929,000 |
| 1997 | 272,617 | \$956,680,000 |
| 1998 | 282,992 | \$1,029,263,000 |
| 1999 | 302,751 | \$1,132,686,000 |
| 2000 | 326,452 | \$1,290,675,000 |
| 2001 | 348,295 | \$1,356,585,000 |

Source: IRS Statistics of Income Bulletin, Spring 1998-2003
Prepared by the National Center for Charitable Statistics at the Urban Institute

The LANO/LSU Public Policy Research Center report indicated that of all the possible reasons for contributing time or money to a nonprofit organization, the most cited was a desire to give back to the community. These contributions indicate citizens understand and value the presence of nonprofits in their community. In the same way that individuals purchase goods and services from private businesses because they are needed or wanted, individuals provide resources to make nonprofit services possible because they recognize the high-quality, necessary work that nonprofits are providing.

¹⁸ The Public Policy Research Lab, "Attitudes toward Nonprofit Charitable Organizations and Charitable Giving," survey sponsored by LANO (2003)

¹⁹ The Public Policy Research Lab, "Attitudes toward Nonprofit Charitable Organizations and Charitable Giving," survey sponsored by LANO (2003)

²⁰ The Public Policy Research Lab, "Attitudes toward Nonprofit Charitable Organizations and Charitable Giving," survey sponsored by LANO (2003)

²¹ The Public Policy Research Lab, "Attitudes toward Nonprofit Charitable Organizations and Charitable Giving," survey sponsored by LANO (2003)

²² IRS Statistics of Income Bulletin (Spring 1998-2003)

HOPE HOUSE OF CENTRAL LOUISIANA

Incorporated in 2000

Annual Operating Budget: \$300,000

Number of Employees: 6 full-time, 8 part-time

Programs: Transitional housing for homeless women and children, case management, life skills training, computer education, tutoring for women and children and child care

It is obvious what a difference Hope House of Central Louisiana is making in individuals' lives, as one of their former residents is now on their board of directors. This woman came to Hope House in her 50's, after an addiction with prescription drugs and problems controlling her spending. Her husband had left her and she was alienated from her children. The counselors at Hope House helped her deal with her depression and self-esteem issues, as well as her addictions, and today this woman is living independently and working as the manager of a housing complex for the elderly. She has not forgotten her friends at Hope House, though, and continues to serve on their board of directors.





KINGSLEY HOUSE, INC.
New Orleans

*Incorporated in 1896
Annual Operating Budget:
\$5 million
Number of Employees: 130
Programs: Early Head Start; Head Start; Youth Services; Family Life Services; Senior Care; Adult Day Health Care; and Health Care for All, which helps enroll children and adults in Medicaid, LaChip and River Parishes Child Welfare Family Resource Center.*

Kingsley House works with over 7,000 individuals a year, covering a ten-parish region of Southeast Louisiana. It is one of only five agencies in Louisiana accredited by the Council on Accreditation. Over the past two and a half years, Kingsley House has helped to enroll almost 2,000 children in the LaChip program who previously were not receiving any health care coverage. This was accomplished by "Walkers and Talkers," Kingsley House representatives who travel door-to-door throughout Southeast Louisiana, helping families apply for health insurance.

LANO Public Policy Recommendations

In order to ensure continued economic growth, educational development and health care service delivery throughout Louisiana, the following steps should be taken to advance the missions of Louisiana nonprofits and improve the relationship between the nonprofit sector and the state government:

- **Build capacity for Louisiana's nonprofit sector**
- **Redefine the business relationship between the state of Louisiana and nonprofits**
- **Promote accountability and credibility of the nonprofit sector**
- **Preserve and enhance nonprofit tax exemptions**
- **Strengthen the climate for philanthropy and volunteerism**
- **Analyze the state budget process and use of funds**
- **Enhance the role and impact of nonprofits as policy advocates**

Build Capacity for Louisiana's Nonprofit Sector

Nonprofits play a significant part in the day-to-day economic life of Louisiana. As trends in state funding point toward devolution to community-based service, nonprofits are expected to play an ever-growing role in providing important services to Louisiana residents. We would like to see:

- Investment in nonprofits to build their capacity not only to continue to provide these services, but also to maintain and improve organizational capacity and efficiency
- State support for nonprofit accreditation using the Louisiana Standards for Excellence
- Citizens of Louisiana connected to local community services through the statewide 2-1-1 Information and Referral program

Redefine the Business Relationship Between the State of Louisiana and Nonprofits

The state has recognized nonprofit organizations as partners in fulfilling the service needs of communities. Nonprofits provide many of the programs and services that are supported in part by government, and the state's citizens would suffer if nonprofits were unable to participate in government contracts. We should work to:

- Ensure that the state encourages contracting of services to nonprofits
- Address issues affecting the contracting partnership between nonprofits and the state
- Encourage standardized accounting and reporting requirements across state departments
- Improve the business relationship between nonprofits and state agencies
- Address issues of licensing, monitoring and program evaluation for nonprofits doing business with the state

Promote Accountability and Credibility of the Nonprofit Sector

Government agencies are concerned about the capacity of nonprofits to maintain high levels of accountability. Appropriate federal regulation, combined with state regulation and self-regulation within the nonprofit sector, are all part of maintaining accountability and the high public trust that Louisiana voters have reported to have in the nonprofit sector. It is important to:

- Promote standards of ethics and accountability in the nonprofit sector
- Work to bring about more public awareness of how nonprofits are effectively serving the public trust
- Ensure that nonprofits and state agencies are mutually accountable for the performance of nonprofit contracts

- Streamline state accountability measures to increase consistency and coordination across departments
- Explore with state agencies and other parties the role of Standards for Excellence in assuring a high level of services to Louisiana's citizens

Preserve and Enhance Tax Exemptions

The important role of nonprofits in Louisiana has been acknowledged by the special tax status and exemptions granted by the state. We must:

- Continue to protect property tax exemptions
- Develop a cohesive standard for sales/use tax exemptions
- Educate the public on the need for nonprofit tax exemptions
- Evaluate and advocate for opportunities to improve and protect the tax status of nonprofits

Strengthen the Climate for Philanthropy and Volunteerism

Louisiana nonprofits make important contributions to local communities. Trends at the state and federal level indicate that many of the services and functions of government are devolving to community-based nonprofit organizations. Nonprofits are uniquely suited to respond to the needs of their local communities, but require adequate funding to meet those needs. While philanthropy and volunteerism offer an important means to support this work, Louisiana has a limited base of philanthropic capital. Organizations are challenged to recruit and retain volunteers. To strengthen the climate for philanthropy we must:

- Improve state and federal tax incentives for charitable donations
- Increase recognition from government and philanthropic funders that organizations depend on volunteers
- Promote community service programs such as AmeriCorps

Analyze the State Budget Process and Use of Funds

The state appropriations are of particular interest to Louisiana nonprofits, because it is the state budget that communicates policy priorities. Additionally, there are instances in which policymakers decide not to use state funds to draw down federal dollars that could significantly impact service delivery. The public should be educated on the budget process. Specifically, LANO will:

- Track the state fiscal and budget process
- Reinforce sound budget practices that involve careful study of opportunities to draw down federal dollars
- Educate policy makers on the effects of cutting state social and health services to balance the budget
- Ensure that the first priority of government budget and fiscal policies are to provide sufficient resources to fairly, effectively, efficiently meet the state's responsibility

Enhance the Role and Impact of Nonprofits as Policy Advocates

Citizen's form and support nonprofit organizations as a way to work together to improve their communities and to provide a more effective voice for their concerns in the policy arena. Advocacy is a natural mission for nonprofit organizations and a role that must be protected and strengthened. Nonprofit advocacy is critical in preserving public confidence in the policy-making process. To enhance nonprofits' role as policy advocates, it is necessary to:

- Encourage nonprofits as advocates for the people and communities they service in the development of government policies
- Protect nonprofits at all levels of government to act as advocates on public policy issues
- Ensure that nonprofits are effectively represented on appropriate boards, commissions, councils and similar bodies established by government

NORTHEAST LOUISIANA ARTS COUNCIL

Incorporated in 1979

Annual Operating Budget: \$360,000

Number of Employees: 2.5

Programs: Arts Education and Arts Presenting

The Northeast Louisiana Arts Council believes all children should have the opportunity to participate in the arts. Their Arts-In-Education programs provide resources and quality artistic experiences for more than 30,000 students and their families. The Arts Council also works to bring regional, national and international artists and performers to the area, introducing the community to new art forms, emerging talent and culturally diverse presentations.

Through these programs, the Arts Council provides opportunities to experience the Arts to approximately 300,000 residents. The State of Louisiana recognizes the Council as its authorized provider of technical assistance and as the official Arts coordinating agency for the more than 55 arts organizations in their region.

Each region is served by an Arts Council.



Join LANO

LANO Membership Application

NAME OF ORGANIZATION _____

CONTACT PERSON _____

E-MAIL _____

WEB SITE _____

ADDRESS _____

CITY _____

STATE _____

ZIP _____

TELEPHONE _____

VISA MASTERCARD CREDIT CARD # _____

EXP. DATE _____

First-Time Member Renewal

Membership Fees *(please check one)*

Nonprofit Organization *(Based on operating budget)*

- \$0 - \$50,000 _____ \$100
 \$50,001 - \$150,000 _____ \$150
 \$150,001 - \$500,000 _____ \$200
 \$500,001 - \$1 million _____ \$300
 \$1 million - \$2 million _____ \$400
 \$2 million - \$4 million _____ \$500
 Over \$4 million _____ \$750
 Over \$10 million _____ \$1,000

Individuals _____ \$100

Foundation Member: \$2,500 \$5,000 \$7,500 Other _____

Corporate Member: \$2,500 \$5,000 \$7,500 Other _____

Please send form and payment
(check or charge) to:

LANO
P. O. Box 3808
Baton Rouge, LA 70821

If paying by credit card you may
fax form to: (225) 343-5363
or call us at: (225) 343-5266



Louisiana Association of Nonprofit Organizations

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