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Comprehensive Model for Sustaining Community Projects

Jan Carroll

Colorado State University Cooperative Extension, jan.carroll@colostate.edu

Mary Gross

Morgan County Family Center, ftmorg1@mindspring.com

Robin Leist

Alamosa Even Start/Lalave Family Center, rleist@fone.net



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Comprehensive Model for Sustaining Community Projects

Abstract

Local sustainability is a goal from any community-based project's first day. A family literacy project team conceptualized a comprehensive model for sustainability that includes six strategies. The two community sites are documented as successful beyond the term of federal funding. They are housed, staffed, and funded for program delivery to clients. The site directors share their knowledge, experience, insights, results, and recommendations. The best results have come from community investment and grant writing. The biggest challenge has been local fundraising. Marketing, fee-for-service, and 501(c)(3) status have contributed positively.

Jan Carroll

4-H Youth Development Specialist
Colorado State University Cooperative Extension
Fort Collins, Colorado
Internet Address: jan.carroll@colostate.edu

Mary Gross

Director
Morgan County Family Center
Fort Morgan, Colorado
Internet Address: ftmorg1@mindspring.com

Robin Leist

Director
Alamosa Even Start/LaLlave Family Center
Internet Address: rleist@fone.net

Local sustainability is a goal from any project's first day. The excitement and commitment arriving with project funding are always shadowed by knowledge that grants, awards, and contracts are finite. The time funded for action and impact is limited. When projects begin, directors move quickly to locate and secure space, hire and orient staff, recruit clients, and begin service delivery. They contract with evaluators and assure the project's intended outcomes are clear. They acquire clearances for research, set up accounting systems, and calendar reporting dates. And all the time, in spite of all the activity, the grayness lurks.

Sustainability is part survival and part success. Project-developed agencies can survive when soft money runs out and yet never attain the success of a sustainable project. As grant funding runs out and competition for charitable dollars becomes more heated, a nonprofit agency must organize to support its mission. There are options and choices that each organization must address (Weisman, 2000). Most fundraising literature is based on experience (Buchanan, 1994). But looking back is not the way to attain sustainability.

A family literacy effort in two rural communities, A and B, faced the sustainability issue at its first staff retreat. Staff, including the campus-based Principal Investigator, Project Director, and Project Evaluator and community-based Site Directors, Community Site Assistants, and Cooperative Extension Community and Family Educators, drew a comprehensive model to clarify their intent and to guide the projects' efforts toward sustainability and long-term success. One assumption, as confirmed by Wyzbinski, Moore, & Gelzer (1998), was that a "diversified income base represents the most stable fiscal position for any nonprofit organization" (p. 13). They also predicted accurately that a bonus outcome of the planning process would be enhanced teamwork--instilling confidence and demonstrating how the pieces could fit together to meet project goals.

The model designed at the retreat was based on previous experiences of staff members, input from community members who had been involved in design of the funding proposal, and expertise of Cooperative Extension professionals. See Table 1.

Table 1.
Comprehensive Model

Strategy	Locus	Collaborator(s)	Intended Results
1. Grant Writing	State and Local	Campus resources	Federal, State, Local government and Foundation funding; Recognition within Cooperative Extension system
2. Community Investment	Local	School districts, health and human services providers, Community Colleges, businesses, etc.	In-kind donations, volunteers, local political support
3. Marketing	Local	Campus Office for Service Learning	Community awareness and interest, ongoing client base; University involvement with local programming
4. Not-for-Profit Status	Local	Other 501(c)(3) entities, program fiscal agent(s)	Independence, indirect cost capture
5. Fee-for-Service	Local	Other health and human services providers	Earned income based on service and measured impacts
6. Fundraising	Local	Community-wide potential	Income from membership, product sales, phone banks, special events, etc.

Strategy 1: Grant Writing

Recommendations

- Start writing grant applications during the project's first year, if at all possible. "Grant-seeking can and should be a vital part of your overall fund raising program" (Vogel, 2000). Proposals for local dollars and/or in-kind support establish office procedures for grant writing and force articulation of goals, objectives, timelines, and budgets. They demonstrate to the community the project's intention to survive and succeed. Feedback from local funders is typically easy to get and valuable for future efforts, whether or not the grant is awarded.
- Avoid applying for grants that don't quite fit, just to win them and/or get in the extra money. It is a hazardous behavior. It is tempting to approach sustainability with a "shotgun approach," responding to a Request for Proposals because it is possible rather than because it makes sense. Both sites agree that it is critical to leverage talent and program cores, rather than trying to chase funding or branch out too much.

Example

The chronology of the strategy for sustainability was set when Community Site Directors were invited immediately after the retreat to attend a weeklong grant-writing workshop presented by Colorado State University. This annual workshop on grant writing is sponsored by the College of Applied Human Sciences and offered largely to faculty, staff, and graduate students at the university. The same instructors have taught every workshop since 1989, and for the last 6 years, an Associate Dean for Research in the College of Applied Human Sciences has assisted in the instruction.

Family literacy project staff spent 4 days with these academic professionals, surveying funding opportunities and practicing techniques for successful grant writing. In addition to providing instruction on state and federal funding agencies, national and statewide foundations, regulatory compliance requirements, and Office of Sponsored Programs procedures, the workshop provides time in small group activities for support, practice writing, and feedback.

Results

Project staff used the skills they practiced at the workshop to write grant proposals to be funded by United Way, the state Department of Education, two national foundations, two large statewide foundations, and several local foundations. See Table 2.

Table 2.
Grant Writing Results

Site	Year 1	Year 2	Year 3	Year 4	Year 5	Total
A (7 sources)	\$3,000	\$7,400	\$13,675	\$18,920	\$54,554	\$97,549
B (2 sources)	\$90,000	\$90,000	\$108,000	\$107,500	\$107,000	\$502,500

Strategy 2: Community Investment

Recommendations

- Involve stakeholders at every step of project design, and don't hesitate to ask for help.
- Thank participants for their input, and share meeting notes broadly.
- Use networking techniques to find out what's available, who's donating, when's the deadline, where's the meeting, etc., and to make your needs known.
- Design an evaluation strategy very early in the project to document impact of service delivery.

Example

At the same time project staff was writing local grants, planning for service delivery was underway at both community sites. Multiple stakeholder groups were involved in designing programming through use of focus groups, organization of a technical advisory committee, and involvement of a steering committee. Representatives from local school districts and community colleges attended the facilitated planning sessions, along with health and human service providers, government officials, and parents. Buy-in and participation of the local Cooperative Extension educator was critical.

Both sites developed a "case statement," or a summary of mission, goals and objectives, and capacity to serve the targeted population (Mixer, 1993). Community participants who "truly understand the needs of the people they serve will understand the critical need for money to serve them," (Weisman, 2000, p. 29). According to Wyzbinski, Moore, and Gelzer (1998), "An organization will usually find that when a thoughtful plan is presented, a donor's confidence in the organization's ability to attract sufficient support for the goals described in proposals is significantly bolstered" (p. 11).

Results

In-kind donations, volunteers, local advice and political support are easier to acquire when community members are engaged and "bought in" to the project. As a secondary outcome, the commitment to stakeholder involvement also contributes to funding success. See Table 3. Donations included:

- Office furniture
- Computers for client use
- Training and materials for programs
- Meeting space
- School supplies and books
- Program delivery space
- Computer software
- Computer lab
- Infant/child car seats.

Table 3.
Community Investment Results

Site	Year 1	Year 2	Year 3	Year 4	Year 5	Total
A	\$22,200	\$6,050	\$15,334	\$9,675	\$31,675	\$84,934
B	\$15,000	\$15,000	\$26,000	\$27,000	\$25,500	\$108,500

Strategy 3: Marketing

Recommendations

- Use expertise of professionals or students to help clarify project direction and to design graphic representations.
- Involve clients in selection of materials.
- Create a consistent image for your project in the community. Funders and donors will recognize it.
- Seek fundraising and public relations by partnering with a corporation that has marketing and promotional objectives (Mixer, 1993). Cause-related marketing, involving such a relationship between the nonprofit organization and a corporation was not a component of this comprehensive model.

Example

A Service Learning project was a way to get expertise at little or no cost and to have university participation and visibility at the sites. Client recruitment at both sites was successful because of agency referrals, word of mouth, and relevant programming. Simple marketing efforts, such as fliers and posters, kept attendance at adequate levels. Still, both sites recognized the need for a marketing plan and collateral supporting materials to increase community awareness and interest, and ensure an ongoing client base. The campus-based Office for Service Learning facilitated the match between family literacy project B and a senior-level graphics design class.

The site selected for service learning was remote from campus, so site personnel traveled to campus to present information rather than having class members travel across the state. Students emphasized the value of quality programming to meet community needs in marketability, and encouraged staff to clarify these points:

- What is your image?
- Who is your audience?
- Who are your participants?
- What are your program goals?

Students and staff also explored media availability, advertising options, and community norms before designing materials. Project staff returned to campus later in the semester to receive the students' designs, each of which included a logo, letterhead and business cards, and at least one other piece, such as a T-shirt, book jacket, magnet, calendar, board game, or bookmark. Staff narrowed the field to six designs that were most on target, and agency clients voted to select their favorite among the proposed logos.

Results

The logo that was selected seemed to capture the spirit of the family literacy project with its image of an adult with a child and a book. See Figure 1. It brought into more public awareness the efforts of staff and volunteers, and sharpened the focus of those efforts. The process of creation and selection engendered more local ownership for the project. Currently the logo is displayed on the project site's windows and signs, and on special stationery. Other logos have been used for event promotions.

Figure 1.
Site B Logo



The other location (Site A) selected a logo not used in Site B. See Figure 2. It is now used on the Site A Web site, for staff T-shirts, and on office stationery.

Figure 2.
Site A Logo



It is unknown if or how the students were affected by their service learning activity. Ideally, they will have developed a greater awareness of community needs and concerns through planning, participating, and processing the experience.

Strategy 4: Not-for-Profit Status

Recommendations

- Work with community stakeholders to determine risks and benefits of working under another fiscal agent compared to the risks and benefits of holding a 501(c)(3) designation.
- Consult accountants and lawyers for professional advice.

Example

In all the sustainability efforts, the question of "to be or not to be" a not-for-profit entity arises. According to the Department of the Treasury Internal Revenue Service (1998), benefits of Section 501(c)(3) status include:

- "Public recognition of tax-exempt status.
- Advance assurance to donors of deductibility of contributions.
- Exemption from certain state taxes.
- Exemption from certain federal excise taxes.
- Nonprofit mailing privileges, etc." (p. 1).

For the nonprofit agency, this allows the opportunity to focus specifically on the purpose of the project, without others' influence because they hold the purse strings. In addition, there are opportunities for others in the community to turn to the agency as a collaborator. The agency is able to:

- Apply for funding without collaborators, and
- Serve as fiscal agent, because the 501(c)(3) status is required by many funding agencies.

Considerations include the following.

- Does taking the step to be a 501(c)(3) agency do nothing much more than create yet another bureaucracy?
- Does the project have the resources to turn itself into an agency with an organizing document (corporation, unincorporated association, trust, etc.), bylaws, board of directors, bookkeeper, insurance, etc.?
- Will collaborations actually decrease and, if so, at what cost to the effectiveness of service to clients?

The Application for Recognition of Exemption (Form 1023) requires an agency to have an Employer Identification Number (EIN) and to submit documentation of status along with a user fee payment that must accompany the application (Department of the Treasury Internal Revenue Service, 2001).

Results

One site was opened under the umbrella of an already existing 501(c)(3) in the community. See Table 4. Non-profit status gave the project opportunities to write grants to foundations. They also became a United Way agency, which allowed for additional collaboration and sharing through agency meetings and in-kind donations under their umbrella.

The other site opened as a joint program of the local school district and Colorado State University, funded by a federal grant and a state-administered grant. The federal grant covered management

salaries, rent and utilities, while the state funds paid program expenses and salaries for field staff.

Table 4.
501 (c)(3) Results

Site	Current Status
A	501(c)(3)
B	Application under consideration

Strategy 5: Fee-for-Service

Recommendations

- Solicit suggestions for earned income opportunities and evaluate them against costs. Go forward if the financial gain is clearly in the program's best interest.
- Keep fees for service in context, neither overcharging limited resource clients nor thoughtlessly giving away services to clients who have resources to pay.
- Evaluate pros and cons of business ventures and contracting for services, especially in terms of tax implications, staff and volunteer commitment, and donor relationships.

Example

Income can be generated based on local service delivery and measured impacts. Some projects are externally funded based on being free to clients, in which case fee-for-service is obviously not an option. Other projects deliver services to limited-resource audiences for whom a sliding scale is appropriate, in which case fees are inadequate to cover costs of service delivery.

Earned income, as through offering computer literacy courses to paying clients when program clients are not in the computer lab, is another option when staff, equipment, and space are available. Business ventures (earned income) that are supported at the highest administrative level, according to Mixer (1993) can assure the effort, funds, personnel, and facilities required for success when dealing with tax problems, acquisition of necessary experience, financing, and marketing. Clients can participate in earned income strategies, such as selling produce from a community garden or unwanted books from a library.

Another fee-for-service design is contracting for services. In this strategy, the nonprofit organization provides human services under terms of a contract from the government or another agency. There are benefits to the contractor in flexibility, management of costs, and continuity of structure and personnel (Mixer, 1993).

Results

Fee-for-service has not yet been implemented at either site. The concept has not been widely adopted by Cooperative Extension, but is under consideration for some programs. It remains a viable option for both sites.

Strategy 6: Fundraising

Recommendations

- Use volunteers to offset staff time in managing fundraising events and campaigns.
- Beware of events that are organized for fund raising and then don't make money. There is a tendency to consider them successful because they helped get the word out, made friends in the community, and accomplished marketing goals. A fundraising event is successful if it raises money or has high net revenue potential in future years. A marketing event is evaluated under different criteria.

Example

The community-wide potential for income from activities such as membership campaigns, product sales, phone banks, and special events often makes fundraising the first strategy considered by new agencies. However, the intensive effort required by staff and volunteers seldom, if ever, results in a positive cost/benefit analysis. Still, fundraising activities are active and alive, not static, according to Blank (2000), and they are appealing to staff, volunteers, clients, and many donors.

Results

When the logos were designed and selected, both sites discussed fundraising implications. A limited edition commemorative poster was considered, and various events were proposed vis-à-vis a marketing approach introducing the logo. However, fundraising activities have not yet been conducted at either site.

There are for-profit organizations that sell fundraising services to nonprofits (Mixer, 1993). Their services may include data management, telemarketing, demographic analysis, and/or pledge collection. Obtaining and checking a list of references may increase the confidence of a nonprofit that is considering one of these services.

Summary and Conclusions

Creating a model and reviewing it, at least annually, supports a community-based site in sustaining its service delivery to clients after initial grant funding has been expended. Both family literacy sites in Colorado are now off the federal grant and are sustaining successful programming in their communities. Project A works with an annual budget of \$245,000 (plus in-kind resources) and Project B with \$209,000 (plus in-kind resources). Both are housed in appropriate and accessible space, are equipped, and fully staffed (Project A has 5.625 FTE, or 6 employees, and Project B has 7 FTE). They have Internet connectivity for individual staff and extensive computer access for clients.

This accomplishment is possible because of the comprehensive model and staff commitment to sustainability. Both can be replicated in other community-based grant-funded programs associated with Cooperative Extension.

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