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Wednesday, November 5, 2008



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## Jobs Watch

### Featured Jobs

#### Document

**Processor/Administrative Assistant**, McCrory & McDowell LLC – Pittsburgh, PA

**Executive Director**, The Arc of Westmoreland – Greensburg, PA

**New Media Specialist**, Family Communications, Inc. – Pittsburgh, PA

**Program Director - Residential & BHRS**, Pressley Ridge – Pittsburgh, PA

**Vice President, Conservation Programs**, Western Pennsylvania Conservancy – Pittsburgh, PA

[Click here to view the full list of Jobs Watch postings](#)

## Mosaic Tip

**Project Management Tip:** For those of you working in a nonprofit, or working with nonprofits, you are no doubt keenly aware of the challenges (and rewards) inherent in working with groups. Communication and accountability, which are difficult when dealing with direct reports or colleagues, is compounded when managing volunteers (as is common in the charitable sector). Using a RACI chart can help you keep track of

## Trends, Issues and Resources from the First Annual Nonprofit Human Resources Conference, September 28–29, Washington, DC

At the end of September, Michelle and I attended the first national gathering of nonprofit human resource professionals in Washington, DC. Attended by more than 100 nonprofit HR professionals, this conference was full of experts in the field and covered issues with which we all need to concern ourselves. Here's a sample of what we heard:

- **Next Generation Leadership** — A major topic in the sector, particularly given the work of Compasspoint, the Annie E. Casey Foundation and the Meyer Foundation with *Daring to Lead* and *Ready to Lead*. The Next Generation Leadership Forum is convening to map the national effort around this issue — working closely with American Humanics (AH) and their more than 60 College and University partners around the USA. AH is also working on tuition forgiveness for graduates dedicating their careers to the nonprofit sector.
- **Diversity** — Still a major issue for the sector. A National campaign has started to recruit, prepare and retain a skilled and diverse next-generation of nonprofit leaders, involving the promotion of the nonprofit sector as a workforce option for graduates. The first step is for organizations to pledge to follow inclusive hiring practices — similar to those employed by Steelers' owners, the Rooneys. Additional information can be found at <http://www.humanics.org/site/c.omL2KiN4LvH/b.1537159/>
- **Forces for Good** — Author Heather McLeod Grant discussed the research methodology and findings from her recent book about high-impact and fast growth nonprofit organizations. Interestingly, the strength of the organizations' Boards was not a major factor in their success. In most of these high-impact organizations the Boards were effective behind-the-scenes operatives; working very effectively in an ambassadorial role and not meddling in operations.
- **Total Rewards** — Often the best recruitment strategy is a world class retention strategy, including communicating compensation and benefits as Total

the roles each person plays in moving something forward.

Next to each task or outcome, code it with the following assignments:

- **Responsible** – Who does the work to achieve the task? There can be multiple individuals/committees responsible.
- **Accountable** – (Also Approver) Who is ultimately answerable for the correct and thorough completion of the task? There must be only one **A** specified for each task— to avoid confusion.
- **Consulted** – Whose opinions are sought? This is typically two-way communication.
- **Informed** – Who is kept up-to-date on progress? This is typically one-way communication.

### Reader Poll

#### This Month's Question:

In which ways is your nonprofit organization planning to cope with the economic downturn? (Check all that apply)

- Pursuing a merger with another nonprofit organization
- Looking into shared service models to cut overhead
- Introducing a new product, service or line of business
- Spending a greater portion of endowment for operations
- Cutting staff
- Cutting programs/services

Rewards. (*All of the tools available to the employer that may be used to attract, motivate and retain employees. Total rewards include everything the employee perceives to be of value resulting from the employment relationship.*) Innovative compensation and benefits strategies that include rewarding your top performers above everyone else, providing flex-time scheduling and sabbaticals or PTO for high-performers are often the best strategies. Additionally, tele-working and student loan forgiveness/repayment programs have proven to be very effective at retaining employees.

- **Succession Planning** — Whether due to an emergency, a leadership development approach, or a departure-defined approach, organizations must have some sense of the leadership path forward. Replacing a reliance on individuals with a reliance on systems will ensure that their mission and constituents are well-served beyond a long and strong leader. This planning is essential and should be board-driven, simple, and connected to your organization's strategic plan.
- **Additional Resources** — You might find the following links useful in your daily work:
  - John Hopkins Listening Post — FREE access to leading edge national research on the nonprofit sector – [www.jhu.edu/listeningpost](http://www.jhu.edu/listeningpost)
  - American Humanics Next Gen Leaders Program — Internship Stipends — <http://www.humanics.org/site/c.omL2KiN4LvH/b.2438185/>
  - Forces for Good — <http://www.forcesforgood.net>

**Todd Owens** oversees the Executive Transition Management practice. Contact Todd at [towens@deweykaye.com](mailto:towens@deweykaye.com).

**Michelle Pagano Heck** is a Senior Consultant working with Interim Management Services and Succession Planning. Contact Michelle at [mheck@deweykaye.com](mailto:mheck@deweykaye.com).

### Dear DK Consultant

Dear Dewey & Kaye:

*I am the Chair of a Board of Directors of a nonprofit agency and our Executive Director just announced that she is going to retire after 23 years leading our agency. At a recent Executive Committee meeting someone brought up the idea that our Executive Director has been under-compensated for years. We value her contributions and want to celebrate all that she has done for our agency. What can we do about this unfortunate situation?*

Signed, Concerned Board Chair

Dear Concerned Board Chair:

Thank you for your question. Your situation is not unique, as many long-term Executive Directors haven't seen their

- More aggressively raising funds/donations
- No changes – business as usual
- Not sure
- Other: (please explain)

Please [click here](#) to answer the question.

Results will be shared in the next full issue of Mosaic.

[Click here](#) for the results of last month's reader poll.

If you have a question you would like to submit, please forward it to:  
[dkopp@deweykaye.com](mailto:dkopp@deweykaye.com).

### **Nonprofit Leadership Development Study Now Available**

Dewey & Kaye has just published a nationally funded study that suggests ways to identify and grow nonprofit leaders. The study proposes a leadership development model that could be used by communities, sectors, individuals, and organizations to overcome the potential leadership deficit in the nonprofit sector. A common set of leadership competencies is suggested, along with insights into how nonprofit CEOs have developed their leadership skills. A practical model for identifying, assessing and developing emerging leaders is provided along with tips for boards, succession planning, grantmakers, and those who aspire to the leadership role. For more information or to receive an electronic copy of the study send an email to Leslie Bonner at [lbonner@deweykaye.com](mailto:lbonner@deweykaye.com).

### **Calendar of Events** **The Impact of the Current State of Affairs on Communities and Nonprofits in 2009**

salaries increase with Cost of Living Adjustments or market conditions. This is often quickly realized when Boards assess what it will cost to hire their next competent leader with a similar skill set. An attorney and tax accountant should be consulted before implementing any of these strategies, but generally, your options include:

1. Retaining your retiring Executive Director as a consultant — This option might be the simplest and most logical. Compensation is subject to taxation laws (as is salary), and the former Executive can assist with transition issues, relationship transfer, and possible fund development or special event challenges. The former Executive should work outside of the office for a while, so as not to challenge the authority of the new Executive. Finally, a scope of work document and outcomes should be agreed upon ahead of time. This may be your best approach.
2. Provide "make up" compensation — In instances where an independent body has considered and approved this approach, it can be permissible. It requires research and comparability data that demonstrates the underpayment, and also documentation of the deliberation. Any amount paid to the former Executive will show up on the form 990, so proceed cautiously before utilizing this approach.
3. Present her with a retirement gift — While not a bad idea, the value of the "gift" is subject to taxation laws, and must be claimed on individual tax returns. This option is thoughtful, but could "cost" the former Executive money in the end.
4. Purchase a retirement annuity, or make a contribution to her retirement fund — There may be limitations or restrictions with this approach based on what is fair for other employees. Structuring this approach is possible, however, but shouldn't be considered without outside counsel.
5. Throw one heck of a nice party — This celebration is rarely inappropriate (my opinion) and should be done (former Executive willing) every time someone who has contributed this much to your agency leaves, whether they are the Executive or the janitor.

Each of these approaches has advantages and drawbacks. I recommend discussing them with your attorney and accountant (and possibly a compensation expert) before proceeding with any of these approaches. If anyone at McCrory & McDowell can assist with your questions related to this, don't hesitate to contact me.

Todd Owens, Senior Manager, Dewey & Kaye,  
[towens@deweykaye.com](mailto:towens@deweykaye.com)

### **Data Needed for The Wage and Benefit Survey of Southwestern Pennsylvania**

Dear Nonprofit Leader:

The new 990 has a lot of us biting our nails. One of the new

Topics will include:

- \* **Presidential Election Outcome**
- \* **Economic Turmoil**
- \* **State Revenue Shortfall**

**November 11, 2008**  
**2 p.m. – 4 p.m.**  
**Senator John Heinz History Center**  
**Fee: Free**

[Click here](#) for more details.

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### **Magnetic Resumes**

CDC Workshop  
 November 11, 2008  
 12:00 pm – 2:00 pm

[Click here](#) for more details.

### **Congratulations**

**Congratulations to Mosaic Subscriber Maree Gallagher!**

**Maree Gallagher** was named Director of Development at **Focus On Renewal**, effective September 22nd. Gallagher has more than 20 years of non-profit management and development experience, serving as Assistant Director of the Allegheny County office of The Lutheran Service Society of Western PA and more recently with UPMC Community Provider Services. Gallagher has also operated her own private consulting business, TR Creative Services, since 2004. She will be managing the development efforts for the Focus On Renewal Neighborhood Corporation, which encompasses a comprehensive array of human services, including the nationally accredited Butterfly Garden Early Learning Center and the new state-of-the-art cultural arts center, the Father Ryan Arts Center.

### **Mosaic Subscribers**

Since our last issue, [28 new subscribers](#) have joined the Mosaic community!

changes will require nonprofits to benchmark their salaries in comparison to other nonprofits in the region. Fortunately, Southwestern PA nonprofits have access to **The Wage and Benefit Survey of Southwestern Pennsylvania Nonprofit 501c(3) Organizations**. More than 10,000 organizations have downloaded the survey for their use, and this year's changes to the 990 will make it more widely utilized than ever. Commissioned every two years by the United Way of Allegheny County, this survey has been a trusted FREE resource for nonprofit organizations in our region since 2000. The 2008 survey will provide the most current data about salary and benefits from our region, crucial to 990 compliance, and essential for valid decision-making by nonprofit executives.

In order to continue offering the nonprofit sector this rich, free resource, we **NEED YOUR HELP**. In order for the data to be most relevant, we need results from both large and small organizations, newly emerged and tenured, with both large and modest budget sizes. All information submitted is held in the strictest confidence, viewed only by our independent consultants.

In addition to the benefit of having participated in a most highly respected and vitally important survey, additional benefits include a custom CD of the survey results, a discount coupon valid for any Bayer Center class, and you will be entered to win a \$250 American Express card. You will also be invited to a leadership breakfast on January 30, 2009, to discuss the survey results.

If you have any questions, please contact Carrie Richards at [richardsc@rmu.edu](mailto:richardsc@rmu.edu) or call 412-397-6008. Thank you in advance for your commitment to the nonprofit community and your participation in this vitally important survey.

Peggy Morrison Outon  
 Executive Director  
 Bayer Center for Nonprofit Management

Robert Nelkin  
 President and Chief Professional Officer  
 United Way of Allegheny County

### Electronic Survey Instructions:

Download the [Excel File](#) and SAVE it to your computer. Complete the survey and make sure to save the changes. Email the completed survey to [compsurvey@earthlink.net](mailto:compsurvey@earthlink.net) by **November 7, 2008**.

If you have any questions, please feel free to contact Carrie Richards at 412-397-6008 or [richardsc@rmu.edu](mailto:richardsc@rmu.edu)

Thank you!!



The Dewey & Kaye division of McCrory & McDowell LLC provides strategy development, planning, financial sustainability, facilitation, training and executive search services to help nonprofits, foundations, community collaboratives and government agencies address strategic, operational and administrative issues.

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