Dear Members and Friends:

Should we be optimistic or pessimistic right now? Consider:

• Half empty: Terrifying fires are raging across California, leaving devastated families and ecosystems

• Half full: An election where “California voters kicked ass” (to quote Mother Jones) with high voter turnout of 50% of eligible voters, a smidgen above national rates

• Half empty: To be officially poor, a family of four can’t have income more than $24,300. And yet, one in every four California children lives in a family that poor.

• Half empty: California has had more mass shootings than any other state (since 1984) even though we have strict control laws.

In sunny California, pessimism is often seen as a character flaw, or perhaps an indicator of depression that needs to be treated. We often fail to recognize that a poor person in a marginalized community may have more reason to be pessimistic than a well-off white person.

Here is a different way to look at it:

Pessimism is about an analysis of the facts; optimism is an orientation of the spirit.

Or put another way, after the Italian writer Antonio Gramsci: Our intellect tells us to be pessimistic, but we must will ourselves to be optimistic. Let’s stop believing that we must be either optimistic or pessimistic. We must be both.

In this issue I’m very happy to see:

• Wrap-up of a policy year with many nonprofit wins by our Policy Director Nancy Berlin (who was just honored by Hunger Action Los Angeles with a Lifetime Achievement Award — she’s not just our hero.)

• Insurance tips: insurance would surely not exist if we were not all both pessimistic and optimistic

• Newly developed Principles for Responsible Crowdfunding — an Open Letter to the Crowdfunding Industry from CalNonprofits

• Something to look forward to: we’ll soon be asking for your help updating the groundbreaking study Causes Count: The Economic Power of California’s Nonprofit Sector

And let us know what you’re thinking — whether optimistically and pessimistically! — and how CalNonprofits staff, board, and 10,000 members can work on it together.
Open Letter to the Crowdfunding Industry

As a “chamber of commerce” for the nonprofit community, we have heard a great many concerns from our members about crowdfunding platforms, and we have also been involved over the past year in discussions about potential crowdfunding regulations in California with legislators, the Attorney General’s office, and crowdfunding companies.

To ensure nonprofit and donor needs are front and center, CalNonprofits released Principles for Responsible Crowdfunding (below) via an open letter to crowdfunding companies.

These Principles are meant to act as a guide for emerging legislation and as a call to crowdfunding platforms to act in a fair, public-spirited way. They were sent directly to the CEOs of ten crowdfunding platforms, to members of the California state legislature and to California’s newly elected governor, Gavin Newsom.

Principles for Responsible Crowdfunding

- All parties must protect the integrity of the relationship between donors and nonprofits. People donate and volunteer because of a history, an affinity, or a relationship with a nonprofit. Anything that jeopardizes that trust threatens the generosity of giving and the work nonprofits do for the common good.

- To maintain donor confidence in the act of giving, donors need to be sure that their donation will be delivered to the nonprofit they designated and in a reasonable amount of time. Donors deserve verification that their donation was delivered as directed. They must be able to choose whether their names and contact info will be given to the nonprofit or whether their donation will be anonymous. Donors should have access to customer support to deal with questions and problems.

- Because donations to 501(c)(3) nonprofits are tax-deductible, the American public also has a stake in how donations are solicited and managed. To protect the public interest, there must be safeguards to prevent crowdfunding platforms from being used to transfer tax-deductible donations to for-profit entities and other ineligible entities (such as political candidates), to purchase goods or services including raffle tickets, sports tickets and nonprofit auction items, to provide excessive profits to the crowdfunding platform, or to directly benefit the donor or the donor’s family.

Online crowdfunding platforms must:

- Explain at the donation point what institution is the initial recipient of funds from the donor, and whether the donation is tax-deductible or not.

- Ensure that the donor has a clear opportunity to choose whether their contact information will be given to the nonprofit that is receiving the donation and/or if it will also be shared with an outside commercial venture such as the vendor processing the donation.

- Disclose all fees prior to the donation point so that the donor can clearly see what percentage of their donation will be received by the nonprofit.

- Transfer the funds to the nonprofit within 30 days.

- Confirm to donors that their donation was received by the designated nonprofit.

- If the crowdfunding platform cannot find the nonprofit to which the donor has designated, the platform must contact the donor to request alternatives.

- Provide a publicly available annual report to donors, recipients, and government regulators that shows the number of donations and net dollars given to each nonprofit, all fees collected by the platform, and other relevant information.

- Engage with the nonprofit community and appropriate charity officials as the field evolves.

We invite your comments, questions, and stories about your experiences with crowdfunding sites. Contact Nancy Berlin, Policy Director, at nancyb@calnonprofits.org.
Why Membership with CalNonprofits Matters

It’s simple: your membership helps build political power for nonprofits in California, and that’s important because nonprofits use our power to strengthen communities. California nonprofits need a voice: a voice to the legislature, a voice to local and state governments we contract with, a voice to philanthropy, and a voice to the public. When nonprofits have a “seat at the table” our communities, our staff, and our volunteers benefit.

CalNonprofits’ lobbying and policy work is the “collective benefit” that your membership makes possible. Recent successes include stopping a bad contracting bill, securing additional state funding for Census outreach, and supporting legislation to help nonprofit staff get their student loans forgiven sooner. In 2019 we’ll be working on crowdfunding, and other core issues related to the business of running a nonprofit.

CalNonprofits membership supports collective benefits that all of us in the nonprofit sector benefit from, and it also saves time and money for individual nonprofits.

Membership perks in a nutshell:

- Access to exclusive health, dental and vision benefits for staff
- Workers comp, D&O, cyber liability, and more through the nonprofit-knowledgeable experts at CalNonprofits Insurance Services
- Career center and job board (members pay half price)
- Steep discounts with more than 200 vendors on products and services you use every day, like office supplies, shipping, and rental cars
- Free Human Resources support from ThinkHR.com’s online compliance tools, employee manual template, training modules, and a hotline to call when you need a quick answer
- Discounted background checks, website design and maintenance services, and discounted access to Foundation Center Online’s grant research tools, and more

Make sure you’re getting the most out of your membership! Questions: just call us: 800-776-4226.

Join Christina Dragonetti, Outreach and Communications Director, for a 30-minute webinar on Thursday December 13 at noon to learn more about the perks that can save you time and money. Register here: http://bit.ly/membership_perks

Welcome New CalNonprofits Members
Fall 2018

360 Accelerator
A Dignified Home Children and Youth Services
A Ship in the Woods Foundation
African American Community Service Agency
Art of Life Cancer Foundation, Inc.
B.E.S.T. Service Dogs
Bee Asia, Inc
Big Minds, Inc.
Big Sur Food & Wine Foundation, Inc.
Buddhist Church of San Francisco
CAHU Charitable Community Foundation
Carousel Ranch, Inc.
Cause Communications
Child Care Law Center
City National Bank
Coachella Valley Volunteers in Medicine
Community Revitalization and Development Corporation
COPE Family Support Center, Inc.
Cross Roads CAC
Democratic Socialists of America – Los Angeles
Depression and Bipolar Support Alliance of Los Angeles
East Bay SPCA
Empower And Excel
Family Violence Appellate Project
Feeding San Diego
Fix Creative
Ford Theatre Foundation
Friends of the Redondo Beach Public Library
Glad To Be Here, Inc.
Global Initiative to Free Trafficking Victims
Golden West Humanitarian Foundation
Hero Support Force, Inc.
HopeNet LA
Inland Empire Community Collaborative, Inc.
Japanese Friendship Garden Society of San Diego
Jesuit Retreat Center of Los Altos
Jubilee Bridge Church, Inc.
Jewish Vocational Services SoCal
L.A. Works
Leadership Counsel for Justice and Accountability
Lindquist LLP
Living Classroom
Malayalam Academy of North America
Mark Foehringer Dance Project
Mental Health Association of San Francisco
Merged Family Initiative
Montage Health Foundation
My Day Counts
nLab Concepts
North County Lifeline
NOW Art LA
P.J. Theatre Company
Pacific Islander Health Partnership
Peacock Rebellion
Pilipino Workers Center
Recess Collective
Relational Medicine Foundation
Relief from Cancer
Royal Investment Group/Mutual Securities
San Francisco Community Clinic Consortium
Sandra Caplan Community Bet Din
Silicon Valley Education Foundation
Smokefree Air For Everyone
Southwest Resource Management Association
The Balancing Center For Youth Enlightenment
The Henry Miller Memorial Library Inc.
The Rudolph J. & Daphne A. Munzer Foundation

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300 nonprofit leaders join CalNonprofits at “Nonprofits Standing up for California”

California Attorney General Xavier Becerra opened the convention, thanking nonprofit leaders for “stepping up.”

CalNonprofits Advocate Jennifer Fearing and board member Sue Sigler shared strategies on how nonprofits can be more effective advocates in Sacramento.

Vu Le closed out the day with his usual humor, but also a charge for nonprofits, explaining: “It’s time to acknowledge and own our power - things are getting urgent.”

Tamika Butler shared why “California is Awesome*” and why she included an asterisk, charging the attendees in the room to not be just allies in dismantling privilege—but to be accomplices.

California is Awesome* 

Four foundation CEOs representing “a new wave in philanthropy” shared the challenges of being bridges between often-conservative donors and more liberal grantees.

Senior Assistant Attorney General Tania Ibanez joined expert lawyers on changes to laws impacting nonprofits like the new UBIT “parking tax on nonprofits,” and how donors may change their giving in response to the new tax law.

During a breakout on the Public Service Loan Forgiveness (PSLF) program, the collective debt held just by the nonprofit staff in the room was $600,000!

4 buzz is the CalNonprofits journal
Public or private, museums and arts organizations, schools and private colleges, charitable foundations, houses of worship and religious congregations, social service agencies, medical and veterinarian organizations and more; not-for-profit organizations come in many structures, sizes and areas of focus, and the Signature Bank Private Client Group led by Kelny Denebeim is experienced in serving their unique financial needs.

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[calnonprofits.org](http://calnonprofits.org)
 Mostly wins for nonprofits this year in the California legislature, continued from page 1

overwhelming bipartisan support (80 Aye votes and 0 No votes) and CalNonprofits is now working with the State Library — where the website will be developed and housed — to ensure as quick a launch as possible. We will also be convening a CalNonprofits Member Task Force to advise on the development of the portal.

**Protecting student loan borrowers:** *Assembly Bill 38*
CalNonprofits supported AB 38 (Stone) because of complaints we’ve heard from nonprofit employees about their student loan servicers. AB 38 will ensure that borrowers receive reliable information, quality customer service, and meaningful access to repayment and forgiveness programs. CalNonprofits will help get the word out about AB 38 to student loan borrowers and we will continue our work to connect nonprofits with the Public Service Loan Forgiveness Program. If you haven’t yet, download our Student Debt Toolkit for Nonprofits!

**Enabling vote-by-mail voters to track their ballots:** *Assembly Bill 2218*
More than half of California voters are now voting by mail, which is why we supported AB 2218 (Berman) that will establish a system to allow vote-by-mail voters to be assured that their ballot was received and counted, increasing confidence in the electoral process and encouraging more individuals to vote.

**Protecting nonprofits’ access to the internet:** *Senate Bill 822*
The idea behind “net neutrality” is that all of us — whether businesses, nonprofits, or individuals — should have equal access to the internet at the same speed. This access is essential for nonprofits and the work we do (much of it online) to connect our communities to housing, shelter, disability programs, legal help, and more. Without net neutrality, nonprofits could be forced to pay more for internet service. SB 822 will prohibit service providers from blocking websites or speeding up or slowing down websites or whole classes of applications such as video. The net neutrality debate continues at the federal level and we will continue to advocate on behalf of California nonprofits.

**You can’t win ‘em all:** *Assembly Bill 888*
Raffle carve-out continues: We were not able to defeat AB 888 (Low) which extended a problematic raffle carve-out for nonprofit affiliates of major league sports teams giving them special laws favoring their raffles over other nonprofit raffles. While the bill passed, our advocacy resulted in a sunset that expires in 2024, and more funding for the California Dept. of Justice to conduct auditing and compliance of these raffles.

**Getting ready for what’s coming**
CalNonprofits expressed concerns about AB 2556 (sponsored by PayPal), which failed in this legislative session. We are continuing to meet with PayPal, Assemblymember Irwin and other stakeholders on the issue before the next legislative session is convened. Check out our Open Letter to Crowdfunding Companies, announcing our new Principles for Responsible Crowdfunding on page 2 of this issue.

Just as a chamber of commerce speaks for businesses, the California Association of Nonprofits (CalNonprofits) is a collective voice for nonprofits. These “low profile/high impact” bills represent not only important victories in themselves, but reflect a growing power of nonprofits to change the narrative in Sacramento.

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**Census 2020:**
**Nonprofits Will Get $30 Million for Outreach**

Thanks to nonprofit advocacy, the state of California allocated $90 million to ensuring that all Californians are counted in the upcoming Census.

California Complete Count Census 2020 recently announced details of how it will allocate funding to nonprofits for community-based outreach on the Census.

Approximately $30 million will be distributed to nonprofits through larger, administrative community-based organizations (ACBOs) that can demonstrate that they have the administrative capacity and experience to conduct the kind of intensive outreach that will be needed throughout the ten regions. The funding amount for each region is based on the size of their hard-to-count populations. The State will also award funding to ACBOs working statewide to target specific hard-to-count populations such as farmworkers, the homeless, senior citizens, veterans and rural residents.

**Here are the important deadlines:**
December 14, 2018: Requests for Proposals (RFPs) for both regional and statewide ACBOs released
January 31, 2019: Deadlines for ACBOs to respond to the RFPs
March 15, 2019: State issues notifications of awards for ACBOs

The state began releasing Request for Proposals (RFPs) in November. We suggest visiting https://census.ca.gov/ for more detailed information.

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**Capitol Seminars: Your No.1 training resource for effective governmental advocacy**

“I had read all the generic, glossed-over descriptions of the California legislative process. I liked learning about the “behind-the-scenes” way the Legislature actually works, from folks who are real practitioners.”

— Amy Vierra, Nonprofit/Environmental Policy and Communications Consultant

**Real practitioners.** All of our instructors, 43-year Capitol veteran Ray LeBov (above) and guest subject matter experts, are presently active in governmental advocacy or California state government.

**Get a head start on the 2019 legislative session** by signing up now for our December seminars. For complete course information, future seminar dates and registration, visit www.capitolseminars.net.

**30% discount to CalNonprofits members.** Enter coupon code CANFP at checkout. For more information, email info@raylebov.com or call 916 442 5009. We look forward to seeing you!
Does my nonprofit really need cyber liability insurance?

Recently we at CalNonprofits Insurance Services (CNIS) received a call from a nonprofit CEO in a panic: “I can’t remember – do we have Cyber Liability insurance?” They had just experienced a cyber-attack where client and donor credit card numbers were stolen. Fortunately, this organization had renewed their policy only weeks before. The insurance covered the costs of alerting their clients and donors as well as crisis communications to help preserve their reputation.

The odds of getting struck by lightning are 1 in 960,000. The odds of dating a millionaire are 1 in 220. The odds of experiencing a data breach? A staggering 1 in 4. You’ve heard about cyber-attacks and stolen data at large companies so you may think your nonprofit is unlikely to be attacked, but sadly all businesses are at risk. Fifty-five percent of small businesses have had a data breach, and incur average costs of $36,000, not to mention the impact on the people whose data was stolen, and the bad feeling that results.

If you have “private data” you should talk to your insurance broker about Cyber Liability insurance. Private data includes computerized records of:

- Clients
- Donations and donors
- Medical records of any kind
- Background check reports
- Credit card information

Most data breaches are the result of human error. It’s a good idea to make sure you stay on top of training employees in cyber security measures and keeping software up to date. But in case processes fail, Cyber Liability insurance can help with managing and investigating the incident so you know exactly what happened and how, notifying people affected by lost or stolen data, credit and fraud monitoring services, crises management and public relations support, business interruption expenses, and even cyber extortion (ransomware) reimbursement.

CalNonprofits Insurance Services offers a full range of employee benefit and general liability coverages and provide exclusive nonprofit insurance programs - including Cyber Liability. The nonprofits we serve appreciate our wide spectrum of services reflecting an expertise in both the insurance and nonprofit sectors, our superior customer service, and our development of exclusive insurance products, including a highly successful dental and vision trust. We are the only California brokerage specializing in insurance for nonprofits, and more than 1,000 nonprofits and 21,000 employees rely on us to help them make good decisions.

And as a social enterprise subsidiary of the California Association of Nonprofits (CalNonprofits), revenue generated through CalNonprofits Insurance stays in the nonprofit sector and strengthens the nonprofit community.

Of course, whether or not you work with us at CNIS, look into Cyber Liability insurance!
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The Master of Arts in Nonprofit Management degree program at Antioch University Los Angeles is uniquely designed for working adults desiring to advance their careers in the nonprofit sector.

- Coursework is undertaken in a sequence of six academic quarters of ten weeks each, with a break of three weeks in between.
- Class sessions meet once weekly on Tuesday evenings.
- The entire program is completed in 18 months.

The curriculum expands and deepens one’s depth of knowledge about how nonprofits most effectively fulfill, support, and advance their missions while strengthening fundamental professional skills, such as writing, public speaking, and research. Students gain a managerial perspective on all essential nonprofit functions and the interrelationships among them. The nonprofit landscape of Los Angeles provides the setting for site visits and case studies and is the source of numerous guest lecturers.

Applications for the next program cohort, launching in January, are due by November 16, 2018.
An estimated 160,000 people working at nonprofits in California have student debt, with 1/3 of them paying $400 or more a month.

That’s why we’re running these bus ads in Los Angeles to increase awareness of the Public Service Loan Forgiveness (PSLF) program. After ten years of making student loan payments while working at a nonprofit or in the government, you can have your debt forgiven—tax free—through PSLF.

Hundreds of nonprofits have already downloaded our Student Debt Toolkit for Nonprofits. It explains how to get started with the PSLF program, eligibility rules, and provides tips and strategies for keeping your application on track.

Download the toolkit today at www.calnonprofits.org/pslf

It could change your life

What do Nonprofits Need to Know about CalSavers, the new state retirement savings program?

Starting next July, the state of California is launching CalSavers, a new retirement program that will enable employers (including nonprofits!) to provide their employees with a payroll deduction Individual Retirement Account (IRA) at no cost to the employer or taxpayer. CalNonprofits co-hosted a webinar with the CalSavers team earlier this fall to learn more about the program, and a recording is now available on our website.

To prepare for next year’s launch, CalSavers is conducting a pilot program that will run from January through June. Select employers, including non-profits, are invited to become early adopters of the program. Pilot participants will receive a personalized experience with dedicated support and service, and will be given the opportunity to share their insights to help shape the program. If you’re interested in learning more about CalSavers or are interested in participating in the pilot, visit CalSavers.com or email CalSavers@treasurer.ca.gov

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Surprise!

At our policy convention, Assemblymember Monique Limón surprised CalNonprofits with an official resolution from the California Assembly, recognizing CalNonprofits for our work to support, protect, and nurture the nonprofit sector in California. Attendees were struck by her speech, her understanding of nonprofits, and her comment, “The work you do is in itself a political statement.”