#### April 2021

## Michael Jacoby Brown training & coaching

Helping organizations achieve their goals through recruiting and motivating others



**Greetings!** 

# **Bean Counters Matter**

#### -- by Michael Jacoby Brown

Some community organizations are considering raising money to sustain themselves by engaging in money-making services. One community organization is



planning on developing a marijuana business. Another, a nonprofit affordable housing group has a for-profit roofing business, giving good jobs to unemployed workers.

## Pension "Tail" Wagging the NOA "Dog"

The National Organizers Alliance (NOA) developed a national portable pension plan. This grew from seeing older organizers unable to survive in retirement. The NOA Pension Plan was not seen as a money maker, but a needed service to its members, many of whom were modestly paid community organizers.

Unfortunately, NOA did not recognize how much money the pension plan was really costing the organization. It took several years to learn that the director and other staff were spending more time on the pension plan than on the primary mission of NOA: to bring together community and labor organizers to learn from each other. Running a pension plan – a highly regulated industry – overwhelmed NOA. The pension "tail" was wagging the NOA "dog." We did not do the detailed cost accounting – until too late. (Although the NOA Pension Plan DID help a lot of organizers create a more sustainable future for themselves!)

## **Know the Real Costs**

Community organizations need to do a detailed cost accounting and analysis of any service or product they think of developing. What are **all** the costs? How much time is the director or other staff spending on this service or program? Is it really making money? Or is it a drain on the organization? And even it is might make money, how does it affect the overall mission and program of the organization?

## **Sustainability Matters**

Community organization need to develop sustainable funding sources: to get away from the fickle short-term funding of the "liberal" foundations and other "funders."

A weed shop or a roofing company **might** make money. But before we open the shop or get on the roof, get the bean counters on the job. That sound you think is money coming in might really be the echo of the doors closing.

# Feedback Welcome

We want to hear from you, your reactions, ideas, what is at the edge YOUR "envelope." Just go to...

## Visit Our Website!



#### <u>Who else you will hear from.....</u> We are just starting, but so far you can expect to hear what the following people are thinking:

Jessica Tang: Boston Teachers Union, AFT

George Luse of the Mass Teachers Assn,

Scott Reed with the PICO Network, ,

Cathy Howell, in Oregon and El Salvador, formerly with the AFL-CIO, Caesar McDowell of MIT,

Diana Bell of Community and Labor United,

David Hernandez of the California Education Assn, Attica Scott, State Rep Louisville, Kentucky Walter Davis, of the Tennessee, Health Care Coalition. Debra Askenase, of Community Organizing 2.0, Deb Fastino, of the Coalition for Social Justice in New Bedford, MA, Rebecca Gutman, with SEIU-1199, Tim Dean, of SEIU-1199, Mary Ochs, long time organizer in Los Angeles and others, hopefully, including YOU



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