

## Importance of the Nonprofit Sector

"Nonprofits manage the third largest workforce in the United States and control more than \$3 trillion in assets. They conserve land, protect oceans, and care for animals. They provide healthcare, mental health counseling, and drug rehabilitation. They are a safety net to millions, providing food, housing and career counseling". (from Concord Leadership Group's 2016 Nonprofit Sector Leadership report).



## Economic Impact of Pennsylvania's Nonprofit Sector

There are **63,345** nonprofits in Pennsylvania  
They employ **727,200** individuals – **15%** of the state's workforce  
Generate close to **\$132 billion** in annual revenues  
Hold assets of **\$306.3 billion** dollars  
Pennsylvania foundations give over **\$2.4 billion** annually  
Pennsylvanians are generous and give almost **\$6.5 billion** to charity every year  
*(from Independent Sector 2016 State Profile)*

## A Movement for Increasing Impact



The Standards for Excellence is a national initiative established to promote the highest standards of ethics, effectiveness, and accountability in nonprofit governance, management, and operations, and to help all nonprofits meet these high benchmarks. What are they?

## Standards For Excellence

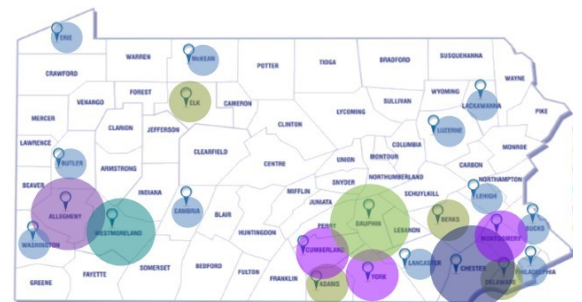
The Standards for Excellence program includes an ethics and accountability code consisting of 6 Guiding Principles, 27 focus areas and 67 benchmarks. The code provides a framework and step-by-step guidelines to achieve a well-managed and responsibly governed organization. The 6 Guiding Principles are:



- Mission, Strategy and Evaluation
- Leadership: Board, Staff and Volunteers
- Legal Compliance and Ethics
- Finance and Operations
- Resource Development
- Public Awareness, Engagement, and Advocacy

## Pennsylvania's Standards for Excellence Program

The Pennsylvania Association of Nonprofit Organizations (PANO)'s community of 58 accredited and recognized nonprofits can be found in 21 counties throughout Pennsylvania!



## Impact of Standards for Excellence

After accreditation nationally organizations saw a 12% average increase in the amount of direct public support in the three years following their application date.



### Public Support Before and After Accreditation



### After Accreditation in Pennsylvania



*It is a great way to run an ethical and transparent operation. It is also an opportunity to have better results with their grant writing; we have boosted the yes's from no's, in receiving local grants from various municipalities.*



**77%** of staff reported using their expertise to help develop policies and procedures



**69%** of boards reported an increase in understanding of the complexity of operating a nonprofit



**66%** of organizations reported improving program evaluations



*"This is an excellent CEO School!"*

### Ways Funders Can Help



- Consider recognizing standards as part of an application review process
- Consider funding organizations accreditation process - alone or in partnership with other community organizations
- Recommend programs such as Standards for Excellence to your grantees that could benefit from such a rigorous process
- Speak to organizations that have gone through the process to learn more about the impact
- Ask that these topics be covered at your association meetings or staff meetings
- Stay current with research and reach out to organizations that are working on improving the sector to discuss findings and possible partnership opportunities. Together we can do more!



**For more information about the Standards for Excellence please contact Patricia Mogan at [tish@pano.org](mailto:tish@pano.org) or at 717-839-6566**