



# ONLINE BULLETIN

National Executive Service Corps

*John B. Mattingly*

## Administration of Children’s Services Commissioner to Be Guest Speaker at NESC Reception at the National Arts Club on March 26, 2008



**John Mattingly**

Commissioner **John B. Mattingly** of New York City’s Administration of Children’s Services (ACS) will be the Guest Speaker at a Wine and Cheese Reception on Wednesday, March 26, from 5:30 to 7:30 P.M. at the National Arts Club, 15 Gramercy Park South, New York. The annual event is sponsored by the NESC’s Social Services, Education, Government, and Religion Consulting Groups.

Appointed Commissioner by Mayor Bloomberg in July 2004, Mattingly previously was Director of Human Service Reforms at the Annie E. Casey Foundation in Baltimore and Executive Director of Lucas County Children Services serving the Toledo, Ohio, area. Our guest speaker is well known to the New York City children’s services community. The ACS is a leader in the effort to reform child welfare services. The reforms initiated by Commissioner Mattingly in recent years have focused on lowering case loads, improving safety assessments, and improving case management.

Mattingly received a Ph.D. in community systems planning from Pennsylvania State University and a Master of Social Work from the University of Pittsburgh.

*Westchester/Rockland County*

## Summit Music Festival Engages NESC for Board Development Project

**Holly Freedman**, NESC Regional Director for Westchester and Rockland Counties, is pleased to report that one of the region’s newest clients, Summit Music Festival, has engaged the NESC for a Board Development assignment.

Summit Music Festival was founded in 1991 by members of the Emelin Trio. The three-week festival offers young musicians a unique opportunity for pre-professional training with a high-caliber international faculty. The Festival has been successful in attracting between 120 and 150 students annually, including international and day students from the New York metropolitan area. In 2008, the Festival will be held from July 27 to August 16 at Manhattanville College in Purchase, New York.

Summit approached NESC to develop a strategy to position the organization to meet its short- and long-term goals by analyzing the role of its Board of Directors, identifying the types of individuals who are needed to take active and appropriate responsibilities, and recommend a process for recruiting and cultivating new board members. **Alan McDougall**, one of NESC’s most experienced senior consultants, and **Stephen Marks**, who recently joined NESC, will serve as the Westchester-based consulting team on this challenging new project.

According to McDougall, the experience of working on a board development project has been interesting because they are interacting with people who themselves are volunteers “giving back.” Marks noted that his first NESC assignment has been “very rewarding and educational with regard to the process required, personalities involved, and the challenge of utilizing my background to assist the parties in resolving their issues. We look forward to bringing this project to a satisfactory conclusion and helping Summit Music Festival to have continued success.”

INSIDE

Executive Search	2
New IRS Form 990	2
Investment Literacy	2
Around the Regions	3
Mentoring Program	4
James Vlachos	4
Hold the Date	5
“Last Word”	5

## Executive Search

### NESC Executive Placements Widened Coast to Coast



**Paul Barrett**  
Sr. Vice President for  
Executive Search

**Paul Barrett**, Vice President for Executive Search, is pleased to report placing a new CEO/President for a national client, **Operation Homefront**. The California-based organization serves the U.S. military and their families. He is also in the final stages of completing a Director of Finance search for the **Women's Prison Association**. Paul has proposed three board candidates to **Beth Abraham**, a local health service organization and a long-standing NESC client.

A search for **World Education Services**, another national client, was recently completed for a Deputy Director of Marketing. Barrett is presently seeking a Chief Financial Officer for **Lott Residences/SDFS Corporation**, a Harlem-based nonprofit that builds low-income housing projects and provides residences for senior citizens. **Creighton Reed** of the Executive Search team is handling an assignment for the **Jewish Home & Hospital** in Manhattan for a SVP/ Director of Human Resources.

## New IRS Forms for Nonprofits

### THE IRS HAS ISSUED ITS REDESIGNED FORM 990

In late 2007, the Internal Revenue Service released the final version of its redesigned Form 990, which is the information/compliance form that tax-exempt, not-for-profit entities use to submit data to the federal government each year. It is the first major set of amendments to the form in more than 25 years, and the IRS believes that change was necessary to provide "an improved window into the way tax-exempt organizations go about their vital mission" in the twenty-first century.

The new form consists of an eleven-part "core" portion (that all organizations will complete) and sixteen supporting schedules (representing selected areas of focus, such as compensation, fund-raising, lobbying, and international activities). Among the key elements of the core document are (i) a *Statement of Program Service Accomplishments* (which requires reporting any changes in program activities during the year, as well as a list of revenue, expenses and grants for the top three programs); (ii) *Governance, Management and Disclosure* (which poses a series of questions about an entity's policies with regard to whistle-blowing, document-retention, conflicts-of-interests, etc.); and (iii) *Compensation* (which requires a more comprehensive level of compensation disclosure than did the previous version of the form). The supporting schedules also ask for a significant amount of information, much of which either had been sought in a disorganized fashion or had not been requested before.

Tax-exempt organizations will use the updated Form 990 for their fiscal-year 2008 returns to be filed in 2009, and it is a good idea for them to begin now to evaluate their records and recordkeeping systems, to be certain that the information needed for compliance will be available. The entire form, including supporting schedules, may be accessed at the IRS's website, <http://www.irs.gov/charities/article/0,,id=176613,00.html>.

**By Julie L. Floch and D. Edward Martin**

*Julie Floch and Ed Martin are the partners in charge of the Not-for-Profit Industry Group at Eisner LLP, Accountants and Advisors, in New York City.*

### Investment Literacy Seminars Resume

Consultants **James Wilson** and **Klaus Winter** presented an Investment Literacy seminar on March 3 at the Richmond Hill Library in Queens. Local residents who attended the evening session appeared to be highly interested in the updated agenda regarding basic investment alternatives.

The next seminar is scheduled for April 26 at the Elmhurst Library, also in Queens. **Ann Lurie Berlin** and **Harmon Butler** will be the presenters. The Community Center in Queens is considering inviting the NESC to hold a seminar at its site later this spring.

*Central Connecticut Region*

## Paul Cruikshank, Transportation Specialist, Joins NESC as a Consultant

**Paul “Pete” Cruikshank** recently joined the consulting team of NESC–Central Connecticut. Prior to his retirement, Pete held senior management positions with the Milwaukee Road, U.S. Railway Association, and the Great Northern–Burlington Northern Railroad. He subsequently used his skills counseling with an outplacement firm in Chicago. Pete was also a volunteer and Board Chair with several nonprofit organizations. He was also an elected official in Winnetka, Illinois, for many years.

## Consultants Told Grant Maker’s Views of the Cultural Heritage Environment



**Elaine McDonald**  
Regional Director

Regional Director **Elaine McDonald** and consultants from the Central Connecticut Region recently met with **Jennifer Eifrig**, Assistant Director of Heritage Programs at the Connecticut Humanities Council (CHO), to learn about its assessment of the state’s heritage organizations. CHC was seeking a better understanding of the operating environment and the critical issues its organizations are facing. They also explored how NESC consultants could use its skills to assist the heritage community in addressing critical issues.

A key challenge facing heritage organizations of all sizes is attracting younger audiences. Ms. Eifrig concluded that these organizations will require fundamental changes to their traditional operating models and that survival depends on knowing, understanding, and catering to their target audiences.

The recent exchange wrapped up a series of four interactive forums with other Central Connecticut heritage and cultural organizations during the past eighteen months. During 2008, NESC–Central CT will begin a new series of client exchanges. The field of interest will be announced by Elaine during the summer.

*New Jersey Regional Office*

## New Director of Management Consulting Offers Financial Expertise to Cash-Strapped New Jersey Nonprofits

**Michael I. Fenster**, recently named a Director of Management Consulting by **Margean Gladysz**, Regional Director, NESC–New Jersey, brings an incredible amount of business expertise to the table when he sits down to work with a nonprofit organization.

Mike has been a consultant with the NESC for two years, but he brings some twenty-five years of experience as a volunteer with nonprofits, including some of the larger agencies in New Jersey. He was Chairman and Treasurer of the Somerset County United Way and Board President of the Rock Brook School Foundation, a private school near his home town of Hillsborough near Princeton. Fenster was also Chair of the Audit Committee of the National Association of Manufacturers and a member of the Finance Committee of the Somerset Medical Center.

In his prior thirty-one-year career with National Starch & Chemical Co., Fenster held numerous senior management positions. He served as a Corporate Vice President & Controller and Controller for International Business. In addition to his financial management background at National Starch, Mike sees himself as a general business practitioner with strong skills related to strategic and financial planning.

*NESC Services*

## Mentoring Program Serves Smaller Nonprofits

**Mac Berk**, Director of Management Consulting, reports that NESC's Mentoring Program has been successful in solving a wide range of management issues for several clients. The program, started in 2002, is directed toward smaller nonprofits with limited resources and provides mentoring on a one-on-one basis for a period of six to nine months. Representatives of the selected organizations are required to commit themselves to attending each designated consultation session and to follow up appropriately.

The areas available for consultation include strategic planning, marketing, fund raising, board development, fiscal management, and organizational analysis. NESC offers these services at modest fees that are well below commercial rates.

For additional information, contact [mberk@nesc.org](mailto:mberk@nesc.org)

*In Memoriam*

## James Vlachos Was Key Contributor for Obtaining Municipal Projects in Westchester County

**James N. Vlachos**, NESC Vice President from 1990 to 1997, died on January 27, 2008. Jim was responsible for client development in Westchester County and also worked closely with our Southwestern Connecticut Regional Office. During his tenure, he actively managed projects for the Education and Social Services Sectors in strategic planning, human resources, organizational development, and marketing. Vlachos was best remembered for the municipal projects he headed for the White Plains Public Schools, Mamaroneck Board of Education, Ossining Union Free School District, and the Westchester Community Opportunity Program.

The NESC extends its condolences to the Vlachos family.

## NESC PRODUCTS AND SERVICES

**Business & Strategic Plans**—helping nonprofits reach new goals by honing vision, resolving conflicts over priorities, allocating resources, and identifying new opportunities.

**Marketing Blueprints**—analyzing a nonprofit's services and designing a blueprint to market them dynamically.

**Feasibility Studies**—assessing feasibility of plans for new programs or even new spin-off organizations.

**Budgeting Assistance**—assigning former chief financial officers to help craft realistic multiyear budgets.

**Fund-Raising Strategies**—crafting fund-raising operations and identifying new sources of contributions.

**Recruiting Top Executives**—industry-standard executive searches that tap into new universes to fill top slots.

**Leadership Training**—workshops and drills to hone skills of senior executives.

**Board Development**—identifying new ways boards can help a nonprofit and then recruiting new board members.

**Facilities Assessment**—surveying space uses and suggesting changes to save money and boost productivity.

**Project Management**—suggesting changes in how nonprofits manage projects to raise efficiency and cut costs.

**Media Relations**—designing operations for earning more media coverage and raising a nonprofit's public profile.

**Human Resources**—conducting organizational audits to identify more effective staff uses.

**Executive Mentoring**—working one-on-one with CEOs on a broad range of organizational & operational issues.

**Financial Management**—designing bookkeeping and payroll systems and supervising their operations.

## HOLD THE DATE

Wednesday, March 26  
5:30-7:30 P.M.

Reception, Social Services  
Education, Government  
and Religion Sectors  
Commissioner of NYC  
Administration Services  
**John B. Mattingly**, Guest Speaker  
[events@nesc.org](mailto:events@nesc.org)

National Arts Club  
15 Gramercy Park South  
New York, NY 10010

Thursday, March 27

New Consultants Orientation  
[jwilliams@nesc.org](mailto:jwilliams@nesc.org)

NESC Offices  
55 W. 39th St., 12th Floor  
New York, NY 10018

Wednesday, April 16 &  
Wednesday, April 30

Teleseminars on Special  
Fundraising Events  
[jwilliams@nesc.org](mailto:jwilliams@nesc.org)

NESC Offices/Remote  
Access

### Last Word

## The Economic Downturn—Its Impact on the Nonprofit Community

The financial fallout of the 2001 recession and the economic disarray that followed from the 9/11 disaster combined to have a heavy negative impact on foundation support available to nonprofits. Foundations typically experienced a sharp decline in assets, and as a consequence became more selective in their grants. Of particular note was the reluctance to provide support for capacity building, and a turn toward more restrictive granting. Foundations became more interested discerning the results generated by their grants. These trends continue to the present day.



**Marv Berenblum**  
Chairman & CEO

The current economic downturn undoubtedly will intensify the focus of grantors on supporting those nonprofits that exhibit a high level of

effectiveness in meeting the needs of those who benefit from their services. This includes the capacity to demonstrate that the organization is meeting its stated goals, particularly those associated with foundation support. Qualifying for grants will also require demonstrably sound financial practices on the part of the nonprofit. A sound balance sheet is ever more essential.

NESC can provide enormous added value to its clients through the expertise of its consultant force. We are very good at helping our clients refine their business strategies, and have a depth of knowledge in assisting our clients to achieve financial fitness. For a number of our clients, we now are providing ongoing financial services for those who wish to outsource the management of their financial operations on a cost-effective basis. Furthermore, NESC has developed a methodology for identifying and instituting ways of measuring the results of programs designed to benefit people served by nonprofits.

This is not a time for nonprofits to despair about a tightening of available support, but rather to find ways to strengthen their case for the considerable funds that remain for those who can compete successfully in a more competitive environment.

**Marv Berenblum**  
Chairman & CEO

### National Executive Service Corps

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