

The Role of Government Support for Volunteerism

Susan Funk

A Capstone project presented in partial fulfillment of the
requirements for the degree of
Master of Arts in Policy Studies
Interdisciplinary Arts and Sciences

Chapter 1: Purpose of the Study

Nonprofit organizations¹ in Washington State have proliferated over the past 15 years, almost doubling from less than 14,000 organizations in 1995 to over 26,000 in 2010 (Barber, 2009 & 2010). Despite dramatic growth, “the median organization reported \$83,124 in revenues [in 2009-10]; and 75% had revenues of less than \$321,151 (Barber, 2010, p. 8).”² As a result, at least 50% of Washington state nonprofits had barely sufficient income to employ one moderately paid professional staff member.

With limited revenue, many nonprofit organizations must rely upon volunteers to achieve their missions. Fortunately, compared to nonprofits around the country, Washington state nonprofits are relatively better situated in this regard. State residents volunteer at a *higher* rate (34.2%) than the national average (26.8%), as calculated during the 2007-2009 time period, earning the state 10th place on the ranking of states by volunteer rates. The Metropolitan Statistical Area (MSA) that includes Seattle, Tacoma, and Bellevue, recorded an *even higher* volunteer rate of 34.9 percent during the same time period, meriting 4th place

¹ In this report the term *nonprofit* or *nonprofit organization* refers to a charitable organization that has received a tax exemption under section 501 (c) 3 of the Internal Revenue Service (IRS) codes. To apply for tax-exempt status under this code, an organization must be “organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary or educational purposes, or to foster national or international amateur sports competition, or for the prevention of cruelty to children or animals (IRS, 2006, p. 1).” Receiving a tax exemption allows contributions to nonprofit organizations to be tax deductible to the donors, which is essential to raising money to fund nonprofit operations.

² As these figures are based only on the 10,923 organizations that filed with the IRS in the period ending April 2010,² it is likely that the true median for annual revenues is much lower.

among 51 large cities (Corporation for National and Community Service (CNCS), 2010d).

While most volunteers assist in the direct provision of a nonprofit's programs and/or services, or provide general administrative and support activities (including fundraising), some volunteers work on "capacity building" projects. Capacity building refers to efforts that enhance a nonprofit's internal effectiveness and include strengthening its financial and information systems, human resource practices, marketing and communications, and even board leadership. Capacity building projects depend upon skilled professionals employing their particular expertise, or skills, to a project; for example, technical or marketing expertise.

Nonprofit organizations have an ongoing demand for skilled volunteers to work on capacity building projects. According to the report *An Assessment of Capacity Building in Washington State* completed in December of 2009 by The Giving Practice "nonprofits have insufficient funding for ... capacity building... [and] small- and mid-sized organizations are more squeezed by lean staffing and program-restricted funding streams (p. 2-3)." Lean staffing means more staff is devoted to externally focused programs and services and less to internally focused functions like technology and marketing. Program-restricted funding limits nonprofits' ability to afford permanent staff or temporary consulting assistance to undertake capacity building projects. Together these two constraints – lean staff and program-restricted funding streams – cause many nonprofits to turn to skilled volunteers to address their capacity building needs.

A survey of local nonprofits conducted by the United Way of King County in August of 2009 (Lynch & Russell) also highlighted the challenge of lean staffing and the need for skilled volunteers. “Forty-four percent of survey participants said they involved volunteers in roles staff lacked the skill to provide, 65 percent indicated they had volunteer opportunities for professionals to contribute their time, and 70 percent reported that volunteers did things paid staff did not have time to do (p. 3).”

The Taproot Foundation, a nonprofit organization based in San Francisco, operated a local Seattle office from 2007 to 2010, matching teams of 4-6 skilled volunteers to capacity building projects for King County nonprofits. The Taproot Foundation closed the Seattle office in July of 2010. During their three years of operation, they completed about 100 capacity building projects, ranging from designing websites and databases to developing branding, communication and strategic plans. Notably, the Taproot Foundation did not charge a fee to nonprofit clients. At the time of their departure, 500 local volunteers resided in their database, of which over 200 have indicated a desire to donate their skills to future capacity building assignments.

Since September of 2010, a group of energized volunteers has been evaluating the feasibility of creating a new nonprofit organization to fill the void left by Taproot’s departure. I serve as the Project Manager for the Strategic Assessment Team, whose initial goal is to assess the competitive landscape of local capacity builders, identify high priority capacity building needs of King County nonprofits, and confirm the skills and preferences of former Taproot volunteers, in order to develop a mission statement that attracts clients, volunteers and funders.

To complement the work of the Strategic Assessment Team, this Capstone takes an applied theoretical approach to evaluate the role of government support for volunteerism. In other words, it carefully analyzes the potential theories and rationales for using public funding to promote volunteerism. Then, it applies this examination to a specific case, namely potential government funding for a new nonprofit organization that would offer capacity building services, using volunteer teams of skilled professionals, to King County nonprofits. At the same time, the Capstone draws on the research conducted by the Strategic Assessment Team to illuminate the specific case for a new nonprofit.

The particular research questions address:

- The rationale for government funding of volunteerism and capacity building;
- The potential negative impacts of government funding of volunteering and capacity building;
- A historical review of government support for volunteerism;
- The potential sources of government funding for volunteerism and capacity building;
- The capacity building needs of King County nonprofits;
- The skills and interests of former Taproot volunteers; and
- The environment for capacity building in WA State and King County.

Chapter 2: Methodology

As mentioned previously, this Capstone takes an applied theoretical approach, focusing on the theory first, followed by the application of theory to the case for a new nonprofit. The broad rationales for government action are presented before the specific rationale for government funding of volunteerism and capacity

building in the nonprofit sector. Potential negative impacts from government funding are also considered.

With the theoretical issues addressed, the Capstone then defines and describes volunteers and provides a brief history of volunteerism in the United States. More importantly, it reviews federal and presidential support for volunteerism, including national service, highlighting the rationale(s) for government support. The Capstone then turns to an identification of potential sources of government funding for a new capacity building nonprofit.

The Capstone also incorporates the work of the Strategic Assessment Team. The team conducted two surveys; the first was designed to identify the capacity building needs of King County nonprofits, while the second was intended to capture the skills and interests of local volunteers.³ A list of questions is provided for the nonprofit survey in Appendix A and for the volunteer survey in Appendix B.

Lacking access to a free database of nonprofit contacts in King County, the nonprofit survey was limited in its distribution. Survey participants were solicited in two ways. First, the national Taproot office in San Francisco agreed to send the survey invitation to all nonprofit contacts in their Seattle database. Second, an invitation to local nonprofits was posted to the message board for Washington's Nonprofit Networking & Chat Yahoo group.⁴ The volunteer survey was distributed to former Taproot volunteers who had previously indicated that they wanted to be kept informed of future volunteer assignments for capacity building projects.

³ A subcommittee of the Strategic Assessment Team led the development of the survey questions. My role was merely supervisory. As a result, only the responses relevant to this Capstone will be provided in the Results section.

⁴ Once posted, group members automatically receive an email of the message.

In addition, the Team assessed the state and local environment for a new capacity building nonprofit and, as Project Leader, I conducted personal interviews with local researchers and volunteer experts.

The Capstone concludes with an integration of historical and survey data, along with key findings from the environmental review, the limitations of the study and recommendations for future research.

Chapter 3: Review of Literature

To set the context for an evaluation of this Capstone's case for government funding for volunteerism, it's important to understand the theory to justify such government action. In particular, the literature review first discusses the accepted framework for government action within a society, identifying the broad rationales for government action, and then provides the specific arguments for government funding of volunteerism.

Rationale for government action: According to economic and public policy theories, the rationales for government activity can be classified into two broad categories. The first category includes all actions taken to increase efficiency in the market economy. The second category concerns actions taken to encourage distributional and other values like equity and human dignity. It's important to note that, by itself, a rationale does not justify government action. Rather, the benefits of government action should exceed the costs, assuming a reasonable estimate of benefits and costs can be made. The rationale for public funding of volunteering spans both broad categories of rationales for government action and rests on increasing efficiency and promoting values. Furthermore, as the research

documents, in most cases where data is available the benefits of volunteering exceed its costs.

To address efficiency concerns, government intercedes in the case of market failures, defined as situations where the competitive market economy fails to provide the socially optimal level of a good or service. According to Weimer and Vining (2005), “Public goods, externalities, natural monopolies and information asymmetries are the four commonly recognized market failures (p. 71).” The concepts of public goods and externalities are most applicable to the case for government funding of volunteerism.

As defined by Gruber (2011):

“Goods that are pure public goods are characterized by two traits. First, they are non-rival in consumption: that is, my consuming or making use of the good does not in any way affect your opportunity to consume the good. Second, they are non-excludable: even if I want to deny you the opportunity to consume or access the public good, there is no way I can do so (p. 182).”

The result of these two conditions is that public goods will not be produced in sufficient quantity by the market economy because its “benefits cannot be captured by any one individual to the exclusion of others (Simon, Dale, & Chisolm, 2006, p. 268).” A classic example of a pure public good is national defense: all citizens benefit from national defense spending, and no one citizen can be excluded from this benefit. Therefore, national defense is a pure public good best supported by government funding.

However, as Gruber (2011) explains, “Most of the goods we think of as public goods are really impure public goods, which satisfy these two conditions to some extent, but not fully (p. 182).” For example, cable television is “*excludable, but not*

rival...[while]...walking on a crowded city sidewalk [is] rival, but not excludable
(Gruber, 2011, p. 183)."

An externality, another type of market failure, is "any valued impact (positive or negative) resulting from any action ... that affects someone who did not fully consent to it through participation in voluntary exchange (Weimer & Vining, 2005, p. 91)." For example, pollution by businesses and second-hand smoke are considered negative externalities, imposing costs and consequences on a public who did not engage in these particular acts of pollution or cigarette smoking. On the other hand, vaccinations generate positive externalities by reducing the risk of infectious disease for everyone in the community.

Rationale for government funding of volunteerism and capacity building:
Taking a broad view, all volunteering produces a positive externality by increasing the amount of a public good known as social capital within a community. According to Putnam (2000), social capital "refers to connections among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them (p. 19)." Like physical capital and human capital, "the core idea of social capital theory is that social networks have value (Putman, 2000, p. 19)." As Putnam (2000) details in his book *Bowling Alone*, communities with high levels of social capital have healthier individuals and healthier economies. For example, "social capital is second only to poverty in the breadth and depth of its effects on children's lives. ... Social capital is especially important in keeping children from being born unhealthily small and in keeping teenagers from dropping out of school, hanging out on the streets, and having babies out of wedlock (Putnam, 2000, p. 297-8)." Similarly, "Higher

levels of social capital, all else being equal, translate into lower levels of crime (Putnam, 2000, p. 308).” Putnam (2000) also cites evidence that social capital can improve economic performance. Supporting the idea that volunteering generates social capital, Lohmann (1992) argues “volunteer labor [is] ...nothing short of the individual contributions to the social action that creates and sustains civil society (p. 165).”

Putnam (2000) documents a forty-year decline in the amount of social capital across the United States. He advocates for a two-pronged approach to building our supply of social capital by increasing “the *supply* of opportunities for civic engagement and the *demand* for those opportunities (Putnam, 2000, p. 403).” Similar to Lohmann (1992), he readily acknowledges, “volunteering is one form of civic engagement (Putnam, 2000, p. 407).” Putnam (2000) foreshadows this Capstone thesis by concluding “many of the most creative investments in social capital in American history... were the direct result of government policy (p. 413).”

Putnam makes a compelling case for increasing the supply of social capital, a public good, when he documents its significant benefits to our communities. Yet, social capital is basically an intangible concept, and measuring it remains an imprecise science. The measurement challenges complicate the task of determining the optimal level of social capital for a community and thus determining the appropriate amount of government funding to achieve the optimal level.

Cost benefit analyses of volunteer programs would be instructive, however, the research literature is not robust. A detailed cost benefit analysis by Handy and Srinivasan (2004) of volunteers at 35 hospitals with at least 100 volunteers found,

using their most conservative estimates, that “hospitals derive, on average, \$6.84 in value from volunteers for every dollar they spend – a return on investment of 684%! (p. 51).”⁵ Interestingly, their study also found that the benefits to volunteers did *not* outweigh the costs, leading the researchers to conclude “volunteers may see themselves as altruists who assume significant costs in providing services for the common good (Handy & Srinivasan, 2004, p. 49).” Handy and Srinivasan (2004) further believe “Research is also needed to assess the impact of volunteer programs from the perspective of the recipients and the community at large...(p. 52),” data that would begin to quantify the impact of volunteering on social capital.

Some researchers believe that volunteering generates a second positive externality by increasing the amount of public goods produced by nonprofits. As Prewitt (2006) observes, “The nonprofit sector ... share with the state the task of compensating for market failures: for providing goods and services that are in the public interest but are not forthcoming from the normal functioning of the market (p 356).” However, Lohmann (1992) admonishes:

“the term public goods has been overgeneralized to apply to virtually all possible relations between government and any nonprofit or voluntary entity...The claim that the arts or social services directly benefit everyone uniformly and indivisibly is demonstrably untrue, simply by virtue of the fact that many people never even attend artistic performances or receive services and could not possibly benefit directly from such organizations. The goods of these ventures are both divisible and nonuniformly distributed and thus fail both of the tests of a public good (p. 186).”

⁵ Note: Although the quote is accurate, the calculation of the return on investment is incorrect. A return of \$6.84 for every dollar invested means a return of \$5.84, or 584%, which is also a remarkable return.

Consequently, Lohmann (1992) considers the output of much of the nonprofit sector to be common goods, whose benefits accrue to certain individuals.⁶ On the other hand, Putnam (2000) might argue that the work of nonprofits is synonymous with community work and thus, most, if not all, activities of nonprofits strengthen the social fabric of a community, increasing its social capital, which is a public good that benefits the entire community.

Like Lohmann (1992), Benshaloma (2009) contends that the output of nonprofit organizations do not truly represent public goods that are universally valued within the community. Benshaloma (2009) believes that the charitable tax deduction “promotes a nondemocratic decision-making process for allocating public money (p.1050)” by allowing wealthy taxpayers to exert their preferences over the breadth and depth of nonprofit goods and services provision. Thus, to the extent that some volunteering produces common goods (not public goods), and/or produces goods that reflect the preferences of some groups instead of the larger public, volunteering with nonprofit organizations will not always result in an increase in public goods.

In addition to increasing efficiency, government action can advance desired values. “Respect for human dignity seems to justify public policies that ensure some minimum level of consumption to all members of society (Weimer & Vining, 2005, p. 144).” Focusing on the subset of nonprofits that facilitate providing a minimum

⁶ Lohmann (1992) posits the idea of *The Commons* as occupying all of the “social spaces outside the home and away from family and independent of political states and economic markets (p. 272).” Common goods, therefore, “are shared or held jointly by members of a particular commons (Lohmann, 1992, p. 18).” In Lohmann’s view, common goods are generally not public goods.

level of consumption to all citizens, volunteering with such nonprofit organizations then promotes the government's respect for human dignity.

Like public funding of volunteerism, similar arguments can be made for public funding of capacity building within the nonprofit sector. As defined previously, capacity building improves an organization's internal effectiveness. Volunteers working on capacity building projects produce a positive externality of a healthier nonprofit sector, thereby increasing social capital within the community. Focusing on the subset of nonprofits involved in providing a minimum level of consumption to all citizens, capacity building volunteers enhance the ability of such nonprofit organizations to promote respect for human dignity.

Potential impacts of government funding: Although strong rationales exist for government funding of volunteerism, "public goods theory predicts that government spending on charity can perfectly crowd-out charitable contributions (Duncan, 1998, p. 213)." In other words, "when a public good is financed through voluntary contributions, government spending on the public good will crowd-out voluntary contributions (Duncan, 1998, p. 214)." However, Duncan (1998) reports "a flurry of empirical work [considering the effect of monetary contributions]...finds little support for the crowd-out hypothesis (p. 225)." Duncan (1998) expands the crowd-out analysis to include contributions of both time *and* money and still concludes "the data fails to support the crowd-out hypothesis (p. 238)." Instead, Duncan (1998) believes "this failure suggests that households do derive 'warm-glow' utility from their charitable contributions [of both time and money] (p. 238)."

The “warm-glow” utility is consistent with Handy and Srinivasan (2004) who found that the benefits to individual volunteers did not exceed their personal costs.

Nevertheless, the reverse of public goods theory also needs to be considered; namely, that volunteer labor is a replacement for government spending. Stated another way, do volunteers replace paid workers that would otherwise be funded by government contracts? According to analyses conducted by Simmons and Emanuele (2009), “organizations that use volunteers view them as substitutes to low-paid workers (p. 73).” Therefore, volunteers may replace government spending to the extent that they substitute for low-paid labor at nonprofits that are providing services under contracts with the government. Yet, as Handy, Mook and Quarter (2008) report:

“there is a complexity to the relationship between paid staff and volunteers. Volunteers are replacing paid staff in some organizations, the reverse trend is occurring in an even greater number of organizations, and both trends are occurring simultaneously in some organizations (p. 83).”

However, skilled professionals providing capacity building projects are unlikely to have a substitution effect for two reasons. First, the government typically doesn’t provide or fund capacity building projects at nonprofits.⁷ Second, as noted earlier, nonprofits generally cannot afford and thus do not undertake capacity building projects, so there are no staff for which to substitute.

In addition to the issue of volunteers serving as substitutes for low-paid workers, another concern is the potential effect of volunteers on labor standards; namely, does the presence of volunteers lower labor standards for nonprofit

⁷ Only \$1 million of very targeted funding (described later) was allocated to the Nonprofit Capacity Building program included in the Serve America Act passed in March of 2009.

workers? Unfortunately, the research literature on this topic is very thin. According to Haider and Schneider (2010), “volunteering activity has not been accounted for in wage equations for nonprofit workers (p. 3).” Their analysis represents the first attempt to quantify the impact of volunteers on nonprofit wage levels. Using quintile regression, they find “An individual working in an organization with volunteers earns between 6.7 per cent and 10.6 per cent less than an individual in a nonprofit organization without volunteers (Haider & Schneider, 2010, p. 14).” Unfortunately, their data do not include relevant information about worker experience and education at the different groups of nonprofit organizations examined, which might explain the wage differentials. Nevertheless, skilled volunteers working on capacity building projects are unlikely to have an impact on nonprofit wage levels because these volunteers are temporary, do not volunteer on a consistent basis with the same organization, and generally do not perform the same work as paid workers.

In summary, a strong case can be made for government funding of volunteerism and capacity building within the nonprofit sector. Both volunteerism and capacity building generate an important positive externality, namely increasing the amount of the public good - social capital - within a community. Similarly, volunteerism and capacity building with organizations that provide a minimum level of consumption to citizens advances respect for human dignity. Although public goods theory might predict that government funding would crowd-out private contributions, the data demonstrate otherwise. Similarly, due to the nature of capacity building projects, government funding is unlikely to have an impact on

either the staffing levels or the wage rates of paid staff. As a result, the government should allocate funding to support volunteerism and capacity building within the nonprofit sector.

Chapter 4: Results and Analysis

Introduction: While volunteers are essential to the operations of most nonprofits, the definition of who is and who is not a volunteer is not necessarily clear. The Bureau of Labor Statistics (BLS) defines volunteers simply as “persons who [do] unpaid work (except for expenses) through or for an organization (BLS, 2010, p. 1).” Snyder and Omoto (2008), on the other hand, identify six characteristics that distinguish a volunteer:

1. “[T]he actions of the volunteer must be voluntary...
2. [T]he act of volunteering...involves some amount of deliberation...
3. [T]he volunteer activities...must be delivered over a period of time...rather than one-time events...
4. [T]he decision to volunteer is based entirely on the person’s own goals without expectation of reward or punishment...
5. [V]olunteering involves serving people or causes who desire help...
6. [V]olunteerism is performed on behalf of people or causes, and commonly through agencies or organizations (p.2).”

Ellis and Campbell (2005) offer yet another definition: “To volunteer is to choose to act in recognition of a need, with an attitude of social responsibility and without concern for monetary profit, going beyond one’s basic obligations (p. 4).” Ellis and Campbell’s (2005) definition is broad and embraces “all the ways people choose to become involved in their communities and help themselves (p. viii),” including all kinds of neighborly activities, which Snyder and Omoto (2008) and the

BLS (2010) would generally exclude. In fact, Ellis and Campbell (2005) view “citizen participation as synonymous with volunteering (p. 10).”

The term *volunteer* is also conflated with the notion of *national service*, which generally includes both civilian and military participants. However, this paper is only concerned with civilian national service and thus discussions of national service here only address civilian participants. In its broadest conception, civilian national service refers to government-supervised and -funded programs, typically but not always focused on young adults, which enroll participants, most often called volunteers, who engage in work that benefits the public in exchange for subsistence wages, in some cases called the stipend. The use of the term *volunteer* to describe the participants of national service programs is ubiquitous in government documents and reports, white papers, and even published scholarly articles. Because of the remuneration given to participants, the definition of national service *volunteers* may potentially conflict with the previously provided definitions of volunteers, which emphasized non-monetary rewards. Nevertheless, to the extent that national service participants are forgoing more financially lucrative work, it could be argued that national service *volunteers* are less concerned with personal reward. Certainly, in a discussion of government support for volunteerism, a review of national service programs is warranted.

History of volunteerism in the United States: Current policies to promote volunteerism may be informed by an understanding of the history of U.S. volunteering and its impact. According to meticulous research and documentation by Ellis and Campbell (2005) in their book *By the People, A History of Americans as*

Volunteers, citizen volunteers have impacted “every area of American life (p. vii).” However, because “volunteering...is so pervasive, [it] often goes unrecognized (Ellis & Campbell, 2005, p. viii).” Ellis and Campbell (2005) argue that many pivotal events in American history arose from the actions of citizen volunteers. In their view, American “history has been shaped by everyone (Ellis & Campbell, 2005, p.vii).”

Volunteering, the simple act of neighbor helping neighbor, dates back to the early days of the first settlements in America. “The settlers raised barns, hosted quilting bees, and built common areas (Neuman, 2010, p. 14).” Community members participating in local town meetings made decisions, and volunteers “supervise[d] the implementation of plans decided upon by the town meeting (Ellis & Campbell, 2005, p. 17).” As a result, community members routinely built schools and jails.

Many of the services provided by government and private companies today began as volunteer operations. For example, the first postal service relied on volunteers while many small newspapers depended upon citizens “shar[ing] private letters containing news items (Ellis & Campbell, 2005, p. 44).” Ben Franklin organized the first volunteer fire company in 1736. Free vaccination clinics were established in New York in 1802 and Boston in 1803, “both staffed by volunteer doctors (Ellis & Campbell, 2005, p. 61).” “By 1811, the [New York City Humane] Society was maintaining a soup kitchen to feed residents of poor neighborhoods (Ellis & Campbell, 2005, p. 49).” “In 1813, the Ladies’ Benevolent Society of ...[Charleston, South Carolina] ... organized a volunteer nursing service for the sick

poor (Ellis & Campbell, 2005, p. 62).” “[M]ost cities and towns continued to rely upon volunteer peace officers until just before the Civil War (Ellis & Campbell, 2005, p. 50).”

Volunteers also played a variety of roles during war times. Volunteer soldiers fought in the Revolutionary War and the Mexican War in 1846, although the Civil War required the institution of a mandatory draft by the “Confederacy ... just one year into the war (Ellis & Campbell, 2005, p. 96).” During the Civil War, “northern women began to organize themselves in Ladies’ Aid Societies for the purpose of making bandages, shirts, drawers, towels, bedclothes, uniforms and tents (Ellis & Campbell, 2005, p. 98).” Volunteer nurses provided much of the care in general hospitals during the Civil War. Private individuals raised money to purchase most of the arms and ammunition used during the Civil War. “Volunteer ambulance corps sprang up to aid the wounded (Ellis & Campbell, 2005, p. 107).” Women, under the umbrella organization of the National Woman’s Committee, also volunteered during World War I.

After the Civil War, volunteer efforts once again focused on social welfare. For example, Clara Barton organized the American chapter of the International Red Cross in 1881 “to train volunteers to handle natural disasters in time of peace (Ellis & Campbell, 2005, p. 133).” In fact, “[t]he latter part of the nineteenth century brought renewed attention to all aspects of poverty and human misery (Ellis & Campbell, 2005, p. 135),” resulting in the creation of settlement houses in which middle and upper class women lived and served among the poor. These “residents ran well-baby clinics, day nurseries, pure milk stations, and playgrounds. They

offered immigrant classes in English and citizenship as well as vocational subjects (Crocker, 2001, para. 2).” By 1910 there were more than four hundred settlement houses (Ellis & Campbell, 2005), some of which were still in operation at the end of the twentieth century (Crocker, 2001). In the early 1900’s, volunteers from the Family Service Association of America, functioning as predecessors to social workers, visited “individual families who benefited from such continuous and supportive contact (Ellis & Campbell, 2005, p. 161).” As these examples demonstrate, volunteering frequently fills breaches in social polity that have not reached the level of priority that justifies public funding. In this respect, volunteers serve as social entrepreneurs whose activities often seed more permanent social arrangements.

Finally, no discussion of the history of volunteerism in the United States would be complete without mentioning the invaluable contribution of volunteers to many social issues, particularly abolitionism, women’s suffrage, prohibition and civil rights. Countless volunteers sheltered slaves along the Underground Railroad, participated in sit-ins, became freedom riders, or boycotted, marched, advocated, or lobbied, all in an effort to improve the lives of their fellow Americans. Unfortunately, a thorough examination of these volunteers’ activities is beyond the scope of this brief history of volunteerism.

Federal support for volunteerism: The first instance of government funding of volunteerism probably occurred in 1819, “when Congress authorized \$10 million to support volunteer religious groups who were working with Indians (Ellis & Campbell, 2005, p. 69).” Viewing this support of religious groups through the lens

of economic and public policy theories discussed earlier, it's hard to determine the rationale for government intervention. Perhaps the rationale was to promote human dignity, although many critics might disagree or believe the effort was misguided. Interestingly, Congress funded this effort until 1900 but did not directly support other volunteer activities until 1896, when "a volunteer National Forest Commission was formed and given a small amount of money from Congress for public education campaigns (Ellis & Campbell, 2005, p. 147)." In this case, government funding was probably justified by the need to protect national forests because they are a public good.

Nevertheless, financial support was not the only method of government involvement in volunteering. In many areas, government supervised or facilitated the work of volunteers. For example, in 1877, Congress placed the volunteers of the National Guard Association under the control of the government's War Department (Ellis & Campbell, 2005). Similarly, "the Army Community Service (ACS) program was officially established to offer assistance in the resolution of personal and family problems...From the beginning it was expected that volunteers would be integral to the delivery of ACS services (Ellis & Campbell, 2005, p. 237)." During World War II, the Red Cross "provided a wealth of volunteer staff energy for military hospitals (Ellis & Campbell, 2005, p. 214)."

At times, government provided a portion of funding for an activity or program, but relied on volunteers for implementation. In 1935, "volunteers helped with a national school lunch program...Federal and local authorities split the cost, while the Parent Teacher Association, the Junior League, the American Legion, and

others provided volunteer labor and equipment; fewer than ten years later, the program was feeding 9 million school children at least one hot meal a day (Ellis & Campbell, 2005, p. 198).” Similar arrangements occurred at the state level. In 1954, the state of Pennsylvania provided funds for a demonstration day care center that was supported by volunteer contributions of toys, equipment, food and staff (Ellis & Campbell, 2005, p. 228). And in the 1970’s, the federal and state governments funded an array of programs for seniors – “senior centers, nutrition programs, services to homebound elderly, and transportation (Ellis & Campbell, 2005, p. 252)” – that relied on volunteers to provide the services.

The rationale for government action in all these cases was likely to promote human dignity and/or provide a minimum level of consumption. However, in my research I was unable to find an evaluation of the role of volunteers in these federal and/or state programs. In particular, no published study evaluated the benefits and costs of volunteers associated with the school lunch program, day care centers, or senior centers.

Federal support for national service: As defined earlier, national service refers to the use of civilian volunteers for a public purpose. The first large-scale government program of national service was the Civilian Conservation Corps (CCC), authorized by Congress and created by President Franklin Roosevelt’s New Deal during the depths of the Great Depression. The CCC was intended to address massive unemployment among youth, “enrolling over three million participants between 1933 and its termination in 1942 (Bass, 2003, p. 3).” As McIntosh (2001) documents:

“CCC workers planted more than three billion trees, halted soil erosion on 20 million acres, stocked more than one billion fish, built nearly 47,000 bridges, blazed 28,000 miles of trails, and erected 405,000 signs, markers, and monuments. They worked in 94 national parks and monuments and developed as many as 800 state parks. Just two years after the program began, the National Park Service estimated that the CCC had already advanced forestry and park development by ten to 20 years (p. 27).”

In the absence of scholarly analyses, three rationales for government support of the Civilian Conservation Corps can be proposed. First, by “employing” the CCC workers and “paying” a stipend, the government was able to put labor to productive uses as well as put earnings back into the market economy, thereby increasing efficiency. Second, the CCC improved human dignity by facilitating a minimum level of consumption among CCC families, since, according to Bass (2003), the workers typically sent home \$25 of the \$30 they received each month. Third, the work of the CCC enhanced existing public goods like national and state parks and created new public goods like bridges and trails.

Nevertheless, despite widespread acknowledgement of the enormous impact of the Civilian Conservation Corps, I could not find one economic analysis to determine whether the benefits of the CCC outweighed its costs (probably because the CCC preceded the development of cost benefit analysis). However, three evaluations of the California Conservation Corps, a program modeled on the CCC, found that the benefit/cost ratio ranged from .96 to 1.2 (Perry & Thomson, 2004), implying that, for every \$1 of government funding, the program returned an amount between \$.96 and \$1.20.

Although the federal government continued to rely on volunteers in several arenas (as described previously), it wasn’t until 1964 that a second national service

program was established. President Johnson, as part of his “War on Poverty,” created the Volunteers in Service to America (VISTA) program. The VISTA program was modeled after the Peace Corps program, which had been initiated under President Kennedy in 1961 to “channel the idealism of young Americans into productive activities abroad (Ellis & Campbell, 2005, p. 237).” The Peace Corps sent volunteers around the world, while the VISTA program dispersed its volunteers across the United States. “Through VISTA an average of 4,000 people a year, a majority of them young adults, lived and worked in impoverished communities, providing services and assistance for one to two years to ‘help people help themselves.’ In exchange VISTA volunteers received a minimal stipend to cover living expenses, health insurance, and a modest end of service award (Bass, 2003, p. 6).” The VISTA program continued until its eventual incorporation in 1993 into yet another national service program called AmeriCorps.

Unlike the Civilian Conservation Corps, the VISTA and subsequent AmeriCorps programs were not intended to address unemployment and market inefficiencies. Rather, the programs were and remain today more concerned with strengthening local communities, thereby increasing social capital, a public good, although many VISTA and AmeriCorps volunteers also work and worked with nonprofits concerned with providing a minimum level of consumption, thereby enhancing human dignity.

Perry and Thomson (2004) reviewed six benefit-cost analyses of the AmeriCorps*State/National Programs and four of the AmeriCorps*VISTA program (p. 83).” They advise, “the sample of studies is small and therefore, generalizations

should be drawn with caution (Perry & Thomson, 2004, p. 86).” Nevertheless, they report, “The average of the lower range of the ratio across the six studies of AmeriCorps [State/National] is 2.07 (Perry & Thomson, 2004, p. 86).” By comparison, the AmeriCorps VISTA programs exhibited a benefit/cost ratio, using the lower ranges, from 1.4 to 2.5 (Perry & Thomson, 2004, p. 84). Although far from definitive, the data suggest that the benefits of national service programs exceed their costs. More importantly, national service volunteers may establish a bridge between social problems and more enduring government policies to address them.

Current federal support for volunteerism: In March of 2009, Congress passed the bipartisan Edward M. Kennedy Serve America Act in order to spur a powerful boost to American volunteerism. The Act authorized a dramatic expansion of the AmeriCorps program, the creation of new service programs geared to young people, and launched a national Call to Service Campaign, President Obama’s *United We Serve* initiative. The AmeriCorps program is projected to more than triple from its current base of 75,000 annual members to 250,000 by 2017. Students in 6th through 12th grades can now earn \$500 education awards by participating in the Summer of Service program, while high school students can undertake a Semester of Service program. In addition, September 11th is designated as a National Day of Service and Remembrance (CNCS, 2009 & 2010a).

Potential sources of government funding for volunteerism and capacity building: As part of this Capstone, I researched potential sources of government funding for volunteerism and capacity building and identified three possibilities. Two are federal initiatives from the Serve America Act passed in March of 2009, and

the other is a state organization, the Washington Commission on National and Community Service (WCNCS).

The Serve America Act included two programs to strengthen the nonprofit sector's ability to utilize volunteers. The Volunteer Generation Fund (VGF), with \$4 million in funding, was designed to award "grants to states and nonprofits to recruit, manage, and support volunteers (CNCS, 2009, p. 1)," while \$1 million of Nonprofit Capacity Building "grants...[was intended to] provide organizational development assistance to small and mid-size nonprofit organizations (CNCS, 2009, p. 1)."

The stated priorities of the Volunteer Generation Fund are "to help plug this 'leaky bucket' of volunteer attrition, grow the nation's volunteer pool, and create a sustainable infrastructure of volunteer connector organizations to increase the impact of volunteers (CNCS, 2010c, p. 1)." In August of 2010, the Corporation for National and Community Service awarded grants to 19 state service commissions, including \$178,950 to the Washington Commission on National and Community Service (WCNCS). In turn, the WCNCS supplemented this funding with additional grants and contracted with 501 Commons, a nonprofit capacity builder based in King County, to achieve the following objectives:

1. "Develop the Washington Serves Plan, a five-year agenda to transform service in Washington State;⁸
2. Strengthen the capacity of volunteer connector organizations and the state association of volunteer centers;

⁸ Note: I have volunteered to be the lead consultant on this project and am in the process of drafting the plan with input and assistance from representatives of volunteer connector organizations from around the state.

3. Bring proven volunteer program models happening in some parts of our state to additional communities, in particular programs that build volunteer leadership and engage skill-based volunteers;
4. Engage new volunteer communities in high-quality service, with a focus on veterans, and residents of low-income housing;
5. Sustain the investment by working with local and state leadership to change the way that volunteerism is viewed and funded, moving service from 'nice' to 'necessary'. Volunteerism is a strategy for community change and volunteer management merits investment. (Executive Services Corp, n.d., p. 2-3)."

At the request of the Executive Director of 501 Commons, I facilitated a planning session for the VGF grant and it's clear that the first two objectives stated above – namely, to prepare a five-year plan for volunteerism in Washington State, referred to as the Washington Serves plan, and to strengthen the capacity of the volunteer connector organizations – are receiving the bulk of the attention and funding.

Although the objectives reference engaging skill-based volunteers, the VGF does not have any unallocated monies and thus, does not represent a likely funding source for a new nonprofit organization focused on facilitating capacity building by skilled volunteers in King County.

The particular focus of the Nonprofit Capacity Building Program is to “build and implement performance management systems ... [for nonprofits] ... in communities facing economic hardships (CNCS, 2010b, p. 1).” In August of 2010 the Corporation made grants totaling \$1 million to organizations in Arizona, Massachusetts, Minnesota, California, and Florida. It's interesting to note that the focus of this federal grant program is on one narrow aspect of capacity building, namely developing performance management systems, as well as being geographically focused on five economically distressed areas. As a result, the

Nonprofit Capacity Building program also does not represent a source of funds for a new nonprofit organization focused on offering capacity building services to King County nonprofits.

The third potential source of funding is the Washington Commission on National and Community Service. However, during the 2009-2010 year, the vast majority, almost 80 percent, of WCNSC's program funding of \$27 million was allocated to the AmeriCorps program. Another 13 percent was designated for the Senior Corps, with the remainder for Learn and Serve America, a service-learning initiative. Unfortunately, WCNSC seems to have very little discretionary funding to support new initiatives.

Capacity building needs of King County nonprofits: Due to the distribution constraints previously discussed, the sample of surveyed nonprofits is small. Forty-four survey responses from former Taproot clients⁹ suggest a response rate of over 50%. However, Taproot's database of nonprofit contacts contained multiple contacts within the same organization, so more than one person from the same nonprofit may have completed the survey. In any case, the response rate among former Taproot clients was high. By comparison, only fifty-seven nonprofits responded to the invitation posted on the Yahoo group message board, representing less than 1% of King County nonprofits.¹⁰ Thus, the data from non-Taproot clients' responses is limited in its generalizability.

⁹ Taproot completed 100 projects for 84 clients. Sixteen clients were involved in two projects.

¹⁰ According to Barber (2010) there were 6,000 King County nonprofits that recorded revenues of more than \$25,000 in 2009-2010.

About one-half of former Taproot clients indicate that existing consultants and organizations are *inadequate* for meeting the needs for capacity building projects of local nonprofits. Not surprisingly, the qualitative comments identify *cost* as a primary barrier to undertaking capacity building projects, echoing the capacity building report and United Way survey discussed previously. Fees for local consultants are too high, and funding for capacity building work is scarce. In thinking about future capacity building needs, respondents indicate that they are most likely to seek help with marketing and communications, information technology, strategic planning and fundraising projects.

Similar to the former Taproot clients, more than half of the King County nonprofit respondents believe that existing consultants and organizations are *inadequate* for meeting the needs for capacity building projects of local nonprofits. Like former Taproot clients, survey respondents indicate *cost* is a barrier to undertaking capacity building projects and express a need for help with marketing and communications, information technology, strategic planning and fundraising projects.

Interests of former Taproot volunteers: Seventy-three former Taproot volunteers completed the online survey, representing about 30 percent of the volunteers in the Strategic Assessment Team's database. Women compose almost 70 percent of the respondents, and over 40 percent are between the ages of 31 and 40. About 25 percent are between 41 and 50, and about 20 percent are between 51

and 60. Over 85 percent of former Taproot volunteers have earned at least a bachelor's degree, and more than 40% have received a master's degree.¹¹

About 75 percent of volunteers had worked on a Taproot project in one of three areas: communications, marketing, and information technology, exactly the same types of projects with which nonprofits need help. In evaluating their Taproot experience, volunteers report a relatively high level of satisfaction in their responses to the closed-ended questions. Notwithstanding the plethora of suggestions to improve the Taproot model, over 85 percent indicate they are likely or very likely to volunteer in the future with an organization that matched their skills with local nonprofits.

Environment for capacity building in Washington State and King County: As noted earlier, The Giving Practice (2009) completed a report, *An Assessment of Capacity Building in Washington State*, which described in detail the environment for capacity building in Washington State.¹² Although a thorough review of the study is beyond the scope of this paper, the report identifies a few key findings that are particularly relevant for this Capstone. First, the researchers found “that nonprofits [across WA State] needed unrestricted money... specifically for capacity building (The Giving Practice, 2009, p. 31).” Second, they determined that “capacity building intermediaries [across WA State] also need funding (The Giving Practice, 2009, p.

¹¹ These demographics are similar to national BLS (2010) data on volunteers, which found that women volunteer at a higher rate (30.1%) than men (23.3%). People who are 35-44 years old volunteer at higher rates (31.5%) than other age groups, as do people with at least a bachelor's degree (42.8%).

¹² Note: The research for the capacity building report was commissioned by seven large local funders: Bill & Melinda Gates Foundation, the Campion Foundation, Medina Foundation, M.J. Murdock Charitable Trust, The Seattle Foundation, Sherwood Trust, and Social Venture Partners, Seattle.

31).” Their analysis of King County in particular found sufficient capacity building resources; however, “inadequate funding (The Giving Practice, 2009, p. 32)” was still a formidable barrier for nonprofits to accessing available resources. Two of the six recommendations for King County highlighted the need for increased funding to two groups: “individual nonprofits for capacity building...and nonprofits which do capacity building (The Giving Practice, 2009, p. 49).”

The report’s recommendations implied that a new nonprofit focused on matching skilled volunteers with King County nonprofits to work on capacity building projects might be able to make the case for support from local funders. To test this hypothesis, I met with one of the co-authors, who fervently advised against starting a new organization. Although the report recommended increased funding for capacity building organizations, privately the report’s authors told the funders that they were funding *too* many capacity builders. In particular, the report listed 102 different entities that provide capacity building services to King County nonprofits. Although the majority are for-profit firms, the report identified over 20 separate nonprofit organizations that provide capacity building services, with some focusing on providing a particular service like information technology or board development, and others concentrating on serving a certain subset of nonprofits, for example, those organizations focused on the arts. Given the plethora of capacity builders serving King County, the report’s co-author believes “the funders don’t have the appetite for another capacity builder,” and would be more interested in supporting a capacity building program that was based at an existing organization

that provides a wide range of capacity building services to all different types of nonprofit organizations, like Executive Services Corps (ESC)/501 Commons.¹³

For another perspective on the local nonprofit and volunteer environment, I also met with a staff member who manages the United Way of King County Volunteer Center. She related that in her meetings with local employers, they are very interested in ways to get their employees engaged with local nonprofits. She also stressed that these employers are interested in interacting with one broker (in other words, one organization) who can connect their employees with a range of volunteer opportunities. Like the capacity building report's co-author, she felt that a stand-alone nonprofit was not a good idea. Rather, she believed it would be better to add the Taproot model to an existing organization, like ESC/501 Commons.

Consequently, I met with the Executive Director (ED) of ESC/501 Commons, which has about 200 skilled volunteer consultants in its database. According to the ED, the consultants typically work on capacity building projects in teams of two. In her opinion, the Taproot model of teams of 4-6 professionals is only feasible for nonprofits with sufficient staff to manage a large project and thus is only appropriate for about 20% of King County nonprofits. In a subsequent meeting to discuss hosting a Taproot-like program, the ED was not receptive, believing that ESC could assemble larger teams, if necessary. The ED also felt strongly that, despite the

¹³ Like Taproot, ESC provides capacity building services to King County nonprofits using volunteer consultants. In January of 2011 Executive Services Corps (ESC) became one program within a new organization, 501 Commons. As noted earlier, ESC/501 Commons is also facilitating the development of the Washington Serves Plan and the strengthening of the volunteer connector organizations throughout the state.

research, ESC's typical fee of \$1,200 was not a barrier for King County nonprofits that need capacity building services.

Chapter 5: Discussion

Over the past two hundred years, the federal government has supported a small number of volunteer programs. In fact, the bulk of funding for the past eighty years has centered on three national service programs: Civilian Conservation Corps, VISTA and AmeriCorps. While the programs share some similarities in their approaches, the government's rationale for funding these national service programs varies. The Civilian Conservation Corps, which began in 1933, was designed to tackle massive unemployment by putting young men to work on conservation projects. The rationales for such action most likely included increasing efficiency in the market economy (by increasing labor participation and earnings), facilitating a minimum level of consumption (among participants' families), and protecting and developing public goods like parks and monuments. By comparison, the VISTA program, which was created as part of President Johnson's War on Poverty, and the subsequent AmeriCorps program were designed to focus volunteer energy on nonprofit organizations in impoverished communities. The rationale for the VISTA and AmeriCorps programs likely rests on the idea that national service volunteers generate a positive externality of increased social capital in communities in which they work, which is similar to the argument proposed in this Capstone.

In the case of a new nonprofit, the Capstone provides a persuasive case for government funding of an organization that utilizes skilled volunteers to provide capacity building services to King County nonprofits. Government support of

volunteerism is justified to correct a market failure and promote the value of human dignity. Volunteerism in general produces a valuable positive externality, augmenting social capital, a public good, within a community. Capacity building in particular amplifies this social capital effect by strengthening the nonprofit sector. Government support of volunteers that work at organizations concerned with providing a minimum level of consumption to U.S. citizens reinforces the government's interest in enhancing human dignity.

While a credible argument can be made for government funding in the case of a new nonprofit providing capacity building services, this study has found little discretionary monies at the federal and state level. The latest funding provided by Congress in the Volunteer Generation Fund and Nonprofit Capacity Building Fund as part of the Serve Act passed in 2009 has already been allocated to specific states and projects. Similarly, the primary organization dedicated to promoting volunteerism in the state, the Washington Commission on National and Community Service, also has no unallocated funds.

A review of the local environment also presents a dead end of sorts. That is to say, although there is an enormous need for capacity building among King County nonprofits and general recognition that cost is a barrier to accessing such services, individuals with knowledge of local funders, including both corporations and foundations, suggest they also are unlikely to provide funding for a new nonprofit. *An Assessment of Capacity Building in Washington State*, the United Way survey (Lynch & Russell, N.D.), and the Strategic Assessment Team's survey of former Taproot clients and King County nonprofits all document the need for capacity

building projects in marketing, communications, and information technology, and surveys of potential volunteers confirm that they possess skills and interests in exactly the same type of projects. Unfortunately, local funders prefer to consolidate capacity building services at existing organizations, such as ESC/501 Commons, instead of funding a new, separate organization.

Nevertheless, the suggested “home” for the Taproot model, namely ESC/501 Commons, is resistant to offering the Taproot model, in which nonprofit clients are not charged a fee for capacity building services provided by teams of 4-6 volunteers. As a result, the case for a successor organization or home for the Taproot model has no easy resolution: Nonprofits have needs and no money for capacity building, volunteers have skills to provide capacity building, a separate organization to match the two groups cannot obtain funding from the government, nor local foundations or corporations, and the most likely organizational partner to host the matching does not believe in Taproot’s fee-free model.

Chapter 6: Conclusions

Summary: The central research question of this Capstone is whether the government should fund volunteerism. Washington State has over 26,000 nonprofit organizations, the vast majority of which record revenues of less than \$350,000. According to two recent research reports, as well as survey data collected by the Strategic Assessment Team, King County nonprofits have enormous needs for capacity building, yet few resources, in terms of staff or money, with which to address them. A new organization designed to match skilled volunteers with King

County nonprofits would seem a reasonably cost-effective way to meet nonprofits' demand for capacity building.

The approach to answering the question of government funding for volunteerism began with a review of the general rationales for government action and then turned to an examination of the specific rationale for government funding of a nonprofit designed to match skilled professionals donating their expertise to work on capacity building projects for King county nonprofits.

According to accepted economic and public policy theories, the government should intervene to address market failures, in other words, those situations where the market economy fails; for example, in the production of public goods and positive externalities. Volunteerism generates a positive externality by increasing social capital, a public good that is of enormous value to local communities. In particular, communities with higher levels of social capital are healthier than communities with lower levels of social capital.

Economic and public policy theories also dictate that government should intervene in order to encourage values like equity and human dignity. In practical terms, promoting human dignity and equity means that the government takes responsibility for providing a minimum level of consumption to all its citizens. To provide this minimum level, the government often contracts with local nonprofits. Skilled professionals working on capacity building projects for this subset of nonprofits enhance the ability of these contractors to fulfill their government contracts effectively and help the government promote human dignity.

Given a strong rationale, government funding can then be justified in cases where the benefits exceed the costs. Government-supported volunteer programs, such as VISTA, AmeriCorps, and California Conservation Corps, historically have, for the most part, produced benefit cost ratios exceeding one; in other words, every dollar of government funding (costs) has resulted in more than one dollar of benefits. It seems reasonable to expect that future government programs to facilitate volunteerism would generate similar returns.

Nevertheless, in an era of tight budgets at the federal, state and local levels, the question remains of whether an increase in social capital is needed in King County. Washington State has one of the highest rates of volunteering in the country and the MSA of Seattle, Bellevue and Tacoma ranks fourth in volunteer rates among 51 large cities. As a result, one could conclude that communities across Washington State and in King County already have high levels of social capital. Would government funding be more beneficial if directed to other states or other counties within Washington State with lower levels of social capital?

Environmental factors also play a role in determining the feasibility of a new nonprofit to match skilled professionals working on capacity building projects with King County nonprofits. Surveys of local nonprofits identify needs for, and volunteers have skills and interest in, capacity building projects in marketing, communications, and information technology. However, there are existing organizations that offer capacity building services to the nonprofit community in King County and local experts advise against starting a new nonprofit organization.

Although local experts recommend partnering with an existing organization, the most likely candidate is not very receptive.

Limitations of Study: The theoretical portion of the analysis was limited by an inability to uncover scholarly research to illuminate the rationale for government support of volunteerism, particularly for historical programs. Additional benefit costs analyses of volunteer programs also would have been useful. The applied portion of the study would have benefited from a larger sample size for the survey of King County nonprofits. Nevertheless, despite these limitations, the work of Putnam (2000) and Lohmann (1992) provide compelling evidence for the argument that volunteerism generates social capital, a valuable public good. Similarly, while a more representative sample of King County nonprofits would have been desirable, published reports from The Giving Practice (2009) and United Way (Lynch & Russell, N.D.) establish the need for capacity building and skilled volunteers to provide it.

Recommendations for Future Study: To the extent that volunteerism is a key driver of social capital, better measures are desperately needed if the United States expects to turn around a 40-year decline in social capital. The lack of widely accepted measures of social capital makes it hard to determine an appropriate level of government funding to increase it. In addition, further study is required to understand the benefits and outcomes of volunteers working on capacity building projects. With an improved accounting of the costs and benefits, government support of volunteerism and capacity building could be justified even in the absence of widely accepted measures of social capital.

Conclusion: Considering the increase in social capital and the ability to promote human dignity and equity, a strong case can be made for government funding to facilitate capacity building projects that make the nonprofit community, and by extension, the entire community, healthier. Nevertheless, although the case for government funding is relatively straightforward, there does not appear to be any government funding available at the national and state levels. In the absence of government funding, the fate of a new nonprofit to replicate Taproot's model rests on environmental factors. While King County nonprofits have needs, and volunteers have skills, local leaders have no interest in funding a separate organization and the most likely host for the Taproot model is not receptive. As a result, the potential to enhance social capital in King County will likely not be realized in the near term. Instead one hopes that the Washington Serves Plan provides the catalyst for increased funding for volunteerism and capacity building in King County in the future.

Appendix A: List of survey items on Nonprofit Survey

1. There are several local organizations that provide pro bono or reduced rate services to Seattle-area nonprofits. Please indicate which of the following you are familiar with, and which you have used in the past or work with now:
 - Catch a Fire
 - Executive Services Corps (now 501 Commons)
 - NPower
 - Seattle Works
 - Social Venture Partners
 - Other
2. If you checked any of the boxes in the last column of the previous question, please indicate what type of project you worked with them on:
 - Board recruitment and development
 - Financial management/analysis
 - Fundraising
 - Human resources (including leadership development)
 - Information technology (including websites & databases)
 - Marketing & communications
 - Strategic planning
 - Volunteer management
3. Thinking about these projects, please rate your experience with the service provider. The following scale was used:
5 – Met or exceeded all of our expectations and delivered a better than expected end result!
4 – Met most of our needs and delivered a great end result
3 – Achieved some of our goals and delivered a usable end result
2 – Did not meet some of our needs and/or the end result somewhat didn't meet our expectations
1 – Did not meet any of our needs and/or the end result didn't meet our expectations at all
4. Have you ever paid for the provided services?
5. From your previous experience, what would you have liked to see done differently?
6. Do the existing consultants and organizations adequately meet the needs for Capacity Building projects for local nonprofits?
7. Why or why not?
8. [For Taproot clients only] What element(s) of the Taproot model and process worked best and therefore should be retained by a new organization?
9. [For Taproot clients only] What element(s) of the Taproot model and process did not work as well and therefore should be improved?
10. Thinking about future Capacity Building Projects, please indicate the likelihood of seeking outside help in the following areas in the future:
 - Board recruitment and development
 - Financial management/analysis
 - Fundraising

- Human resources (including leadership development)
 - Information technology (including websites & databases)
 - Marketing & communications
 - Strategic planning
 - Volunteer management
11. When seeking outside help on projects utilizing skilled volunteers, you are willing/able to pay a fee of (please select all that apply):¹⁴
- \$1,000 - \$2,500
 - \$500 - \$1,000
 - \$500 or less
 - Not willing/able to pay
12. How would a fee for pro bono projects affect your projects?
- Will be less likely to start a new project
 - Will have no impact, we are adequately funded for these expenses
 - Other
13. [For Taproot clients only] Please provide any additional thoughts on the Taproot model and/or the use of skilled volunteers
14. Imagine a new organization focused on providing skilled volunteers to nonprofit organizations in the Seattle area. In your opinion, what services would be most unique and valuable to offer?
15. Would you like to speak with one of our volunteers? If so, what method of communication do you prefer? (please select all that apply)
- Another electronic survey
 - Face to face meeting
 - Phone call
 - Please do not contact me
 - Other
16. Please provide your name and contact information below (optional).
17. Please indicate the number of employees at your organization:
- Less than 3
 - 4-10
 - 11-20
 - More than 20
18. Please provide an estimate of your organization's annual revenue:
- Less than \$100,000
 - \$100,000 - \$350,000
 - \$350,000 - \$500,000
 - \$1,000,000 - \$5,000,000
 - More than \$5,000,000

¹⁴ For Taproot clients, the survey question asked "As you may know, Taproot did not charge a fee to its nonprofit clients. In order to perpetuate the Taproot model, a new organization may have to charge a fee. Would you be willing/able to pay a fee of (please select all that apply):

Appendix B: List of survey items on Volunteer Survey

1. There are several local organizations that provide pro bono or reduced rate services to Seattle-area nonprofits. Please indicate which of the following you are familiar with, and which you have provided your skills to in the past or work with now:

- Catch a Fire
- Executive Services Corps (now 501 Commons)
- NPower
- Seattle Works
- Social Venture Partners
- Other

2. If you worked on any of Taproot's projects, please indicate what type of project you worked on:

- Board recruitment and development
- Communications (including annual report & brochure)
- Financial management/analysis
- Human resources (including leadership development)
- Information technology (including websites & databases)
- Marketing (including branding & naming)
- Strategic planning

3. Please rate your agreement with the following statements about your previous and/or current overall volunteer experience with Taproot (on a scale where 5 is highly agree and 1 is highly disagree):

- My activities matched what was described to me when I joined.
- I was certain about what was expected of me in my role.
- My motivations for volunteering were satisfied.
- I received the support and guidance I needed to do my job effectively.
- I received helpful feedback on my performance.
- My team was focused and well-managed.
- Taproot's templates were useful to our project.
- My team members were well-chosen for their roles.
- Other

4. From your previous experience with Taproot, what would you have liked to see done differently?

5. Please describe your experience with another organization you worked with in comparison to Taproot.

6. How likely are you to volunteer in the future with an organization that would match your skills with local nonprofits?

- Very likely
- Likely
- Not sure
- Very unlikely

7. Please rank the importance of the following in your decision to volunteer with another organization like Taproot (on a scale where 5 is very important and 1 is not important at all):

- I find satisfaction in doing pro bono work.
 - I want to expand my network.
 - I enjoy working with other smart people.
 - I like working without having a boss.
 - I want to learn/develop some of my skills.
 - I have a lot of free time.
 - I prefer structure of blueprints with defined roles and responsibilities.
 - I enjoy working in teams.
 - To get exposure to the nonprofit sector.
 - It is expected among my peer group.
 - There is no fee to the nonprofit.
 - Other
8. Please identify skills you have or would like to develop (select all that apply):
- Board recruitment and development
 - Communications (including annual report & brochure)
 - Financial management/analysis
 - Human resources (including leadership development)
 - Information technology (including websites & databases)
 - Marketing (including branding & naming)
 - Strategic planning
9. If you are likely to volunteer, what is the maximum time commitment you are willing to make on a weekly basis?
- 1 hour
 - 2-3 hours
 - 4-5 hours
 - 6 or more hours
10. If you are likely to volunteer, how long are you willing to commit to a single project?
- Up to 3 months
 - 3-6 months
 - 6-12 months
 - 1 year or longer
 - Other
11. Some volunteer organizations collect a small fee from volunteers. If this new volunteer organization required annual membership dues to pay for operational expenses, what would be a reasonable fee? Select all that apply.
- \$25-\$50
 - \$51-\$100
 - \$101-\$200
 - More than \$200
 - I would not be willing to pay
 - Other
12. Is there anything we didn't ask that you would like us to know?
13. Please select your gender:
- Male
 - Female

14. Please select your age group:

- <30
- 31-40
- 41-50
- 51-60
- >60

15. Please select your highest degree level:

- High school
- Associate
- Bachelor
- Master
- Ph.D.
- Other

16. If you would like to provide more information about your Taproot experience, what method of communication do you prefer? Please select all that apply:

- Email
- Face to face meeting
- Phone call
- Please do not contact me

17. Please provide your name and contact information below (optional).

References

- Barber, P. (2010). *Nonprofits in Washington: A Statistical Profile* [White Paper]. Retrieved from Nancy Bell Evans Center on Nonprofits & Philanthropy: <http://evans.washington.edu/research/centers/nancy-bell-evans/nonprofit-and-philanthropy-research/nonprofits-in-washington>
- Barber, P. (2009). *Nonprofits in Washington 2009: A Statistical Profile and Summary* [White Paper]. Retrieved from Nancy Bell Evans Center on Nonprofits & Philanthropy: <http://evans.washington.edu/research/centers/nancy-bell-evans/nonprofit-and-philanthropy-research/nonprofits-in-washington>
- Bass, M. (2003). *National Service in America: Policy (Dis)Connections Over Time* (Circle Working Paper 11). Center for Information & Research on Civic Learning & Engagement. Available at <http://www.civicyouth.org/circle-working-paper-11-national-service-in-america-policy-disconnections-over-time/>
- Benshaloma, I. (2009). The Dual Subsidy Theory of Charitable Deductions. *Indiana Law Journal*. 84 (4), 1047-1097.
- Bureau of Labor Statistics, U.S Department of Labor (2010, January 26). *Volunteering in the United States – 2009* [Press release]. Retrieved from <http://www.bls.gov/news.release/volun.nr0.htm>
- Corporation for National and Community Service. (2009, March 30). *Highlights of the Edward M. Kennedy Serve America Act* [Press release]. Retrieved from http://www.nationalservice.gov/about/newsroom/releases_detail.asp?tbl_pr_id=1283
- Corporation for National and Community Service. (2010a). *Edward M. Kennedy Serve America Act One Year Later: A new era of growth, innovation, and impact for national service* [Fact sheet]. Retrieved from www.nationalservice.gov/about/serveamerica/index.asp.
- Corporation for National and Community Service (2010b). (2010, August 9). *National service agency announces grants to build nonprofit capacity, achieve greater results*. [Press release]. Retrieved from http://www.nationalservice.gov/about/newsroom/releases_detail.sp?tbl_pr_id=1845.
- Corporation for National and Community Service (2010c). (2010, August 24). *National Service Agency Announces Grants to Engage, Retain Volunteers to Tackle National Challenges (CHART)*. [Press Release]. Retrieved from http://www.nationalservice.gov/about/newsroom/releases_detail.asp?tbl_pr_id=1854

- Corporation for National and Community Service. (2010d). *Volunteering in America 2010: National, State, and City Information*. Washington, D.C. Retrieved from <http://www.volunteeringinamerica.gov/research-papers.cfm>
- Crocker, R. "Settlement Houses." *The Oxford Companion to United States History*. Paul S. Boyer, ed. Oxford University Press 2001. *Oxford Reference Online*. Oxford University Press. University of Washington. 17 November 2010 <<http://www.oxfordreference.com.offcampus.lib.washington.edu/views/ENTRY.html?subview+Main&entry+t119.e1383>>
- Duncan, B. (1999). Modeling charitable contributions of time and money. *Journal of Public Economics*. 72, 213-242. doi: 10.1016/S0047-2727(98)00097-8
- Ellis, S. J. & Campbell, K. H. (2005). *By the People: A History of Americans as Volunteers*. Philadelphia: Energize, Inc.
- Executive Services Corps. (n.d.). *Scope of Work, Exhibit B*. Obtained from Executive Director.
- Gruber, J. (2011). *Public Finance and Public Policy*. New York: Worth Publishers
- Haider, A. & Schneider, U. (2010). The influence of volunteers, donations and public subsidies on the wage level of nonprofit workers: Evidence from Austrian matched data. *Annals of Public and Cooperative Economics*. 81 (1), 1-20. Retrieved from Econlit database.
- Handy, F. Mook, L. & Quarter, J. (2008). The interchangeability of paid staff and volunteers in nonprofit organizations. *Nonprofit and Voluntary Sector Quarterly*. 37 (1), 76-92. doi: 10.1177/0899764007303528
- Handy, F. & Srinivasan, N. (2004). Valuing volunteers: An economic evaluation of the net benefits of hospital volunteers. *Nonprofit and Voluntary Sector Quarterly*. 33 (1), 28-54. doi: 10.1177/0899764003260961
- Internal Revenue Service. (2006). *Instructions for Form 1023 (Rev. June 2006)*. Washington, D.C.: Department of the Treasury. Retrieved on November 18, 2010 from www.irs.gov/pub/irs-pdf/i1023.pdf
- Lohmann, R. A. (1992). *The Commons*. San Francisco: Jossey-Bass Publishers
- Lynch, R. & Russell, N. (n.d.). *Volunteer Management: Challenges and Opportunities Facing Nonprofits*. [White paper]. United Way of King County. Retrieved from www.philanthropynw.org.

- McIntosh, P. (2001). The Corps of Conservation. *National Parks*, 75 (9-10), p. 23-27. Retrieved from Academic Search Complete database.
- Neuman, J. (2010). A Venerable Tradition. (Cover story). *U.S. News & World Report*, 147(10), 12-21. Retrieved from Academic Search Complete database.
- Perry, J. L. & Thomson, A. M. (2004). *Civic Service: What Difference Does It Make?* Armonk: M. E. Sharpe, Inc.
- Prewitt, K. (2006). Foundations. In W.W. Powell & R. Steinberg (Eds), *The Nonprofit Sector* (2nd ed., pp. 267-306). New Haven: Yale University Press.
- Putnam, R. D. (2000). *Bowling Alone, The Collapse and Revival of American Community*. New York: Simon & Schuster.
- Simmons, W. O. & Emanuele, R. (2010). Are volunteers substitute for paid labor in nonprofit organizations? *Journal of Economics and Business*. 62, 65-77. doi: 10.1016/j.jeconbus.2009.07.005
- Simon, J., Dale, H., & Chisolm, L. (2006). The Federal Tax Treatment of Charitable Organizations. In W.W. Powell & R. Steinberg (Eds), *The Nonprofit Sector* (2nd ed., pp. 267-306). New Haven: Yale University Press.
- Synder, M. & Omoto, A. (2008). Volunteerism: Social Issues Perspectives and Social Policy Implications. *Social Issues and Policy Review*, 2(1), 1-36. doi: 10.1111/j.1751-2409.2008.00009.x
- The Giving Practice. (2009). *An Assessment of Capacity Building in Washington State*. [Report] Available at www.philanthropyNW.org.
- Weimer, D.L., & Vining, A.R. (2005). *Policy Analysis, Concepts and Practice*. Upper Saddle River: Pearson Prentice Hall