

SPEA-V362: Principles of Nonprofit Management
Fall 2019
Prof. Louis Lopez
#3 Nonprofit Organizations



Discovering the Nonprofit Sector Damien Center

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DISCOVERING THE NONPROFIT SECTOR

Report Questions – Use the question section headers as headers in your report. To support your research you should utilize and reference the related chapters from the text “Nonprofit Management” noted below.

Introduction- identify the Organization you will review and provide details.

Provide the following information on the organization you have selected and describe in detail using the following sub-headings:

1. Name of Organization/ Organizational Overview

2. Name of Organization; its charter and mission:

- a. The mission of the Damien Center is to “empower communities and persons affected by HIV/AIDS in the state of Indiana by being a leading resource, provider, and advocate for comprehensive HIV/AIDS care, prevention, education, and related services.”
- b. The charter of the Damien Center is to offer “comprehensive services and education for persons living with or affected by HIV/AIDS.”

3. A brief history of the organization, when, how and for what purpose was it founded and by whom?

- a. The Damien Center was founded in 1987 by an Episcopalian minister, Earl Conner, to address and respond to the HIV/AIDS crisis in Indianapolis. Due to the societal stigma surrounding the disease during this era, many early patients were denied treatment and excluded from their communities. In order to provide a space for HIV/AIDS patients to die with dignity and in comfort, Conner created the organization, ultimately envisioning that the organization would coordinate united community response against the disease, which would bind the efforts of other groups within a single facility.
- b. Although the Damien Center was initially founded as an interfaith organization, with support from the Cathedral of Saints Peter and Paul and Christ Church Cathedral, the organization operates as a nondenominational, independent nonprofit organization committed to Earl Conner’s vision of fighting against HIV/AIDS.
- c. Since its founding, the Damien Center has not only continued to be instrumental in supplying care to thousands of HIV+ and HIV affected persons and their friends and loved ones but is also at the forefront of offering HIV care and prevention services.

4. What does the organization do to carry out its mission; what services and/or activities does it provide and to whom?

- a. In order to carry out its mission to serve individuals affected by or at risk-for developing HIV/AIDS, the Damien Center has developed a set of comprehensive programs, aimed at addressing both medical and social determinants of navigating

HIV/AIDS healthcare. An overview of each of the programs will be given, based on information provided on the website, the Form 990, and information provided in the interview.

- b. ***The Care Coordinator program*** assists all clients who are HIV+ free of charge and pairs individuals affected by HIV/AIDS to an on-staff Care Coordinator. The purpose of the program is to create referrals for vision, dental, medical, and legal services, access to Direct Emergency Financial Assistance, health insurance, and the in-house food pantry. On average, this program serves over 1,000 patients annually.
- c. ***The Medical Case Management (MCM) program*** works to address patient medical needs, whether as physical or mental health needs. The purpose of the program is to ensure that patients have access to health services by scheduling appointments with the *Damien Cares Clinic* or other service providers. In addition, patients are offered access to medication through the in-house Walgreens Pharmacy.
- d. ***The Damien Cares Clinic*** provides “Essential Health Care” services for affected individuals, which includes HIV/AIDS and infectious disease care, in addition to primary care services. In addition, this program offers PrEP and PEP services to community members most at risk of being diagnosed with HIV/AIDS. According to the 2018 Annual Report, the clinic assisted nearly 700 patients, who were either HIV+ or PrEP clients.
- e. ***Mental Health and Substance Abuse Counseling*** includes mental health services, substance abuse services, CLEAR Counseling Services for HIV+/HIV- individuals and support groups for HIV+ patients. These mental health services include access to counselors and identify methods to address substance abuse. In addition to CLEAR Counseling Services to promote risk-reduction practices, while the Support Groups help foster community among HIV+ clients.
- f. ***Legal Services*** assists HIV+ clients to facilitate services for the Last Will and Testament, Powers of Attorney, Appointment of Healthcare Representative(s), Life-Prolong Procedures Declaration, and Discrimination issues related to HIV+ status. Clients access Legal Services through the help of the Care Coordination Program.
- g. ***Housing and Emergency Assistance*** programming primarily serves HIV+ and high-risk HIV- clients through tenant-based rental assistance and Direct Emergency Financial Assistance (DEFA). Client requests for housing are processed based on need and plans for future financial stability.
- h. ***Food Pantry*** programming offers nutrition assistance to HIV+ and at-risk HIV- clients, who are directed from the Care Coordination.
- i. ***HIV & STI Testing*** is conducted at the Joseph F. Miller Testing Center for any community members between the ages of 13 and 45. Screening identifies diseases like HIV, syphilis, gonorrhea, chlamydia, and trichomoniasis, while identifying pregnancy status as needed. In addition, Pre-Exposure Prophylaxis (PrEP) and Post-Exposure Prophylaxis (PEP) is offered to the entire community, however, requires consultation for precise services.

5. Who are the organization's key and secondary constituents (beneficiaries of their mission/service recipients)?

- a. The Damien Center is classified as an AIDS Serving Organization (ASO) and exists primarily to serve individuals affected by HIV/AIDS both directly and indirectly. A majority of programming directly serves HIV+ individuals, such as Care Coordination, Medical Case Management, or Legal Services. Since a major goal in HIV+ care is to reduce overall viral load, the Damien Center also serves individuals who were formerly HIV+ but recovered due to continued treatment and care. In addition, the Damien Center seeks to prevent the dissemination of HIV/AIDS and sexually transmitted diseases (STDs) through screening and prophylaxis management programs. Therefore, the key beneficiaries of programming provided by the Damien Center are individual in Central Indiana who are affected by or at high risk for developing HIV/AIDS.
- b. From the standpoint of public health, the secondary constituents of programming offered by the Damien Center include all community members living in Central Indiana. When high-risk individuals receive screening for HIV and STDs, the chance for infections to spread and contribute to mortality decreases. In addition, when individuals affected by HIV+ are given the resources to navigate care from a variety of standpoints, they have an opportunity to live an expanded lifespan, adding benefit to the community.

6. Describe and discuss in detail its mode/type of governance such as board, trustees, name all offices/positions and discuss the organization's hierarchy of authority. (Text Ch. 4)

- a. The Damien Center has a board of directors, which consists of eighteen members that includes officer positions such as president, vice-president, treasurer and secretary. The Damien Center especially emphasizes professional diversity in selecting board-members; as a case in point, the backgrounds of board members include that of health professionals, lawyers, architects, and financial experts.
- b. Although the board bolsters diversity in professional expertise, it lacks the insights and experience from having a diversity of gender and race. Currently, only one member of the eighteen-person board is non-white, and four members identify as women.
- c. The board demonstrates functionality within a method of "governance as leadership," whereby it operates under fiduciary, strategic, generative modes. As stated in Chapter 4, operating under this model can only be achieved when a board is effective beyond focusing on managerial and operational details and shares a focus in leading the organization (pg. 97). According to Caleb Bye, director of Human Resources and Operations, members of the board exemplify their leadership roles outside of the confines of the boardroom by participating in committees that go outside of the spheres of program outreach and strategic planning, by participating in client outreach

and voluntarily aiding in activities like painting the offices, or helping to unload and move donated office furniture.

- d. The makeup of the board is as follows:

The Board of Directors

Garry Elder, President	Jenice Meyers, Vice President	Nathan Knies, Treasurer
Joey Fox, Secretary	Chad Walker, Former President	Ashley Gurvitz
Darrell Fishel	David Amick	Dori Cain
Jonathan Scott	Juan Carlos Venis	Logan Harrison
Maury Plambeck	Megan Robertson	Phillip Githrie
Ruben Hernan Hernandez Mondragon	Sim Nabors	Bill Pritt

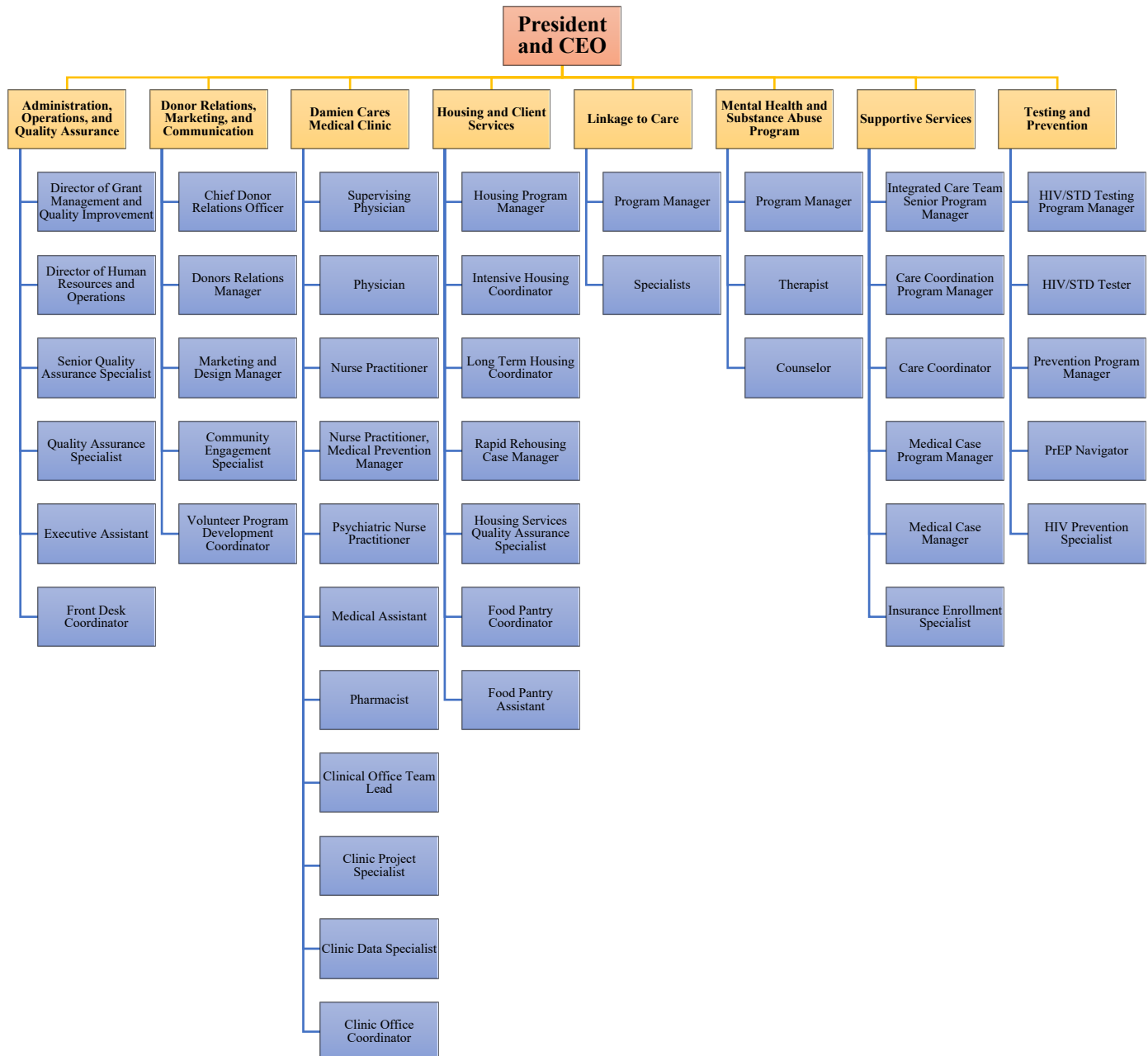
- 7. Describe the organization's leadership structure and staffing; i.e., administration, operations finance, etc., and how many staff it employs and in what positions. Provide a detailed organizational chart.**
- a. On the administrative, operations and quality assurance side of this organization, there is a president and CEO, Director of grant management and quality improvement, Director of Human Resources and Operations, and two Quality Assurance Specialists. There is also additional staff for development, including a chief donor relations officer, marketing and design manager, development assistant and a client engagement specialist. In total, the Damien Center has 74 employees.
 - b. According to the Damien Center's 2017 Form 990, the organization has spent a total of \$4,390,557. The majority of which was paid towards supporting: program, administrative and fundraising expenses.

- c. From our discussion with the Damien Center's Caleb Bye and Terri Mallory, we discovered that the organization's leadership structure follows closely to that of Carver's Policy and Governance Model, whereby they described a system by which the board was responsible policy making, while the CEO is responsible for implementing those policies. This allows for clear delineation between the decisions made by the CEO and the role the board plays in setting policy and which responsibilities they delegate, which is achieved through the board's ability to set executive limitations while recognizing what the organization is attempting to achieve.
- d. The Damien Center has a chief executive officer who directly reports to the board. The director of grant management, chief donor relations officer, volunteer program development coordinator and executive assistant report directly to the CEO.

e. The organizational chart of the organization is provided above.

8. Identify how the organization demonstrates accountability, measures performance and accountability. Does this organizations measure its impact? If yes, how does the organization measure impact? (Text Ch. 6)

a. According to Charity Navigator, the Damien Center ranks highly on measures of



Transparency and Accountability as of 04/01/2019, thereby adhering to accountability. The majority of the metrics associated with accountability and transparency are listed

on Form 990, rather than on the website. According to Worth, accountability can be attained through attention to 1) Requirements of Law, 2) Self-Regulation, 3) Transparency.

- b. As per the requirements of the Sarbanes-Oxley Act, which falls under the purview of *requirements of law*, the Damien Center has delineated a Whistleblower Policy, Conflict of Interest Policy, and Records Retention and Destruction Policy on the Form 990. Moreover, self-regulation is practiced through compliance with Independent Sector Principles for Good Governance and Ethical Practice, like instituting Independent Voting Board Members and avoiding practices like material diversion of assets. In order to maintain *transparency*, the process for determining CEO compensation and provides the board meeting minutes. Furthermore, the audited financials are prepared by a qualified third-party.
- c. The Damien Center primarily measures impact through reliance on output measurement. As revealed during an informational interview with the organizational representatives, impact is primarily measured on a department by department basis, rather than through a centralized process. At the same time, the 2019-2022 Strategic Plan demonstrates current practices that inform how the Damien Center measures impact, primarily through performance measurement, which evaluates the accomplishments of a given program. As per the description of the logic model provided by Worth, the goals provided in the Strategic Plan indicate intended outcomes while the primary and secondary inputs reflect intended outputs.

Some examples of outcomes that the Damien Center hopes to attain include the following:

- i. ***Provide Access to Quality Onsite Prevention and Medical Care:*** The primary indicator or output associated with this outcome is “increased patient medication adherence.” The Damien Center has primarily implemented benefit-cost analysis (pg. 169) to evaluate the practice of providing on-site clinical care, use of Electronic Medical Record (EMR), and connectivity with community providers. Additionally, this organization defines several secondary indicators as “decreased viral loads in patients” or “increased patient retention in care,” outputs that would result in the outcome of better medical care for clients.
- ii. ***Expand Damien Center’s Impact:*** Attaining this outcome would serve to promote better experiences for clients and improve utilization of space. The primary indicator or output associated with this outcome is “increased client retention.” Additionally, this organization defines several secondary indicators as “increased client satisfaction,” “increased client access among diverse populations,” and “space efficiency and needs plan completed.” These outputs, admittedly, are more difficult to measure; strategies in this department seek to analyze the effectiveness of programming, to determine if the activities produced the intended result.

9. Who are the organization's top 2-3 partner organizations/agencies and conversely, who are their top 2-3 competitors?

- a. The Damien Center has the support of numerous non-for-profit and for-profit organizations throughout the Indianapolis community that are committed to similar missions, service the same constituencies, or strive to accomplish both. As Worth describes in Chapter 8, non-profit organizations that “serve the same or similar constituencies may have rather obvious opportunities to combine efforts,” (pg. 226) which are the conditions that have existed to create partnerships between the Damien Center, Brothers United Wellness Network and the Health Foundation of Greater Indianapolis.
- b. The missions of the Damien Center, Brothers United Health Network and the Health Foundation of Greater Indianapolis each share a goal of addressing the health needs of overlooked and vulnerable communities, wherein a majority of these efforts are directed towards HIV/AIDs prevention services, in addition to education and awareness. Worth further alludes to the role that geographic proximity may play in suggesting “the potential for collaboration or merger, perhaps eliminating confusion among clients or donors” (pg. 227), which is exemplified in the Linkage to Care program that was devised by Brothers United and the Damien Center, which provides constituents to medical and social services that further each organizations’ ability to deliver upon their mission of the prevention of HIV and maintaining a high quality of life for those that have it.
- c. This program was devised and mutually beneficial to the clients of both organizations because of their close proximity, which enables those in the neighborhood to access a pool of services. The Health Foundation of Greater Indianapolis (HFGI) has been a longtime partner of the Damien Center, and vice versa.
- d. The Damien Center has not only joined in events sponsored by the HFGI that raise awareness for HIV/AIDs causes, like the Indiana AIDS Walk, but has also received financial support from this group, as HFGI is listed amongst the Damien Center’s largest donors. As recently as 2015, the Damien Center has received wellness grants from this foundation for upwards of \$1 million.
- e. We have been unable to identify any local competitors for the Damien Center, despite a large number of organizations that operate under similar missions. As described by representatives of the Damien Center, this is due the viewpoint that this organization occupies a highly distinct niche in the community, collaborating with other nonprofits to supplement their programs. In fact, this stems from their view that other nonprofits within the community are partners and not adversaries.
- f. At the same time, the Damien Center competes with other AIDS Serving Organizations (ASOs) nationally to become the “best” providers, instead of framing competition in light of scarce resources. The primary competitors that the Damien Center seeks to emulate include the San Francisco AIDS Foundation, AIDS Healthcare Foundation, and AIDS United. In fact, the Damien Center has

adapted a number of practices, like syringe access, to promote community development.

10. **Identify how and when the organization utilizes volunteers, identify how many and in what capacity(s) they use volunteers.**

- a. According to Worth, volunteer services in nonprofit organizations can include episodic, spot, regular, mandated, and virtual volunteers (p. 257-258). As of 2017, The Damien Center reported the participation of 288 volunteers in the following programs: Dining Out For Life Ambassadors, Grande Masquerade, Food Pantry Assistance, Testing and Prevention Desk Receptionist, Office Administrative Needs, and Health Fairs. A summary of each volunteer position, along with correspondence with the functions given by Worth are outlined below.
- b. Volunteers who serve as *Dining Out For Life Ambassadors*, participate in the *Grande Masquerade*, or *Health Fairs* can be classified as spot volunteers due to participation in one-time, style events or as episodic volunteers, if their participation occurs on an annual basis each time the event occurs. The primary responsibilities of *Dining Out For Life Ambassadors* include recruiting diners to patronize the assigned restaurant and spending anywhere from 3-4 hours at the restaurant to further encourage participation in the event. In addition, *Grande Masquerade* volunteers focus on ensuring that the logistics for the event run smoothly, ranging from roles like “drink runners” or “volunteer photographer.” Volunteers participating in *Health Fairs* primarily assist tabling efforts in the community between May and September, and therefore, constitutes an example of spot or episodic volunteering. In all of these volunteer positions, training is given ahead of time to share expectations. With regards to these three volunteering roles, the Damien Center has created opportunities that are “satisfying and meaningful” while creating clear goals, two best practices outlined by Worth with regards to creating an effective volunteer program.
- c. Volunteers who serve in *Food Pantry Assistance*, participate in the *Office Administrative Needs*, or as *Testing and Prevention Desk Receptionists* can be classified as regular volunteers due to their functions as essentially unpaid staff that are essential to the operations of the organization. The primary responsibilities of the volunteers who serve in *Food Pantry Assistance* include creating snack and canned bags for clients, maintaining the shelves, and serving hot meals from Second Helpings to clients. The shifts are typically scheduled throughout the work week during standard business hours. Training for this position typically occurs on-site. The volunteers addressing *Office Administrative Needs* have less regular shifts, but in practice, participate in the needs of the organization throughout the year, assuming tasks that allow staff members to focus on more immediate tasks. Therefore, this opportunity serves as an example of regular volunteering; the Damien Center expects volunteers to commit towards the organization over a long-period of time to act in a supportive administrative role. Finally, the *Testing and Prevention Desk Receptionists* typically work in the Joseph F. Miller Testing Center on Saturdays from 10 AM to 2 PM,

assisting clients with paperwork, answering phone calls, and facilitating smooth testing. The Damien Center has created opportunities for regular volunteers that cater to the motivation to make a direct impact on clients, demonstrating the Damien Center's commitment to transparency by outlining realistic expectations as to the manners by which volunteers can participate in people-centered versus office-centered tasks.

11. Finances, Revenue and Economic Health of Organization (Text Ch 12, 13, 14)

Contact the organization directly and summarize any discussions, electronic communications or other. Identify and document the following information in the order stated below.

Identify the organization's major source(s) of revenue/financial support and describe how it generates these revenues and from whom or what source. Describe the organization's current financial status and prospects for the future. Be specific in your discussion and identify positive as well as concerns/challenges.

- a. As of the Form 990 filed in 2017, in 2017 the Damien Center received nearly 70% of revenue from governmental grants, with the remaining income generated from federated campaigns, fundraising events, fees, and individual donations and other gifts.
- b. In 2017, the financial gains of these activities, gifts and grants had generated approximately \$4.4 million, which was a growth of 6.3% over what was garnered in 2016. Additionally, total expenses amounted to \$4.3 million, which represents an annual growth of 5.6%. Since that information was published, the organization's 2018 annual report shows an increase in revenue by \$2 million for service programs and reported an overall expansion of total revenue and support by more than \$4 million.
- c. According to the Damien Center's 2017 Form 990, approximately 87% of expenditures had been directed towards service programs, 8.3% went towards administrative costs, while fundraising costs accounted for 3.7%. Furthermore, their 2018 annual report lists third party contract facilitations as encompassing the single largest swath of expenditures, as reported, at approximately \$2.3 million, while medical assistance, other programs, in addition to housing and emergency assistance separately account for \$4.8 million.
- d. Although the organization has experienced significant financial growth between 2017 and 2018, reporting \$4,084,919 in additional revenue, its increased expenditures has led to a deficit of \$36,523. Operating with a budget deficit is a continually problematic for the Damien Center, as this is the third time in six years it has done so.
- e. The graphs below are taken from Charity Navigator:

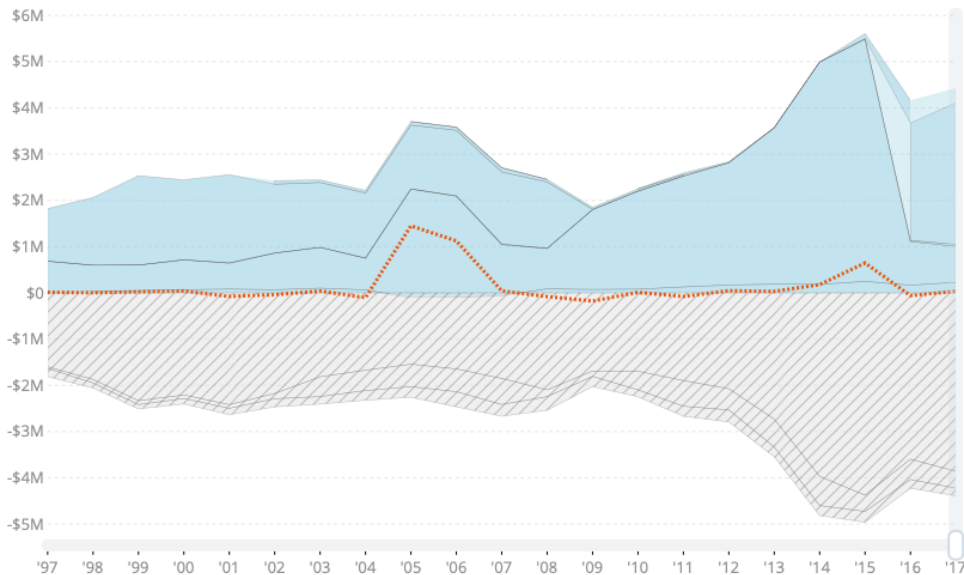
Revenue vs. Expenses

Source: IRS Form 990

2017 Breakdown

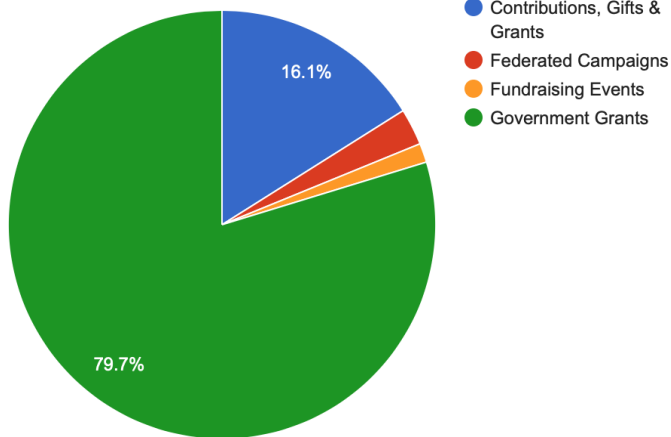
Net Gain/Loss: \$35,754 in 2017

Total Revenue:	\$4,426,311
Contributions:	\$778,903
Gov't Grants:	\$3,061,305
Program Services:	\$317,498
Investments:	\$41,678
Special Events:	\$226,927
Sales:	\$0
Other:	\$0
Total Expenses:	\$4,390,557
Program Services:	\$3,859,010
Administration:	\$365,490
Fundraising:	\$166,057

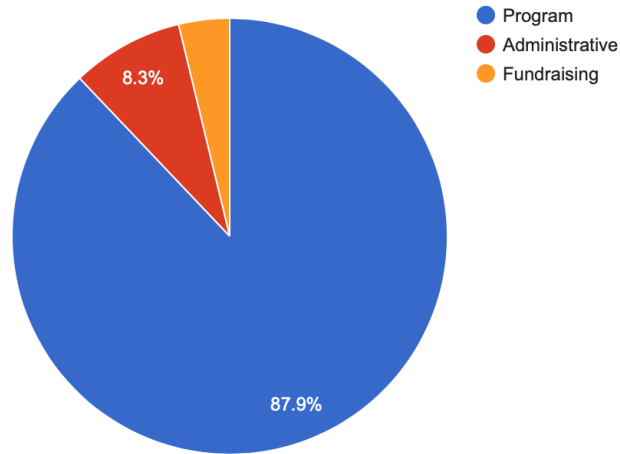


Note: When component data are not available, the graph displays the total Revenue and/or Expense values.

Contributions Breakdown (FYE 12/2017)



Expenses Breakdown (FYE 12/2017)



Premised on the above research, identify the top 2 major economic/financial, administrative, programmatic, performance and any other challenges facing this organization today. Be specific in your narrative. For each challenge identified provide a specific recommendations/solutions that address each challenge in 2-3 content rich paragraphs based on your application of related content from the text and any other information derived from class and cite the specific chapters of the text.

Problem 1: Lack of Funding Diversity and Planned Giving Program

Among the many challenges facing the Damien Center is the organization's lack of diversity in its financial support, wherein it receives approximately 70% of its revenue from government grants, while only 14% is delivered from charitable giving, 2.5% come from federated campaigns, 7% is derived from program service revenue, while 1.2% is provided by fundraising events. The existing threat of relying too heavily from a singular source of income, especially when involving government grants, is the level of uncertainty that is created. As Worth highlights in Chapter 15, "awarding contracts may be delayed, forcing the nonprofit to identify other sources of funding in order to maintain ongoing services, without assurance that the government will ultimately pay at all," (pg. 423) while changing political circumstances also raise further ambiguity since nonprofits cannot rely upon being offered similar levels of support from one year to the next. The historical context portrayed in Chapter 2, depicts an environment wherein nonprofits benefited from generous government direct grants in the 1960s and 1970s, but quickly had to adapt to a significant drop funding, paired with a systemic shift towards embracing voucher subsidy programs (pg. 23). Due to these factors, it is crucial that Damien Center subsists less off of government grants by bolstering its fundraising apparatus, which could be aided by launching a planned giving program.

As described in Chapter 13, planned giving has become "a major subfield within the fundraising profession," due to the aging baby-boomer generation's increased wealth as aiding in this subfield's importance in the future (pg. 372). Given the organization's size, scope and role in the community, it would have the ability to profit from committing to a planned giving program, as it represents the potential of a large return at little upfront cost and the ability to direct additional funds towards sustaining programs, growing capacity, establishing new initiatives and creating endowments. To begin launching a planned giving campaign, the chief donations officer should consider: conducting research to ensure that the organization understands how planned giving functions; composing a document outlining why potential and current donors should consider remembering the Damien Center in their estate planning; publishing information about the program on the nonprofit's website and creating brochures that can be given to donors; asking members of the board, as well as key donors and supporters to participate in remembering the Damien Center with a planned gift, while also sending mailers to the rest of the donor base, if the previous steps have been well received; recognizing those who pledged to donate in this way through some version of a legacy club; and finally, including a brief note on planned giving in everything that the Damien Center publishes, or mails to donors.

Problem 2: High Employee Turnover Rates

Like many non-profit organizations, organizational representatives Caleb Bye and Terri Mallory reported that the Damien Center currently faces extremely high levels of employee turnover. While official data is not available to quantify this turnover rate, Mallory estimated that employee turnover can typically occur anywhere between 8 to 15 months after employment. The turnover rate was largely attributed dissatisfaction overcompensation and benefits and career advancement to the Indiana State Public Health Department, leading to a transfer of skills from the agency to the local government. While turnover is a problem that characterizes the Damien

Center, informal reviews posted by former employees who maintain their anonymity on websites like Glassdoor.com reveal that turnover and low employee morale are both pressing concerns for the Damien Center. Addressing the social and psychological determinants of medical care relies heavily on trust, and so, excessive turnover can damage relationships between employees and the client-base. Moreover, as informed by class discussion, high levels of employee attrition can waste organizational resources devoted to training and on-boarding processes. Therefore, addressing this issue through the lens of improved human resource management (HRM) techniques are critical.

According to Worth, organizations with a robust Human Resource Management (HRM) program report higher employee satisfaction and lower rates of attrition. One critical formal system that maximizes human potential is the **Recruitment and Selection** stage, as outlined by Worth in Chapter 9 (p. 244-245). Since inadequate compensation has been cited as one possible reason for attrition, the Damien Center must concentrate on hiring candidates who are seeking positions that prioritize impact over financial compensation. With full transparency, the Damien Center must communicate the extent of financial compensation During the Recruitment Process, prospective employees should be informed on the financial implications of the position that they are seeking. Adopting the views of the Life-Cycle Theories demonstrate that on average, younger candidate seeks to learn and earn while middle-aged candidates prioritize job security and steady earning potential. Therefore, the Damien Center's **Recruitment and Selection** process should attend to understanding the motivations for seeking any particular position and during the hiring process, maintain transparent and open communication regarding salient issues like financial compensation. Admittedly, while the Damien Center reports that a relatively small percentage of expenditure is directed towards overhead, defined as administrative and fundraising costs, this practice could constrain investment on human capital and perpetuate employee attrition. Perhaps the Damien Center could consider mechanisms that leverage the operating budget (pg. 343) as an opportunity to improve compensation for employees.

In addition, while the Damien Center is committed to serving a diverse clientele and promote diversity within the city of Indianapolis, employee reviews of the organization on websites like Glassdoor.com consistently suggest potential disgruntlement over workplace practices and reports of perceived discrimination. Workplace hostility, unlike financial compensation, can be more difficult to substantiate, especially from an outsider vantage point. At the same time, however, nonprofit organizations like the Damien Center can take action to investigate these perceptions and take measures that promote a more welcoming atmosphere, bolstering the organization, overall. In order to investigate this possible issue more thoroughly, the Damien Center should consider reviewing policies related to the Equal Employment Opportunity Commission (EEOC) and Title VII of the Civil Rights Act to ensure that institutional policies are not contributing to promoting **disparate impact**, which Worth defines as unintentional acts of discrimination that can occur without appropriate oversight on unintended consequences of certain workplace policies (pg. 245). In fact, Worth advocates for the creation of policies and constant re-examination of policies to ensure that employees are treated equitably and fairly, while ensuring that work is satisfying and meaningful (pg. 255). Through concentrating on

financial compensation and creating a more welcoming workplace, the Damien Center can strategize on how to reduce employee attrition.

MEMORANDUM

TO: Ms. Teri Mallory, Executive Assistant

FROM: Nirupama Devanathan, Biology B.S. & Philanthropic Studies B.A., IUPUI

Michael Pace, Policy Studies B.S., IUPUI

DATE: December 5, 2019

SUBJECT: Recommendations on Financial Portfolio and Human Resource Management

As Indiana's largest and oldest AIDS Serving Organization (ASO), the Damien Center is undoubtedly a pioneer in the care of those with HIV/AIDS in Central Indiana. Through coursework assigned in SPEA-V-362, Principles at Nonprofit Management, at IUPUI, we have conducted extensive analysis on the Damien Center and therefore wish to propose two recommendations based on our findings.

It is our belief that your organization should launch a planned giving program, with the goal of not only diversifying the Damien Center's fundraising sources and alleviating resource dependence on the government, but also aid the ability to produce additional funds towards operating expenses, launching or supporting new programs, and endowment building. Furthermore, the creation of a planned giving program can be accomplished through the small cost of: researching the fundamentals of a planned giving program, writing a document stating the programs importance, inviting key stakeholders and the donor base to join, publishing informative content to distribute, and finally creating a legacy program for those who committed to long term giving.

In addition to instituting planned giving, we believe that creating a more robust Human Resources Management (HRM) program can help address the concern you had shared about turnover and employee attrition. Turnover can (1) undermine client-employee relationships, a critical dynamic for an organization that is client-centered and (2) waste resources in repeated short-term training processes.

Based on these reported issues, we recommend the stronger consideration of motivation during the Selection and Hiring Process to assess how a prospective employee prioritizes financial compensation in comparison to learning opportunities. Moreover, the Damien Center could consider increasing expenditure on administrative costs through increasing financial compensation, treating investment in human capital as an opportunity to improve programming and morale.

Since 1987, the City of Indianapolis has greatly benefited from the services and programs that the Damien Center has delivered to thousands of HIV positive and HIV affected persons within the community. While the organization has been successful delivering this public good and adapting to political change, there is still room for the organization to grow. We believe that through addressing the issue of resource dependency by diversifying the organization's fundraising sources and the creation of a stronger HRM program, the Damien Center will be prepared to address uncertainty, while improving program strength and organizational optimism.