

Stronger for it.

Coming out of the financial and political turbulence of 2003, the nonprofit sector has emerged as stronger for the hardships, the tough decisions, the sacrifices, and the determination which characterized that year. As a nonprofit ourselves, CompassPoint experienced the impact of the economy first hand.

After 29 years of growth, we experienced our first decline in income this past year; we reduced our staff; we went over budgets and numbers again and again; we made changes while planning and planned while making changes. And we are proud that today CompassPoint is stronger than ever, our nonprofit and philanthropic partners are supporting us more strongly, and our services and products are more focused, more practical, and more accessible than ever.

Communities build nonprofits as vehicles through which people care for the vulnerable, demand civil and equal rights, find creative expression, preserve our heritages, and struggle for worldwide justice and peace. In CompassPoint workshops, at the conferences, and in the staff meetings and boardrooms of our consulting clients, we've heard about the demanding realities that have confronted nonprofits—and what difficult choices and decisions had to be made. And we can only conclude: *the nonprofit sector is stronger for it, and tough enough for the rough seas ahead.*

We are pleased to share this poster and report, which highlight the exciting work we accomplished over the arduous months of 2003. You can also find this report on our website, complete with a second section that includes more detailed financial information and rosters of our volunteers, donors, and funders. As always, we welcome your suggestions, comments, questions, criticisms and ideas for how we can be better at advancing the essential work of our nonprofit sector.

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John Kreidler and Jan Masaoka

OUR VISION

Nonprofits serve as the agents of democratic involvement, innovation, and positive social change. CompassPoint's leadership and services are local, regional, and national in scope, and support the growth of an effective nonprofit sector essential to healthy communities.

OUR MISSION

The mission of CompassPoint Nonprofit Services is to increase the effectiveness and impact of people working and volunteering in the nonprofit sector.

This Report to the Community for 2003 can be found at www.compasspoint.org/annualreport

Regional and National Highlights

Proposition 54 Impact

Our study Flying Blind examined the impact of the Racial Privacy Initiative on California philanthropy and made a visible contribution to its defeat.

Great Valley Center

A three-part project to support a capacity building strategy for nonprofit organizations in California's Central Valley.

Board Café

Written for members of nonprofit boards, 32,000 subscribers helped make the Best of the Board Café a best-seller.

Points on Prevention Technical Assistance Project (POPTAP) is funded by the California State Office of AIDS. POPTAP supports HIV Prevention organizations statewide through cultural competency technical assistance and capacity building grants.

The California Wellness Foundation sabbatical grants of \$30,000 awarded to leaders of California's health sector statewide.

We are deeply grateful to our investors: the foundations, corporations, government agencies, and individuals who help keep our services affordable to all nonprofits. We are especially thankful for unrestricted and multi-year support from the following:
The California Wellness Foundation
David & Lucile Packard Foundation
Evelyn & Walter Haas, Jr. Fund
The James Irvine Foundation
Levi Strauss Foundation
The San Francisco Foundation
William Randolph Hearst Foundation

National Community Development Program

In partnership with the Fannie Mae Foundation, the James A. Johnson Community Fellows program honors leaders across the United States.

Consulting nationwide

Consulting projects outside California included New England Executive Transitions replication, Planned Parenthood Federation of the USA, the Hawai'i Community Foundation, the National AIDS Fund, and Open Society Institute Budapest.

Nationally

California

Bay Area

More than 25% of Bay Area nonprofits used one or more of CompassPoint's regional services through our offices in San Francisco and Silicon Valley.

CompassPoint numbers for 2003

CompassPoint website visitors	287,178 unique visits with 1.1 million page views
Successful downloads of reports from site	26,621
Number of individual donors	59
Visitors to the Nonprofit Development Library in San Jose	1,400
Research reports published	3
Workshops	603 with 4,837 participants
Conferences	5 with 1,750 participants
Consulting clients	271
Food for Thought and Silicon Valley FFT subscribers	10,703
Board Cafe subscribers	32,566
Volunteer faculty	208
Board members	15
Staff members	34
People of color staff members	47%
LGBT staff members	29%

Executive Leadership Services & Executive Transitions succession planning, interim executive director placement, executive director recruitment, and transition consultant training.

Research and Publishing

Timely, relevant and practical research, and Planet 501c3, the nonprofit sector's cartoon.

Institute for Nonprofit Consulting (I.N.C.)

training for new and experienced consultants looking for a conceptual framework for working with clients in the nonprofit sector.

Kim Klein speaking at Fundraising Academy for Communities of Color, which launched in early 2004. CompassPoint has partnered with Grassroots Fundraising Journal to provide an intensive 8-month program helping over 40 organizations build their capacity to raise funds in communities of color.

What are you at CompassPoint proudest of in 2003?

We are proud that our core programs of workshops, conferences, consulting and publishing continue to meet the needs of nonprofit managers. We served individuals: 6,587 attended a CompassPoint workshop or conference in the last year, and we launched a new executive coaching program. In our work with organizations, 271 nonprofits chose us as their consultants and speakers in 2003. In our work at the nonprofit sector level, our research and publications brought influential new ideas and practical tools to the field in policy, nonprofit leadership, and governance.

These core programs are the backbone of how we serve, as well as of how we learn. Highlights include:

- **Best of the Board Café: Hands on Solutions for Nonprofit Boards** was published by the Wilder Foundation—the first in a five-book CompassPoint-Wilder series—and went into a second printing only four months later, with many executive directors and board members purchasing copies for all of their board members.
- **Capacity LEAP**, the remarkable three-year initiative with HIV organizations in communities of color, came to a successful close—with a collective spirit that, like the struggle of individuals with HIV, aims not only to survive but also to thrive.
- To support leadership development efforts in California's 180 community clinics and clinic associations, we produced two studies in 2003. The reports, **Securing the Safety Net: A Profile of Community Clinic and Health Center Leadership in California and Bridging Medicine and Management: A Profile of Community Clinic and Health Center Medical Directors in California**, are being used to foster dialogue and programming that support these health leaders and the safety net for low-income Californians that their organizations provide.
- To provide resources focused on financial viability, we presented **two conferences on finance**: one on **Budgeting Realities for EDs**, and another on **Financial Leadership** (held in partnership with our friends at the Northern California Conference Committee of the CPA Society).

In 2003, we completed an exploratory pilot and launched a new tool for executive directors: **Executive Coaching**. We were pleased to partner with Harder+Company to publish a landmark evaluation of our pilot program—this report, available for download on our website, is the first research study ever conducted on the impact of coaching.

Our **Executive Leadership Services** continued to support orga-znizations undertaking CEO change through executive transitions, and served as a national model to deepening the sector's understanding of and experience with leadership change.

Why did you choose these accomplishments to highlight?

We chose these highlights because each had a remarkable impact on the people and organizations directly involved, because we learned so much from them, and because as a group they illustrate the dimensions of our work:

- Supporting individual staff and volunteers through workshops, coaching, and conferences
- Supporting organizations with consulting and Executive Leadership Services;
- Supporting delivery systems such as health clinics statewide and SF HIV providers with research and consulting;
- Supporting the nonprofit sector as a whole with research, publishing, and advocacy.

What were some important developments within CompassPoint?

- **Board of Directors:** In 2003, John Kreidler of Cultural Initiatives Silicon Valley (but best known for his work at the San Francisco Foundation) became the Chair of the Board. Our former Chair, Rod Hsiao, left his position at A.T. Kearney Consulting to join the staff as our Chief Operating Officer. We are proud that both these individuals chose to bring their expertise to our work.
- **Staff:** Long-time Administrative Director, Robert Dendy, retired to North Carolina, where she was able to purchase her childhood home. We said farewell to Ken Goldstein of our Silicon Valley office, and welcomed Nancy Raguey to our Silicon Valley staff as a senior consultant.
- **Strategic Plan:** We adopted a new strategic plan centered on a logical extension of our core programs, using our larger, national, and explore opportunities for building purchases, mergers, and strategic partnerships.
- **Support:** We've always received several individual donations each year, but this year we pro-actively asked our community to demonstrate their support in this way. We have been touched and humbled that over 50 friends demonstrated their commitment to our work by becoming donors.
- **Community Involvement:** Our staff volunteerism hit a new high through a group project and with individual staff volunteering for 52 organizations, including service on 20 nonprofit boards.

Moving Forward: New & Exciting Projects in 2004

- **Training and coaching:** The Fundraising Academy for Communities of Color launched in early 2004 with the Grassroots Fundraising Journal to help people of color move their organizations towards high impact fundraising. Drawing upon the wisdom and support from advisors at the Bay Area Black United Fund, Grassroots Institute for Fundraising Training, Multicultural Alliance of Golden Gate AFP and the National Community Development Institutes, and support from the W.K. Kellogg Foundation, we've created an intensive 8 month program helping over 40 organizations build their capacity to raise funds in communities of color.
- **National replication:** Organizations nationwide can now contract with the Executive Transitions Initiative (ETI) to build their capacity to deliver Executive Transition services in their own communities.
- **New publications:** Look for two new books in the CompassPoint-Wilder series—one on Financial Leadership and one for Accidental Techies. And 2004 will see a revised edition of the seminal *Strategic Planning for Nonprofit Organizations* by Mike Allison and Jude Kaye (John Wiley & Sons).
- **Nonprofit sector policy work:** CompassPoint's board-staff Issues Committee is ramping up towards helping nonprofits with public policy matters, advocating to the funding community on behalf of community-based nonprofits and for multi-year core support to them, and is a key partner in the Social Justice Agenda Project.
- **Board member recruitment:** In addition to Silicon Valley Board Connection, our support for board recruitment was extended through partnership with BoardNetUSA. In the fall of 2004 we will launch an online course for corporate staff joining nonprofit boards, developed in partnership with Cisco Systems.
- **Online training in community organizing and about nonprofit boards:** We continue to provide the nonprofit sector with online resources through projects such as the Community Organizing Toolkit (an on-line training program developed in partnership with the Center for Third World Organizing, the Waitt Family Foundation, and Kinecton), and Introduction to the Nonprofit Sector for Cisco Fellows.
- **A conference by and for Women Executive Directors of Color** with published proceedings.
- **Executive Leadership Circles:** A peer coaching and learning network for Bay Area nonprofit leaders that provides facilitated discussion, coaching, mentoring, support, resources, and relationships that will help nonprofit leaders address the challenging issues they face on a regular basis.

Board

John Kreidler, Chair
Cultural Initiatives Silicon Valley
Diane Ford, Vice Chair
Sobrato Family Foundation
Alison Marks, Secretary
Volunteer Center of San Francisco
Ted Delaghe, Treasurer
Delagnes, Mitchell & Linder
Teresa Alvarado, PG&E
Cassandra M. Flipper, Bread and Roses
Grace Kim, City of Sunnyvale
David Mercer, YMCA of the USA (retired)
Jeffrey Ken Mori, Asian American Recovery Services
Arnold Cervino, Alameda County Department of Public Health
Tom Siino, A4C
Barbara Terrazas, Catholic Charities of the East Bay
Sharon Zorbach, Deloitte & Touche

Staff

Jan Masaoka, Executive Director
Mike Allison, Director of Consulting and Research
Marla Cornelius, Training Director
Roderick Hsiao, Chief Operating Officer
Ken Goldstein, Silicon Valley Director
Karen Aitchison, Training Program Assistant
Roald Alexander, Technology Wizard
Tom Battin, Director of Information Technology Consulting
Liana Bean, Accounting Clerk
Susan Bennett, Technology Faculty/Lab Coordinator
Barbara Camacho, Training Program Assistant
Denis Chamberlin, Staff Accountant
Cristina Chan, Special Projects Director
Miriam Engelberg, Technology Faculty and Chief Cartoonist
Anushka Fernandez, Staff Consultant
Michelle Gislason, Special Projects Director
Jude Kaye, Senior Staff Consultant
Noah Kelly, Administrative Assistant for Projects and Programs, Consulting and Research
Ken Kurtzig, Special Projects Manager
Nelson Layag, Director of Technology
Gary Levinson, Consulting Group Administrative Director
Steve Lew, Staff Consultant
Jeanne Peters, Senior Staff Consultant
Pardis Parsa, Executive Assistant
Nancy Raguey, Senior Consultant
Angelica Resendez, Receptionist
Rosa Resendez, Training Program Manager, Silicon Valley
Janelle Secreto, Receptionist/
Administrative Assistant, Silicon Valley
Sabrina Smith, Development Manager
Kara Vassili, Technology and Projects Manager
Alfredo Vergara-Lobo, Staff Consultant
Tim Wolfred, Director of Executive Leadership Services
Mandy Wu, Staff Accountant
Robin Wu, Client Services Manager
Shari Zigelbaum, Office Manager

This Report to the Community for 2003 can be found at www.compasspoint.org/annualreport along with a complete list of donors, volunteers, financials, and a sample of consulting clients.
This report was written by Jan Masaoka, with assistance from Michelle Gislason, Steve Lew, Jeanne Peters, and Sabrina Smith.

CompassPoint finances

Statement of Financial Position

December 31, 2003	
ASSETS	
Cash and Cash Equivalents	2,000,061
Accounts Receivable	923,446
Fixed Assets, Net	94,482
Other Assets	134,306
Total Assets	3,152,295
LIABILITIES AND NET ASSETS	
<i>Liabilities</i>	
Accounts Payable and Accrued Liabilities	352,806
Advances and Deferred	85,181
Total Liabilities	437,987
<i>Net Assets</i>	
Unrestricted	971,936
Temporary Restricted	1,742,372
Total Net Assets	2,714,308
Total Liabilities and Net Assets	3,152,295

Statement of Activities

January 1 through December 31, 2003	
SUPPORT AND REVENUE	
Foundations	1,161,424
Individuals	73,467
Corporations	127,138
Government	938,098
Consulting	1,310,853
Training	825,119
Publishing	181,449
Other	210,536
Total Support and Revenue	4,828,084
EXPENSES	
Program Costs	4,166,533
Management and General	720,636
Fundraising	84,788
Total Expenses	4,971,957
Changes in Net Assets	(143,873)
Net Assets, Beginning of Year	2,858,181
Net Assets, End of Year	2,714,308