# Tool for Assessing Startup Organizations

## a due diligence supplement for grantmakers

by La Piana Associates Inc.

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for EFFECTIVE
ORGANIZATIONS

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## Contents

# Introduction

Just as grantmaking with startup organizations holds unique promise, due diligence efforts with these new nonprofits entails special concerns. As a grantmaker, you typically seek audited financials, review past grants and seek the opinions of other funders. But what if the organization has not operated long enough to have an established record and reputation? You inquire about the role of the board of directors and the qualifications of the executive director. But what if the board is recently formed, and the staff leader is a dynamic visionary with little management experience? Do you walk away from the proposal? Do you jump in blind? Or are there other, more productive options between those two choices?

Funders are often dedicated to working with new nonprofits, both in established grantmaking areas and in emerging areas of interest. Some of the most innovative and high-impact work can be done with these organizations. At the same time, grantmakers have a responsibility as stewards of the organization's resources to assess the risk entailed in making grants to startups. Grantmakers will not necessarily avoid the risk but should go into each grant relationship with open eyes. Grantmakers want to prevent unpleasant surprises but also want to build in, as appropriate, assistance to the grantee — to help ensure success and to safeguard the expenditure of grant funds.

The *Tool for Assessing Startup Organizations* is designed for use by funders assessing a grant application from a startup nonprofit. It is intended to supplement rather than to replace the current constellation of baseline information collected and focuses on indicators of organizational — rather than programmatic — health and capacity. The tool comes into play in the proposal review process after the funder has completed the initial due diligence process and determined the organization has a mission that is closely aligned with the funder's program goals and is the right organization to take on the work. The tool is not intended to produce a report card on a potential grantee. Rather, it is intended to help program officers assess and think through the nonprofit's strengths and weaknesses.

Although this tool is primarily intended for funders, seeing the criteria funders consider before approving grants can be helpful for startup nonprofits as well.

We hope that use of the tool will yield the following positive outcomes, both for funders and for grantees:

- Increase overall confidence in due diligence and stewardship efforts.
- Inform grantmakers about the level and types of risk the grant entails.
- Provide a tangible benefit to the organizations under consideration.
- Raise the likelihood that the funded project will succeed.

## What Is a Startup?

The tool addresses the special circumstances present when a new, or "startup," nonprofit is the potential grantee. Our working definition of a startup is:

*A nonprofit organization that has been in formal operation for too short a time to have an established infrastructure track record. A startup might also be a small organization with some experience and history but that is about to embark on a period of rapid growth and expansion that would be fueled (at least in part) by grants.*

This might be a six-month-old organization or one that has operated informally for several years. It might have a programmatic record of success during this period of informal operation, but it has no such track record for its management. For example, a small, new child-care center that incorporated six months ago is a startup, as is a grassroots movement that might have begun years ago but only recently formalized into a nonprofit.

## Why Is a Startup a Special Circumstance?

Organizations go through life cycles, much like the stages of human development. An organization that is in the startup phase generally looks and acts differently than a more established, mature organization, which presents a particular set of challenges in assessing it for a grant. Startups tend to be highly informal in their organization and systems. Even the healthiest startup will generally lack established policies and procedures, and there are often no bureaucratic or routine approaches to doing business. The people involved in the nonprofits will have a high level of energy and passion for the mission but may have little or no practical experience. Boards of directors tend to be small and homogenous; the founder or founders often draw upon their friends to serve as board or staff members in the early stages of organizational development. Because of these and other differences, the due diligence a grantmaker gives a startup organization should be more thorough than that of typical grantees.

Program officers accustomed to evaluating established organizations will find that assumptions about organizational health and indicators of organizational stability don't necessarily apply to startups. These fledgling organizations will be inherently less stable; "normal" expectations such as obtaining an outside financial audit or achieving a diversified funding base are often going to be unrealistic in the early years. Furthermore, you will not be able to rely upon the usual documentation nonprofits keep to demonstrate their health — they have not been in business long enough to amass it. Similarly, checking the organization's references will be more difficult since many people will not have heard of or engaged with the organization as yet. Traditional evidence of success, such as completed programs, rehabilitated clients, successful art shows, etc., may not yet be established, and paper trails of important functions, such as financial management, may not exist.

Another practical reason that startups warrant special examination is that, in short, money changes everything. There is an axiom going back to Saul Alinsky, the father of community organizing, that the quickest way to kill an organizing effort is to give it money.

The requirements of the funding, and the potential conflict its expenditure might cause, may be more complex and stressful than an organization can handle at an early point in its development.

Overnight, a grant can transform a volunteer, grassroots movement into a small nonprofit "business." In essence, the volunteer group that receives a grant at once becomes an organization, ready or not. If the organization decides to hire staff, that involves creating regulations and managing risk. Achieving tax-exempt status requires certain behaviors and forbids others. Where informal recordkeeping had previously been adequate, now, even in the smallest nonprofit, formal records are needed, if only for tax and funder reporting.

Some other ways in which a startup is unique:[1]

- **A nonprofit is different**. The founders of a new nonprofit may have little or no leadership experience in the sector. They might not understand the difference between a group of community volunteers and a nonprofit, or between a nonprofit and a small family business; these misunderstandings can lead to lots of trouble.
- **The focus is shifting from exclusive concern with the mission-related work.** During the informal period that often precedes the formation of a nonprofit, the focus of the volunteers' efforts is on mission-related work. Refocusing a portion of that energy onto seemingly mundane but necessary administrative tasks may not come naturally. As a result, staff and board members of a startup may resist necessary organizational responsibilities such as creating and monitoring a budget.
- **The players and their roles are changing**. The addition of a paid staff, the recruitment of new volunteers to serve as board members and changing roles for the founder(s) all create a need to form effective relationships with new people or with known people in new and unfamiliar roles. This challenge, if not met, can lead to conflict and confusion.
- **There are no precedents.** Organizations function best when routine work, such as bookkeeping, check signing and processing new hires, has been systematized. A startup must invent its routines — whether to authorize an expense or to hold a board meeting — and then practice them until they become second nature.
- **The role of money is changing.** Where previously everyone volunteered for the cause, there could now be an opportunity for some to perform paid work. This can create or exacerbate existing tensions and factions among organizational leaders. Loyalties to other organizations, nepotism and other serious conflicts of interest often arise during startup. Also, grants often create a sense of scarcity rather than wealth. A group may previously have survived on no money at all, but once a grant enters the picture, the group perceives a critical shortage of funds. This may not be intuitive but is a common phenomenon. Once money enters the picture, horizons are enlarged and the pursuit of more money becomes a primary concern in many new nonprofits. This can add to the tension.

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[1] For further reading on the life stages of nonprofit organizations, see Judith Sharken Simon. *The 5 Life Stages of Nonprofit Organizations*. St. Paul, Minn.: Amherst H. Wilder Foundation, 2001.

## When Do I Use the Tool?

The use of this supplemental assessment tool comes into play after funders have completed the initial due diligence process. By then it should be clear that the organization has a mission that is closely aligned with the funder's program goals, the organization is providing services that aren't duplicating the efforts of others, and the organization is the right one to take on the work proposed.

The decision whether to use the tool should be based upon an understanding of the risks to the funder in getting involved with a particular startup. This involves balancing a consideration of the level of resources to be invested and the relative value of an organization to the funder's mission and goals.

The tool is not necessarily applicable to every startup, and grantmakers should apply a form of triage to these supplemental assessment efforts, applying different amounts of time and resources to different situations (see "Decision Matrix," page 9). Even within this rubric, it may not be possible (or necessary) to use the tool in its entirety with every startup applicant. Parts of the tool could be used in isolation from the rest if the situation, or the program officer's concerns, are focused in one particular area. However, we urge caution here. In practice we have found that organizational problems are most often interrelated, so that what appears to be a specific financial problem, for example, is in fact a leadership problem as well.

## The Decision Matrix

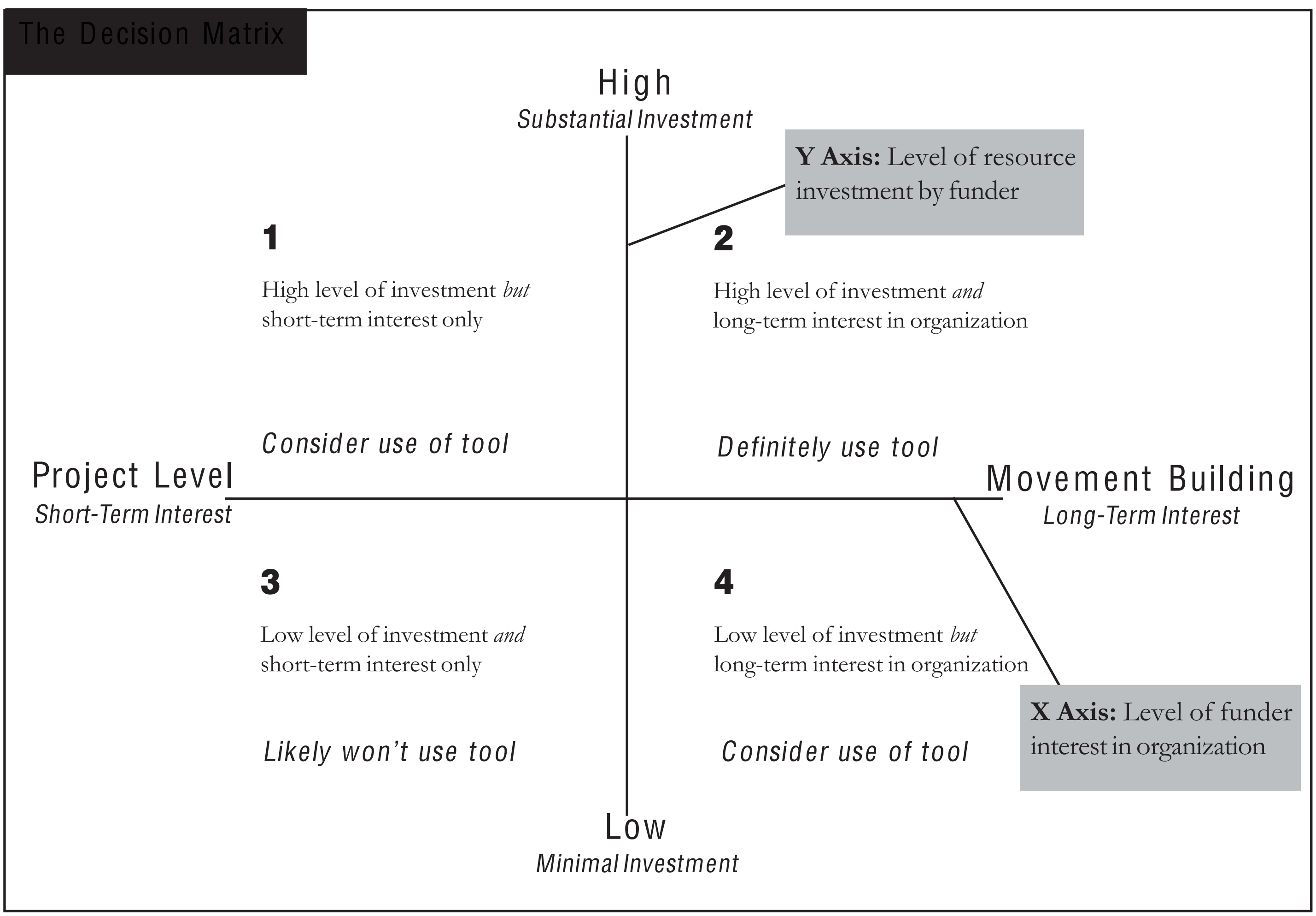
Although the supplemental assessment tool will be appropriate to help perform due diligence of many startup organizations, it may not be the best tool for every situation. Plotting specific situations on the decision matrix below can help determine whether to use this tool.

## The Axes

There are two sets of factors related to a potential grant that can help you determine whether a deeper assessment is warranted. These factors are represented by the X and Y axes on the Decision Matrix.

### X Axis: Funder Interest in the Organization

The X Axis illustrates the importance of the project or organization to the funder in the long and short term. The level of interest the funder has in a particular organization will help determine whether to invest in its long-term health. For example, if the grantmaker is only interested in one project, it will likely be involved with the nonprofit for a short amount of time and may not have to look as deeply at the organization's health. If, however, the nonprofit is doing significant work in a field the grantmaker is highly engaged in, the funder will likely consider investing a significant amount of resources in the organization to help build the field. In such long-term investments, it is vital to know the details of the overall health of the nonprofit.



Consider the following questions to help determine whether long- or short-term engagement will be most appropriate:

- Is this a one-time grant to a project that has a limited lifespan?
- Do we wish to invest in the long-term sustainability of this organization?
- Is the project or organization one that contributes to building the field of interest? Are we using it to build a movement or a field?

### Y Axis: Resource Investment

The Y Axis illustrates the level of funding under consideration. The amounts of a "substantial" and "minimal" investment will of course vary from organization to organization and may be related to the factors described in Axis X.

To determine the amount of investment worth considering, compare the proposal with other grants in your program and ask the following questions:

- Is the grant under consideration an amount that you consider to be *significant*?
- Are you considering investing other foundation resources (extra staff time or consultant time, organizational effectiveness resources) in this grant?

## The Quadrants

The decision matrix shows the relationship between the two sets of factors described above. The quadrants, numbered 1 through 4 on the decision matrix, represent the interest and investment levels of the funder as well as the potential level of consequences involved in making a grant.

### Quadrant 1: High Level of Investment / Short-Term Interest Only *(project-level support)*

Grants falling in quadrant 1 may or may not be appropriate for using the supplemental assessment tool. If the funder is considering a short-term investment in a project or one-time event, using the tool may not be appropriate. However, if there is a chance the foundation could continue involvement with the nonprofit after the first grant, using the supplemental assessment tool would be helpful.

### Quadrant 2: High Level of Investment / Long-Term Interest *(movement-building or field-building)*

Proposals falling in quadrant 2 represent large investments to support work that is of long-term interest to the funder. Such a large investment is usually made when the funder sees an important role for the organization in a field; it may even hope for the organization to lead in a field-building effort. These types of situations call for a higher level of assessment than standard due diligence — such as this supplemental assessment tool.

### Quadrant 3: Low Level of Investment / Short-Term Interest Only *(project-level support)*

In quadrant 3 you will find organizations slated to receive small grants — instances in which the funder is primarily interested in a particular project rather than the organization itself. An investment of this size and scope will unlikely warrant use of this tool, unless serious concerns are evident and the funder feels a supplemental review is necessary.

### Quadrant 4: Low Level of Investment / Long-Term Interest *(movement-building or field-building)*

Quadrant 4 contains grants that call for your discretion in whether to use the supplemental assessment tool. The funder may have a vision of these organizations occupying an important place in the ecology of a field or community. Though the investment under consideration may be low, there may be potential for future grants. Thus, your time and effort using the tool may be warranted, particularly if you have doubts about the organization's capacity.

## Additional Factors

There are two additional factors that can help funders decide if supplemental assessment of an organization's capacity and health is necessary. Consider the following questions:

### Would the funder's contemplated grant be the nonprofit's first formal funding or the largest funding in the organization's history?

The scale of the grant, relative to the organization's usual operations, is an important factor. Financial management and oversight, programmatic development and monitoring, and all other systems and processes in a small nonprofit can be overwhelmed by an initial grant or one that is outsized relative to the usual flow of cash through the organization. For example, financial systems accustomed to processing $100,000 in activity a year are probably not adequate to process $500,000 without additional staffing and perhaps a more sophisticated accounting package. Similarly, an organization without employees enters a complex legal world when it completes its first hire. If the planned grant is either the first significant dollars into the nonprofit's coffers or, by an order of magnitude, the biggest single infusion of cash in its short history, then an additional level of organizational review is probably warranted. The scale of change brought about by the infusion of substantial new funds is one of the greatest challenges a new nonprofit will face.

### Is the applicant part of a federated nonprofit?

A final consideration is whether the applicant organization is part of an established federation (such as YMCA, Girl Scouts, Red Cross, etc.). If so, the federated group will likely have helped with and approved its founding. It may also require regular reports and compliance with a set of operating principles that would make the funder's supplemental review redundant. In these cases, it might be more efficient to ask the applicant's permission to check with the federation for its assessment of the applicant. Regardless of this affiliation, however, if the grant is either the first funding or by far the largest funding in the organization's history, the applicant is still a candidate for a higher level of due diligence before a grant is recommended.

## Special Circumstances: Expenditure Responsibility and Fiscal Sponsorship

Expenditure responsibility grants are grants made to entities that do not have IRS 501(c)(3) status. Because the recipient is not tax exempt, special restrictions and reporting requirements apply to these grants. Expenditure responsibility grantees typically include organizations that are too new to have received their IRS designation (or have for some reason experienced a delay in processing) and that are not affiliated with a charitable fiscal sponsor. Grantmakers may also make expenditure responsibility grants to individuals and for-profit companies.

Because expenditure responsibility grants increase risk to the funder, this tool or another form of supplemental assessment should be used to help screen potential recipients.

When performing due diligence of an organization that is under fiscal sponsorship, there are two issues to note. First, a grant made to a fiscally sponsored group must be seen as a grant to the fiscal sponsor. The fiscal sponsor is legally responsible for everything the funded project does, and is responsible for ensuring that required reporting to the funder on the progress of the project is completed. Therefore, in addition to assessing the organizational capacity of the project you are considering funding, you should also assess the stability of the fiscal sponsor organization.

It is important to also understand the structure of the relationship between the project and the sponsoring organization. In many cases these relationships are quite informal, without clear agreements. There should be a written agreement between the two that clearly delineates the relationship.[2]

## Conclusion

In the end, the determination of whether to use the tool, as with the analysis of the findings it yields, is left to the discretion of the individual program officer.

You will find that the tool prompts you to ask questions that may not have clear answers. Or that a given answer may mean different things in different organizational contexts. It is intended to provoke thought, not to yield a pass-fail score.

Ultimately, the tool is successful if it helps you to see the applicant organization more fully. Your most powerful tool in assessing the capacity of an applicant will be your own experience and intuition. By using the tool, you will ask questions and engage in discussions with applicants that yield insights to help you gain a fuller appreciation for the organization, its strengths, its weaknesses and the challenges it faces.

[2] For sample models of fiscal sponsorship agreements, as well as more information about the fiscal sponsorship relationship, see www.genie.org and click on Fiscal Sponsorship in the FAQs section.

# User's Guide

This user's guide takes you through the use of the supplemental assessment tool for startups and provides guidance in understanding the information you will uncover through the due diligence process. Each component of the tool (summarized below) is explained in detail in the section titled "The Assessment Tool," which begins on page 15.

For the purposes of this tool, a startup organization is defined as a nonprofit organization that has been in formal operation for too short a time to have an established infrastructure track record. A startup might also be a small organization with some experience and history but that is about to embark on a period of rapid growth and expansion that would be fueled (at least in part) by funding.

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## How Do I Use the Tool?

This assessment tool is designed to be *supplemental* to your program's standard proposal review process. Therefore, the tool assumes that you will go through the standard process of vetting the proposal and assessing the programmatic value of the proposed project. As with all proposal reviews, the assessment of a startup relies upon a written proposal, existing documents provided by the prospective grantee, interviews with organizational leaders, and conversations with knowledgeable people outside the organization, including your grantmaker colleagues and leaders in the startup's field.

The supplemental assessment tool will guide you in further examining the nonprofit's general outlook for organizational health and stability. Through use of this tool, you will explore whether its leaders have the capacity to set up the necessary management structures and systems to effectively implement and carry out the proposed project.

## Sections of the Tool

The tool offers a list of additional documents to examine in your due diligence process and lays out specific interview questions to pose to organizational leaders that will help you assess the stability and capacity of the organization itself. The tool then leads you through a process of considering the overall risk profile presented by the due diligence and interview findings. Finally, in the last section of this user's guide, an evaluation of the risk suggests various grantmaking options.

Specifically, the components of the tool are as follows:

### I. Supplemental Due Diligence

a. **Document Review: Supplemental Materials.** The tool includes a list of documents to request from grant applicants, in addition to the standard materials you receive with a proposal. The checklist for the document review is found in worksheet 1: Supplemental Due Diligence Items for Prospective Startup Grantees, page 33. You will also find an explanation of why each document is included in the assessment process and what to look for.

b. **Interviews with Organizational Leaders.** This section of the tool is organized around six key competency areas that are important to an effective nonprofit. For a brief overview of these areas as they apply to an effective nonprofit organization, see "The Elements of a Healthy Nonprofit," page 17. For each of the six competency areas, there are suggested questions, followed by a simple list of what to look for in that area and potential *red flags* you might uncover. Red flags are defined as findings that cause you to have concern that the nonprofit is seriously deficient in an important area of organizational capacity and may thus not be fully capable of implementing the grant. A table containing the interview questions is found in worksheet 2: Startup Assessment and Red Flag Identification, page 34.

### II. Analysis: Red Flag Identification

Your document review and interviews with organizational leaders will uncover potential red flags pointing to weaknesses in the organization. Identify these red flags on worksheet 2: Startup Assessment and Red Flag Identification.

Worksheet 2 then offers a series of questions for evaluating the big picture presented by your assessment, helping to shape your conclusions regarding the relative risks in investing in a particular startup.

### III. Action: Options for Managing the Risk(s)

After you have conducted your assessment, identified the red flags and thought through the relative risk inherent in supporting a potential grantee, there are various approaches to managing the risk(s). The options available to you are mapped out in worksheet 3: Risk Assessment Decision Tree, page 37.

# The Assessment Tool

## Document Review — Supplemental Materials

On the following page is an overview of the requested "Supplemental Due Diligence Items for Startups." (See worksheet 1, page 33.) The chart provides guidance on why these documents are important in the assessment process and includes a comment indicating the likelihood of each item's existence and the relative importance of its absence. The absence of a required item is itself a red flag, even in a startup.

This is not a complete list of relevant documents. It is a list that should help you to determine the organization's sophistication level and its current level of capacity in management and board oversight. Some of these items are already on your standard list of required documents. They are also present on the list on the following page because of their importance to this process.

### A Note on the Written Word

The challenge in assessing startups is that many of the customary documents may not exist. For example, a new organization will not be able to provide a comprehensive financial history and is unlikely to have been audited.

Further, for an organization in a startup phase, some items lend themselves more readily to a paper review than others. For example:

**Good Candidates for Paper Review:** Audits and monthly financial statements, minutes of board meetings, personnel policies.

**Potentially Poor Candidates for Paper Review:** marketing or communications plans, fund-raising plans, strategic and business plans.

Planning documents may not be good indicators of capacity in a startup. If they exist at all, they may have been created by the founder acting alone or by consultants or sympathetic volunteers, acting in a vacuum. In either case they may not reflect the ideas or priorities of the organization's leaders and constituents. By all means ask for any plans, but do not accept their mere existence as sufficient evidence of anything. Evidence that elements of a plan are actually being implemented is, however, a good sign.

In general, financial records are obvious candidates for paper review, and board minutes, if they are kept, can shed light on what the board is spending its time on. Personnel policies demonstrate the organization's sophistication level in dealing with a highly regulated area of activity — employment.

| Document Review | |
|---|---|
| **Item** | **Comments** |
| Executive director resume | Required |
| Organizational chart | Many nonprofits will not have one — if not, ask the director to draw it for you on the spot during the interview. |
| Board member list with affiliations | Required |
| Board minutes for the last year | Required |
| Monthly financial statements for the last year | They may not have them, but this is a weakness to be rectified if they receive a grant. |
| Projected cash flow for next 12 months | Most startups have not been around long enough to have an audit or even formal financials. In the absence of those items, a cash-flow chart is important. |
| Policy regarding internal controls | Shows separation of functions in money management |
| Job descriptions for each position | Required |
| Copy of personnel policies | May not be in place yet |
| Sample employment agreement and/or hire letter | At least one is required. |
| A sample personnel letter with required forms | Required. Must have W4, I-9, pay information, emergency contact info for each employee. |
| A sample newsletter | They may not have a newsletter, but if they do, it can provide good information about where they are and how they communicate. |
| A sample of any constituent or fund appeal mailings | If they have any, it can help you understand the organization's fund-raising capacity. |
| Any planning documents | Not required, but helpful for discussion purposes |

## The Elements of a Healthy Nonprofit

Nonprofits are a diverse, complex mix of people, ideas and resources. The heart of a healthy nonprofit is a good program that advances its mission. Through basic due diligence, you should already have determined that you are dealing with a strong program. Thus, this is not a part of the assessment undertaken with this tool.

While an entire book could be written on the other factors contributing to a healthy, well-functioning nonprofit (in fact many have), below is a brief overview of the six key elements that will be addressed by the tool. To succeed in advancing their missions, nonprofits should have these elements in place:

1. **A Healthy Governance Function –** The organization has a board of directors that works collaboratively with the executive director, defines the mission and then develops strategies and policies that advance it. It also provides an independent check on management's actions and a connection to the community served.
2. **A Competent Executive Director –** The staff leader of a staffed startup nonprofit in particular must be a jack-of-all-trades. The leader must work collaboratively with the board and staff; provide a bridge to the community, funders and clients; chart a future course; raise funds and model a high ethical standard. The executive director sets the tone for internal communications and the staff's working relationships with one another.
3. **A Sound Financial Management System –** Nonprofits need a system that controls expenditures and offers accurate, timely reporting to management on income and expenses. Management also needs data for accountability and decision making, including an annual budget. There should be regular external review, both by the finance committee and, periodically, by independent auditors.
4. **A Workable, Legal, Human Resource Policy and Practices –** Nonprofits typically spend upwards of 80 percent of their income on people: salaries and benefits as well as training and supervision. They must manage this function wisely, complying with complex government laws and regulations, compensating people adequately within limited resources and motivating them to perform their best. Internal communications must be structured to provide staff with appropriate input into decision making and current knowledge of the activities of other units within the organization.
5. **A Successful Fund Development Strategy –** One way or another, a nonprofit must obtain funds: from grants, contracts, fees or individual gifts. It is a matter of life or death, and a nonprofit that cannot attract resources is in desperate trouble indeed. Few startups will have a development director, so the board and executive director must work together to raise the necessary funds.
6. **A Clear, Consistent Message –** A nonprofit must communicate what it is about to anyone who can either help it or be helped by it. Going well beyond a newsletter, its marketing and communications efforts should make use of all available media and take advantage of opportunities that arise to tell its story.

## Interviews with Organizational Leaders

This component of the tool is organized around the following six competency areas:

- **Governance:** Focus on the board of directors
- **Leadership:** Focus on the executive director
- **Finances:** Focus on management and systems
- **Human Resources Management:** Focus on staffing
- **Development:** Focus on fund-raising
- **Communications:** Focus on external audiences

Each of these complex areas is an independent field of study unto itself. (For a brief overview, see "The Elements of a Healthy Nonprofit.") Nonetheless, the effective leader of a startup nonprofit is likely to need some mastery of each. It is unreasonable to expect a specialist's knowledge of each area from the staff leader, and it is equally unrealistic to assume that the board will have skills covering all these areas. It is reasonable, however, to expect that among the staff, the board and other volunteer resources, there is at least minimal competence in these areas of endeavor, as well as recognition that these areas are critical to the continuing healthy development of a nonprofit organization.

The program officer can also assess whether and to what extent the board and executive director are likely to work well together, sharing strengths and covering each other's weak spots. Few weaknesses within a nonprofit are in themselves fatal, but the ability and willingness of the board and executive to work together, get help when needed and make change are critical success factors in any nonprofit, at any point in its development, and especially during the vulnerable startup phase. The absence of sophisticated management systems or solid governance structures will not come as a surprise in a startup. It is likely the rule rather than the exception, and as such it is not a sufficient reason to decline a proposal. What the program officer seeks, above all else, using the tool, are the answers to three questions:

- Can I trust the applicant's leaders to do what they say they will do?
- Do they have a sufficient understanding of the tasks before them and the tools at their disposal to manage this project well enough for it to succeed?
- What could we do beyond giving a grant to help this organization to succeed?

As is often said, the work of grantmaking is more of an *art* than a *science*, and assessing startups is heavily reliant upon your ability to intuit future success. Program officers that have experience assessing startups indicate that they rely heavily on conversations with the organization's staff and board leaders as well as conversations with colleagues in other grantmaking organizations. The assessment is an inherently interactive process.

### Whom to Interview

The questions laid out in the tool should be directed at the executive director, the board chair and in some cases the board treasurer or an additional board member.

It may be wise to interview these key leaders separately from one another so that you can compare their answers. This is not intended to trip them up but merely to counteract the natural tendency of the parties to agree with one another in front of you, even if they may have different perspectives.

### What's the Right Answer?

Many of the interview questions will not elicit precise answers, and there is, in fact, no single right answer for the majority of the questions.

You may get responses that indicate that the interviewee has never thought about the subject of the question before. This isn't necessarily bad — you will need to judge how that lack of knowledge or sophistication figures into your overall risk assessment. In some instances, it may be important to follow what the interviewee does with the newfound information gap. Does he inquire further? A startup is inherently in the process of learning — openness to learning is one sign of an effective leader.

A key to successfully using the tool will be your acceptance of and comfort with the need to ask questions that don't necessarily result in clear answers. The best approach is the same one you use for all your proposal assessments. Understand the material presented in the tool; ask direct, open-ended, nonjudgmental questions; listen carefully to understand the answer; ask for clarity where needed and don't look to fit each startup into one mold.

### The Questions

For each of the six competency areas covered in the following pages, you will find that a few key questions guide your assessment of each competency area. Along with the questions, the tool provides

- a brief paragraph after each question with tips about key issues and follow-up suggestions,
- a checklist of indicators of startup health, called "What to Look For," and
- a checklist of potential red flags.

Each section also includes a list of resources for you or your potential grantee to further explore the development of capacity in the particular competency area.

### Maximizing the Conversation: An Opportunity to Educate

A conversation about organizational issues, such as the one that will flow from the questions that follow, offers an important opportunity to engage in open, inquisitive dialogue about the challenges of guiding a startup organization.

This conversation can readily serve as an opportunity to educate nonprofit leaders about key issues in developing and managing their organizations. You don't need to be a management expert to ask questions that may seed interest in topics the nonprofit's leaders might benefit from learning more about. Asking open-ended questions about the pertinent competency areas, such as the ones in this tool, serve to raise issues that should be on the table for a startup leader.

Once the issues are raised, you may find that the potential grantee has interest in further exploration. The inclusion of resources in each section of the tool is intended in part to help you direct the learning impulses of interested nonprofit leaders.

## **Governance:** Focus on the Board of Directors

### Describe your board and the role it plays in the organization. How is the board structured?

Ask the interviewees how the board and executive work together, plan and solve problems. Explore the board's role in reviewing financial operations, in fund-raising and in program oversight. Determine whether the board is active and plays an appropriate role, given the governance needs of the organization. Look for a respectful, professional relationship between the board and executive director and a healthy balance in the responsibilities each carries in working together to lead the organization.

### Who is on your board? What do they bring to the organization? How do you recruit and select your board members?

Review the board list with each interviewee, inquiring about skills and what each board member does to help the organization. Find out if any board members are family or close friends of the executive director. In many states, 51 percent of board members must be unpaid. Some small nonprofits get around this by putting spouses and relatives on the board. If this is the case, further assessment of the governance function is essential.

### *Followup if the executive director or other staff is on the board:* What prompted that decision? How is it working?

It is not unusual for startups to place the executive director on the board. There are pros and cons to this arrangement. The presence of other staff on the board, however, should be considered troubling. Probe to see if the leaders have fully explored the potential challenges of this situation and made an informed decision.

### How do you set the overall direction of your organization?

The board should have a role in planning and thinking about where the organization is going and how it will get there. Probe for the board's involvement in and contribution to this process.

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### What to Look For

- A board that is structured in a way that makes sense for the governance needs of the organization
- A board and executive director that understand, and agree upon, their respective roles
- A diversity of membership on the board, with skills and knowledge important to the organization, especially financial management and organizational knowledge (not made up solely of friends and relatives of the executive director)
- Enough people to get the work done

- Board members that are willing to contribute money (amount given is less important) is a plus, even at the startup stage — ask if the board has 100 percent giving
- Board minutes for every meeting, with recorded actions

## Potential Red Flags

- The board is not active or is disengaged from the challenges facing an organization in the startup phase. For this part of the organization's life, the board will likely be involved in operations but will also need to be focused on shaping policies, developing procedures and raising funds.
- Staff member(s), other than the executive director, are on the board.
- Spouses or relatives are on the board.

## Additional Resources

- BoardSource: www.boardsource.org — BoardSource is a national organization that works to strengthen nonprofit boards of directors. A great resource, BoardSource offers a large array of titles to help board members learn and perform their duties. Most consist of brief, easy-to-read guides written specifically from and for the board member's perspective.
- Klein, Kim, and Stephanie Roth. *The Board of Directors.* Oakland, Calif.: Chardon Press, 1997. A collection of reprints from the Grassroots Fundraising Journal. This is a collection of short articles that each focus on an aspect of governance, including such topics as board development, board roles and responsibilities, getting the board to raise funds, the board's role in strategic planning and so forth. Each piece is highly practical and especially relevant for startups.

## **Leadership:** Focus on the Executive Director

### What is your vision for the organization? Why is this organization needed at this time?

Probe for the presence of a vision of where the nonprofit is going, an immediate grasp of the finances, a passion for the mission. Ask why someone should support this organization. The director should be able to convince you.

### What are the top three challenges facing the organization over the next five years?

This deepens the conversation with the executive director and asks him to focus on specific organizational challenges. If the answer focuses primarily on fund-raising or on external or programmatic challenges, ask the following followup question: "What are the top three *internal* challenges?"

### Who are the key leaders in the organization? What are their roles?

It takes a range of skills to create an effective organization. Ask about the full range of people set to guide the organization and about their skills and previous experience. Ask interviewees to describe the management team or structure in place to manage the organization. Look for how decisions are made: Is it a one-person show, or is there a wider range of people involved?

### How do you work with your board of directors?

Ask the executive director and board chair or a board member to describe the relationship between the executive and the board. Ask how decisions get made, probe for teamwork. Ask about how the director supports the board and how the board supports the director.

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### What to Look For

- An executive director with a good perspective on the work of the organization who seems capable of succeeding in carrying out her vision
- A passionate leader who is knowledgeable about managing an organization — if he doesn't have all the skills, he is aware of what is needed and has resources to get it done
- An executive who can clearly explain the organizational structure, including the roles and responsibilities of the board
- An executive who understands the importance of the development of an effective board and looks to the board to fill in skill gaps
- Realistic goals

### Potential Red Flags

- An executive director who fails to inspire your confidence
- An executive who doesn't value a strong board of directors
- An executive with a negative perception of or relation to the board

### Additional Resources

- Herman, Robert D., and Richard D. Heimovics, *Executive Leadership of Nonprofit Organizations*. San Francisco: Jossey-Bass, 1991. This is a classic work that proposes an alternative to the "board governs, staff manages" paradigm. The authors argue that the executive is the center of the organization's decision making because it is the executive who goes outside of the organization to bring in essential resources — time, talent and funds. They propose a model for a strong partnership with, and ultimate authority residing within, the board but acknowledge the experience of thousands of executives who lead organizations.
- Kouzes, James M. and Barry Z. Posner, *The Leadership Challenge,* 3rd ed. San Francisco: Jossey-Bass, 2002. An updated edition of the field guide by two of the country's premier leadership experts, this book includes a helpful list of characteristics of leaders. *The Leadership Challenge* is grounded in extensive research and based on interviews with all kinds of leaders at all levels in public and private organizations from around the world. In this edition, the authors emphasize that the fundamentals of leadership are the same today as they were in the 1980s, and as they've probably been for centuries.
- The Center for Creative Leadership: www.ccl.org. — The Center for Creative Leadership is a nonprofit educational institution that is a resource for understanding and expanding the leadership capabilities of individuals and organizations.

## **Development:** Focus on Fund-Raising

### How does your organization raise money?

Review the budget with the executive director or a board member. A diverse funding base may be beyond the organization's reach right now, but the leaders should recognize the importance of a healthy mix of sources of revenue and strive toward it. A large range of fund sources will lead to less dependence upon any one source. Many nonprofits starve because the leadership is either unwilling or unable to raise funds. A long-term commitment to raising money from a variety of sources, with board leadership and involvement, is a healthy sign.

### What are your plans for growing or diversifying your funding base?

Ask what types of fund-raising the nonprofit now uses and could imagine using in the future. Does the answer cover any of the following (in addition to grants): individual giving, fee-for-service contracts, events, corporate support, earned income? Are the leaders familiar with the range of basic fund-raising techniques?

*A note about tipping:*

"Tipping" is a term used to describe a situation where a nonprofit fails, over a period of time, to demonstrate a range of sources of financial support. Within five years, a new 501(c)(3) must receive a majority of its funding from diverse sources or face classification as a private foundation. When at least 51 percent of an organization's support is derived from either its own resources (e.g., an endowment) or a single funder, the organization is "tipped" over the IRS threshold into being classified as a private foundation. This creates legal and tax complications the organization probably wants to avoid. The best preventive measure for this problem is a robust and diverse mix of revenues.

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### What to Look For

- An understanding that for stable nonprofits, funding often comes from a variety of sources
- An approach to fund-raising that is realistic and reasonable for the organization's situation
- A board that is willing and able to raise funds for the organization
- A plan to move away from reliance solely on foundation funding

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### Potential Red Flags

- No future thinking about funding
- No role for the board in fund-raising
- Dependence upon one source with no plans for diversification
- Little experience or success with fund-raising

### Additional Resources

- Klein, Kim. *Fundraising for Social Change,* 4th ed. Oakland, Calif.: Chardon Press, 2001. An excellent primer on fund-raising for nonprofits. Easy to read — even enjoyable — it presents a framework for planning and implementing a fund development plan that is practical and readily adaptable to the needs of organizations at an early stage of development. There is great information about the role of the board, and even a section on dealing with anxiety.
- Rosso, Henry. *Rosso on Fund Raising.* San Francisco: Jossey-Bass, 1996. An overview of fund-raising from the acknowledged "father of fund-raising." This book, written near the end of Rosso's long career, distills his wisdom into digestible elements while addressing the most important issues new fund-raisers face.

## **Finances:** Focus on Management and Systems

### How was the budget developed?

Ask about the budget development process and who was involved. Does the budget make sense to you? Is it realistic? Does it add up (literally)? Probe for a sound rationale for projected expenses and income. Does the fund-raising target seem realistic, or does it seem calculated to simply match expenses?

### How are financial reports reviewed? How are decisions made?

The challenge in reviewing the finances of startups is similar to reviewing other proposals except that there is often much less of a paper trail. Therefore, look at the basic functions, such as how money is managed on a weekly and monthly basis, whether reports are generated, who reviews the reports, etc. Ask if there is a finance committee — what is the committee's role, who is on it, how often it meets. Alternatively, is there a volunteer board member who reviews the finances and reports to the board? If there is neither, ask how the financials get reviewed. Push on the board's role in reviewing the financials. If there is no board role, that is a red flag.

### What internal controls does the organization have in place?

Look for the separation of accounting functions among two or three people. Check writing and check signing should be separated; deposits and bank reconciliations should be separated. A board member in addition to the executive director should be authorized for check signing.

### Does the organization have enough cash to meet its commitments?

Cash flow analysis is critical for a new nonprofit. Poor cash flow can cause its demise or lead to "borrowing" from restricted grant funds to pay pressing bills. If the organization's leaders don't have a good grasp of cash flow, there is a danger that the grant could be misspent. These "loans" are seldom repaid, leaving the project undone. A common symptom of poor cash flow is a backlog of overdue payroll tax payments to the IRS.

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### What to Look For

- A budget that is realistic, both on the expense and revenue sides
- An accounting procedures manual and a policy on reimbursement of expenses
- A role for volunteers in reviewing a nonprofit's finances (e.g., a volunteer-led finance committee that meets regularly to review financials and then reports to the board)
- Adequate internal controls and separation of functions
- An automated accounting function

## Potential Red Flags

- Lack of knowledge of the basic financial condition of the nonprofit
- An executive director managing finances in isolation and inadequate board oversight
- No system for reporting financial information to the board for review and decision-making purposes
- No connection to outside financial expertise or resources
- No system for managing accounts payable and receivable
- Fund-raising goal in the budget reflects the organization's need for funds rather than its realistic capacity to raise funds
- Organization not current on payroll taxes to IRS

## Additional Resources

- Dropkin, Murray, and Bill La Touch. *The Budget Building Book for Nonprofits: A Step-by-Step Guide for Managers and Boards.* San Francisco: Jossey-Bass, 1998. This workbook is a nuts-and-bolts guide to developing a budget for a nonprofit. It includes worksheets and tools that guide the reader through each step of the process.
- Herzlinger, Regina E., and Denise Nitterhouse. *Financial Accounting and Managerial Control for Nonprofit Organizations.* Cincinnati, Ohio: South-Western Publishing Co, 1994. This is a user-friendly textbook that covers the tools of financial analysis and managerial control. It is a bit academic and does not include some of the latest accounting changes, but it is a useful financial management guide for senior nonprofit managers.
- Sumariwalla, Russy D. *Unified Financial Reporting System for Not-for-Profit Organizations.* San Francisco: Jossey-Bass, 2000. Sumariwalla provides a conceptual framework and design for nonprofit financial reporting systems covering year-end financial reporting, tax reporting, budgeting, internal financial reports and reports to funders. This is an up-to-date useful guide for financial managers, accountants and bookkeepers.

## **Human Resources Management:** Focus on Staffing

### How are the human resources functions handled in your organization?

A healthy HR function meets legal mandates, fosters good practices and encourages the management of people so that the nonprofit, at a minimum, has adequate staff and treats them equitably and legally. Ask how staff are recruited and hired by the organization and then subsequently oriented and trained for their jobs. Do they have written personnel policies? Is there a performance review system in place? Poor people management is the road to low morale, turnover and even lawsuits.

### Is there a personnel file for each employee including pay information, emergency contact information, mandated government forms (W-4, I-9)?

This information is asked for in the due diligence document list. These files should exist and should contain these mandated forms, but expect that they don't — it is common that startups fall short in this area. This conversation can serve an important educational purpose for the potential grantee.

### What to Look For

- Personnel policies that are appropriate for the startup, or an understanding that policies should be developed
- An executive director or board member with at least minimal knowledge of or experience in the legal requirements related to hiring, managing and separating from employees
- Awareness of and access to appropriate backup resources, e.g., a labor attorney

### Potential Red Flags

- No employment agreement(s) or offer letter(s) on file
- No personnel files with mandated forms

### Additional Resources

- Bernstein, Leyna. *Creating Your Employee Handbook: A Do-It-Yourself Kit for Nonprofits.* San Francisco: The Management Center and Jossey-Bass, 2000. As the title implies, this is a practical guide to developing an employee handbook specifically for nonprofit organizations.
- The Management Center. *Best Practices: The Model Employee Handbook for California Nonprofits*. San-Francisco: Jossey-Bass, 1998. A helpful guide to policies and procedures found in a well-designed employee handbook. Note that laws in this area are subject to change and vary from state to state.

## **Communications:** Focus on External Audiences

### Whom do you need to communicate with (i.e., key audiences or constituencies)?

Ask about the organization's key audiences and how it communicates with them. Has there been an attempt to find out what the constituents need and what they think of the organization and its programs?

### Do you have a marketing or external communications plan?

Most will not at this stage of the game, but the question could lead to an interesting discussion in which you may learn how the organization thinks about communicating its message.

### How do your communication activities further your mission?

This could focus on newsletters, a Web site or other tools the organization uses to communicate with constituents. Explore the group's understanding of the importance of a communication strategy in building the organization. Does the group make a connection between external communications and fund-raising?

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### What to Look For

- An appreciation of the role of communication and marketing in bringing resources to the organization
- A well-produced Web site (if appropriate to the group) that isn't drawing too many resources away from core program activities
- Communications efforts that are appropriate to the different audiences the organization wants to reach or engage

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### Potential Red Flags

- Many nonprofits (even long-established ones) are poor at external communications, so great weaknesses here do not necessarily raise red flags. However, particular strength in this often-neglected area is a good sign.

### Additional Resources

- Stern, Gary J. "Develop the Plan." Vol. 1 of *Marketing Workbook for Nonprofit Organizations*. 2nd ed. St. Paul, Minn.: Amherst H. Wilder Foundation, 2001. This is a practical workbook for the development of a marketing plan. Topics include how to set marketing goals, position the organization, conduct a market survey and evaluate the plan.

# Analysis of Findings

## Red Flag Identification and Understanding the Risk

In your analysis of the data collected through document review and interviews, you may have identified red flags in one or more of the six competency areas — i.e., findings that suggest a significant weakness or deficiency in an important functional area. These red flags should be recorded on worksheet 2: Startup Assessment and Red Flag Identification, page 34.

Now you must assess the risk that the red flags, taken as a whole, represent to your objectives. This involves looking at the big picture formed by the due diligence process and red flags. What do the red flags tell you? Taken as a whole, what is the risk in making a grant to this startup? Does the potential benefit outweigh the risk? Are there actions to take to effectively manage the risk?

This evaluation must take into account the fact that the red flags can't be weighted equally. Some issues are relatively simple to address through the use of an outside consultant with specific expertise (e.g., setting up a financial management system or creating adequate personnel files that meet at least the basic legal requirements). In other cases, such as an organizational culture that does not promote appropriate involvement of the board of directors, it may take more time to effect real change. In some cases, it may be highly unlikely that the organization will ever meet the funder's minimum standards.

Using the questions laid out in worksheet 2, Startup Assessment and Red Flag Identification, you can carefully consider what steps you want to take next. These questions include:

1. How *extensive* are challenges or organizational deficiencies? Are there many red flags across different areas, or are they clustered?
2. Taken as a whole, are the challenges *significant* (critical) enough to affect the organization's ability to carry out our grant? Why?
3. Could the issues be addressed? How?
4. Is the organization willing to take the necessary steps to remedy the weakness or deficiency?

The final worksheet of the tool, worksheet 3: Risk Assessment Decision Tree, page 37, depicts the process of examining the overall picture, and will point you toward options you might consider in making a grant that manages the identified risk.

## Options for Managing the Risk

Low Risk

1. **Fully fund, no stipulations**

2. **Fully fund the proposed project, with stipulations.** Make a program grant as requested. Require the grantee to remedy the deficiencies and report back within a prescribed time frame.

3. **Give an experimental grant** Make a program grant only for one year, negotiate specific, reasonable objectives and monitor the grant closely. Consider additional funding later when agreed-upon benchmarks are achieved.

4. **Give an exploratory program grant coupled with an organizational effectiveness grant.** Make a program grant only for one year; negotiate specific, reasonable objectives; key grant payments to achievement of benchmarks and monitor the grant closely. Determine the appropriate level and type of assistance required.

5. **No grant now — come back later.** Explain to the organization your reservations, given the instability of the organizational structure or deficiencies in its systems. Tell the leaders you believe a grant under the present circumstances would not only be likely to fail, but could actually do more harm than good within their organization. Go over specific issues and commit to reviewing a proposal again in a year. Invite the organization to resubmit its proposal at that time coupled with concrete evidence of organizational development. In cases where the organization has a mission that is very closely aligned with your program goals (and where there are no other organizations that could take on the work), consider a grant to help accelerate the organization's development so that it can quickly become competitive for program funds.

6. **Grant request declined.**

High Risk

# Additional Worksheets

Three additional worksheets are included with the *Tool for Assessing Startup Organizations:*

### 1. Supplemental Due Diligence Items for Prospective Startup Grantees.

This is a list of documents to request in an assessment of a startup grantee. These documents are supplemental to the standard materials you receive with a proposal

### 2. Startup Assessment and Red Flag Identification.

This worksheet contains the following sections:

- A chart of the questions for organizational leaders with space to track brief comments and to mark red flags that arise.
- A list of questions to guide you in evaluating the big picture presented by your assessment and the risk associated with the red flags.
- A place to mark your potential choice for grant structure

### 3. Risk Assessment Decision Tree

This worksheet maps out an overall picture of risk and will point you toward options you might consider in making a grant that manages the identified risk.

Worksheet 1

## Supplemental Due Diligence Items for Prospective Startup Grantees

These are items that may not be currently requested under the established due diligence process for proposal review but that will be of help in assessing startups.

- ❑ The executive director's resume
- ❑ An organizational chart, if one is available
- ❑ Board member list, with affiliations
- ❑ Board meeting minutes for the last year or since inception
- ❑ Monthly financial statements for the past year
- ❑ Projected cash flow for 12 months
- ❑ Policy on internal controls
- ❑ Job descriptions for each staff position
- ❑ A copy of personnel policies
- ❑ A sample employment agreement and/or hire letter
- ❑ A sample of forms included in personnel file
- ❑ A sample newsletter
- ❑ A sample of any constituent or fund appeal mailings
- ❑ Any planning documents (e.g., strategic or business plan, fund development plan)

Worksheet 2

## Startup Assessment and Red Flag Identification

| Area of Review | Red Flag | Notes |
|---|---|---|
| **Document Review** | | |
| Executive director resume | Y N | |
| Organizational chart | Y N | |
| Board member list with affiliations | Y N | |
| Board minutes for the last year | Y N | |
| Monthly financial statements for the last year | Y N | |
| Projected cash flow for 12 months | Y N | |
| Policy regarding internal controls | Y N | |
| Job descriptions for each position | Y N | |
| Copy of personnel policies | Y N | |
| Sample employment agreement or hire letter | Y N | |
| Sample personnel file with required forms | Y N | |
| A sample newsletter | Y N | |
| Sample of any constituent or fund appeal mailings | Y N | |
| Strategic and/or fund-raising plans | Y N | |
| **Governance** | | |
| Describe your board and the role it plays in the organization. How is the board structured? | Y N | |
| Who is on your board? What do they bring to the organization? How do you recruit and select your board members? | Y N | |
| *Followup if the executive director or other staff is on the board:* What prompted that decision? How is it working? | Y N | |
| How do you set the overall direction of your organization? | Y N | |

| Area of Review | Red Flag | Notes |
|---|---|---|
| **Leadership** | | |
| What is your vision for the organization? | Y N | |
| What are the top three challenges facing the organization over the next five years? | Y N | |
| Who are the key leaders in the organization? | Y N | |
| What are their roles? | Y N | |
| How do you work with your board of directors? | Y N | |
| **Development** | | |
| How does your organization raise money? | Y N | |
| What are your plans for growing or diversifying your funding base? | Y N | |
| **Finances** | | |
| How was the budget developed? | Y N | |
| How are financial reports reviewed? | Y N | |
| How are decisions made? | Y N | |
| What internal controls does the organization have in place? | Y N | |
| Does the organization have enough cash to meet its commitments? | Y N | |
| **Human Resources Management** | | |
| How are the human resource functions handled in your organization? | Y N | |
| Is there a personnel file for each employee including pay information, emergency contact information, mandated government forms (W-4, I-9)? | Y N | |

| Area of Review | Red Flag | | Notes |
|---|---|---|---|
| **Communications** | | | |
| Whom do you need to communicate with (key audiences or constituencies)? | Y | N | |
| Do you have a marketing or external communications plan? | Y | N | |
| How do your communication activities further your mission? | Y | N | |

1. How *extensive* are challenges or organizational deficiencies? Are there many red flags across different areas, or are they clustered?

2. Taken as a whole, are the challenges *significant* (critical) enough to affect the organization's ability to carry out our grant? Why?

3. Could the issues be addressed?

4. Is the organization willing to take the necessary steps to remedy the weakness or deficiency?

*Likely grant option:*

❑ Fully fund, no stipulations

❑ Fully fund, with stipulations

❑ Experimental grant

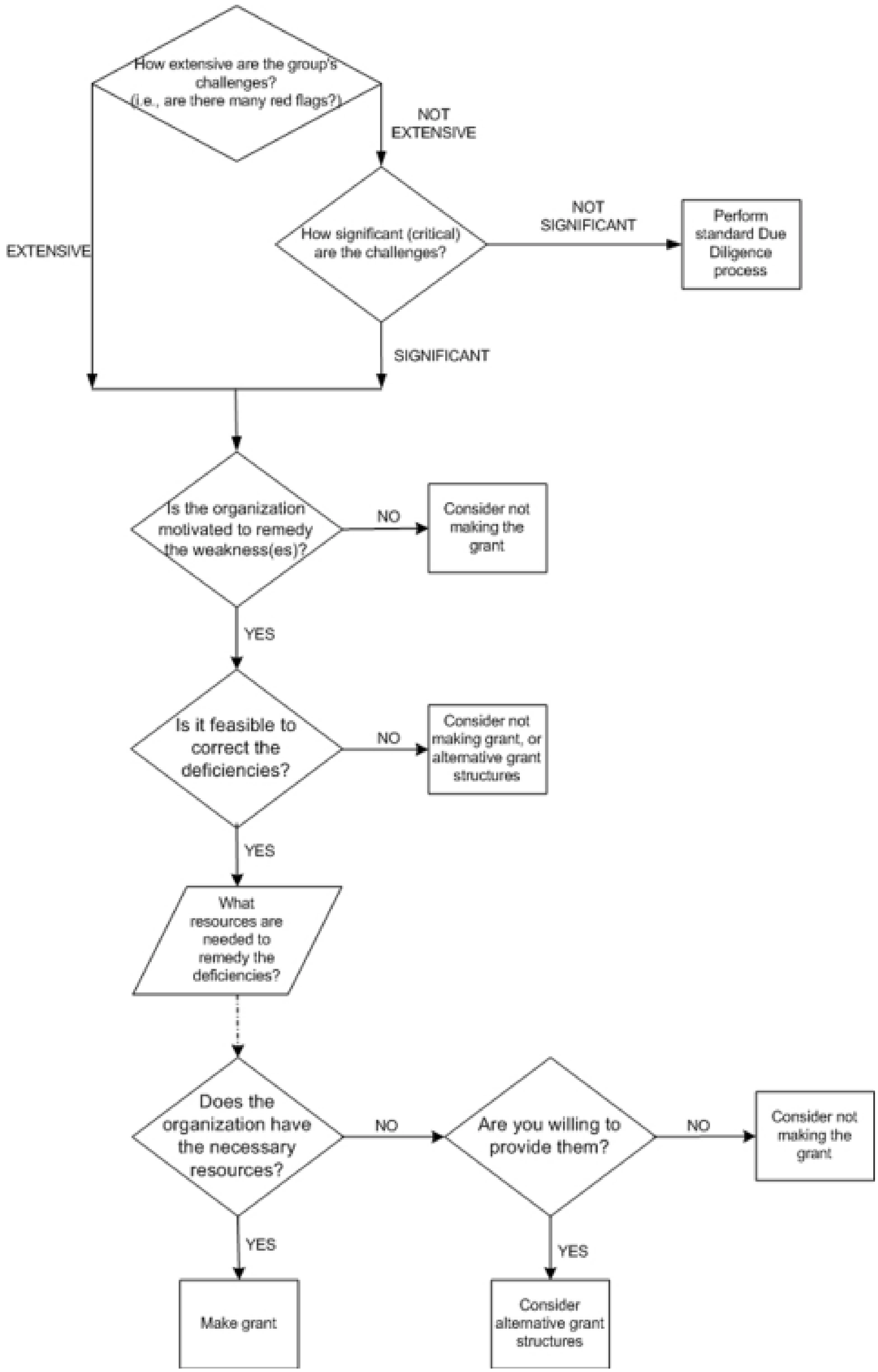
❑ Experimental grant, with organizational effectiveness grant

❑ No grant now — come back later

❑ Decline

Worksheet 3

## Risk Assessment Decision Tree: Analysis of Red Flags



# About the Authors

*Tool for Assessing Startup Organizations* was written by David La Piana, Liza Culick, Kristen Godard and William Coy. The authors are with La Piana Associates Inc., a consulting firm specializing in a broad range of nonprofit management issues of concern to funders, nonprofit organizations and their boards. La Piana Associates' staff includes experts in strategic planning, organizational assessment, management restructuring, strategic partnerships, human resources, organizational culture and marketing and communications.

La Piana Associates grew out of David La Piana's 25 years working in the nonprofit sector. The firm's founding in 1998 was unusual in that it was initiated and supported by a collaboration of three major California foundations: The David and Lucile Packard Foundation, The James Irvine Foundation and The William and Flora Hewlett Foundation.

La Piana Associates also has a strong research emphasis. The firm strives to make the findings of this research available and accessible to the nonprofit sector through publications, workshops and presentations, as well as through its consulting practice.

David La Piana's early publications include *Nonprofit Mergers: The Board's Responsibility to Consider the Unthinkable* (1994) and *Beyond Collaboration: Strategic Restructuring for Nonprofit Organizations* (1997). In the past four years, the firm has conducted major research into partnership behavior among nonprofits. The results have included the publication of *The Nonprofit Mergers Workbook* (2000) and *Real Collaboration: A Guide for Grantmakers* (2001), as well as completion of the largest study of nonprofit strategic restructuring (e.g., mergers, joint ventures and consolidations) ever conducted in the United States. GEO published a funders briefing on that study: *In Search of Strategic Solutions* (2003). Most of these publications can be downloaded or ordered at www.lapiana.org.

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