About the Alliance
The Alliance of Arizona Nonprofits is a unifying association formed in 2004 to advance the common interests of more than 20,000 nonprofits in Arizona, representing over 150,000 employees and 500,000 volunteers. The Alliance is an action-oriented group of partners across the state – both nonprofits and those in the community who support them – dedicated to furthering the common interests of Arizona’s nonprofit community. The Alliance does this by uniting, strengthening, and advancing the nonprofit sector through various programs, resources, and advocacy efforts. Learn more at arizonanonprofits.org.

Our Role in Public Policy
Overall, the Alliance supports public policy that contributes to a sound economy, promotes economic well-being for all residents, protects vulnerable populations, preserves our unique natural environment, and advances our common efforts to solve public problems. The Alliance recognizes that each nonprofit plays a role as not only a social advocate, but also as an employer and business. Those overarching public goals drive the work of Arizona’s nonprofits, and the Alliance urges policy makers to effectively engage nonprofits as partners in addressing public policy issues.

The Alliance makes the voice of Arizona nonprofits heard and ensures that we are at the table with our for-profit and government colleagues for critical conversations impacting our communities. We encourage the nonprofit community to engage in public policy advocacy for issues that affect individual segments of the community. While it may not be appropriate for the Alliance to play a leadership role in such matters, the Alliance will make every effort to share information and provide opportunities for nonprofits to network and collaborate on these subsector advocacy efforts. The Alliance will also provide and support training opportunities that encourage nonprofit members to engage in public policy advocacy efforts.

The Alliance recognizes that the rich and diverse experiences, perspectives, and values of our entire community should be reflected in all aspects of our work, including the Alliance and nonprofit sector’s public policy engagement. The Alliance will support inclusive public policies and will work to advance internal and external processes that promote diverse voices in the development and implementation of public policy. These voices should include those groups and individuals who have been historically underrepresented or marginalized.

To that end, we and our members are guided by the following principles and stand behind the agenda items outlined on the following pages.
Guiding Principle: Nonprofits and Government Working Together

Nonprofit/Government Partnership
The Alliance recognizes that the partnership between government and nonprofits can be reformed to promote innovation, collective models of impact, and streamlined processes, all of which serve the long-term interests of taxpayers and communities. The Alliance supports efforts to transform the way in which state agencies and nonprofits interact, with a long-term goal of maximizing collective impact for the people of Arizona. The Alliance serves as a representative of the nonprofit sector to the government sector and serves as a connection between the two sectors. In particular, the Alliance supports implementation of policies, rules, regulations and laws that ensure that the full cost of services contracted to nonprofits by federal, state, and local governments are paid for by the public funds dedicated to the service.

The Alliance advocates to create inclusive and open dialogue between government regulators and the nonprofit sector when new, or changes to existing, regulations are being considered and will serve as a representative of the nonprofit community on their behalf. The Alliance will also advocate for adequate time for nonprofits to adapt to regulatory and fiscal changes. The Alliance supports the existence of appointed boards and commissions as a means of including the public’s voice in public policy matters and advocates for the inclusion of nonprofit leaders on these boards and commissions. The Alliance opposes efforts to limit such civic engagement.

The Alliance actively educates the government sector on nonprofit operations and issues to strengthen the collaboration and understanding between both sectors.

State and Federal Fiscal Policy
The Alliance favors a balanced approach to fiscal policy that:
- Provides adequate support for public programs;
- Supports levels of resources for quality of life and public infrastructure necessary for the long-term economic growth and health of the nation and the state of Arizona;
- Avoids undue hardships on the most vulnerable residents of our communities to achieve balanced government budgets;
- Addresses the community’s needs comprehensively, avoiding false choices that pit one set of programs against others in a competitive framework;
- Permits the flexibility of policy makers to address changing and vital community needs, especially those that support nonprofits in their efforts to assist communities and contribute to the long-term economic development of Arizona; and
- Standardizes the application and reporting procedures associated with funding processes to minimize the burden on nonprofits and encourage cooperation among agencies.

Furthermore, the Alliance opposes the imposition of taxes, fees or other costs that place undue burden on nonprofits, inhibit their ability to perform their work in the community, or have the effect of removing existing exemptions for nonprofit organizations.
Regulation of Nonprofits
The Alliance opposes legislation that imposes unreasonable regulatory burdens on nonprofit organizations and stifles the ability of nonprofits to pursue and fulfill their missions and supports regulatory reform that advances and protects the common interests of taxpayers and nonprofits.

The Alliance supports a transparent means to determine whether someone asking for a donation represents a nonprofit or cause that the donor can contact and vet, and that protects both contributors and legitimate nonprofits from disreputable and fraudulent fundraising.

Some examples of previous action:

- Supported implementation of federal Office of Management and Budget guidelines that call for full costs of services to be paid by state and federal agencies to nonprofit contractors. Alliance action has focused on training for nonprofits eligible to include full costs in their contract negotiations.
- Supported exploration of a nonprofit registration system that would allow consumers and donors to vet the legitimacy of nonprofits operating in the state.
- Opposed sector- or organization-specific exclusions from the State Employees Charitable Campaign that could be precedent setting in allowing the state to select “winners and losers” in employees’ personal workplace giving choices.
- Supported dedicated funding for education through both a temporary and permanent sales tax.
- Coordinated and elevated the nonprofit voice on COVID-19 related issues with the Governor’s Office and related agencies.
- Advocated for inclusion of nonprofits in federal COVID-19 relief packages.

Guiding Principle: Protecting the Underlying Purpose of a Nonprofit

Responsibility
The Alliance recognizes that nonprofits – as private organizations, but also part of civil society – are successful by earning and maintaining public trust. To that end, the Alliance supports laws, regulations and policies that maintain non-partisanship, promote public transparency, and strike a proper balance between the independent activities of nonprofits and the need to protect and inform the public.

Tax Exemption
The Alliance opposes changes to the underlying exemption of nonprofit organizations from corporate income and property taxes at federal, state, and local levels of government. Furthermore, the Alliance opposes the imposition of taxes, fees or other costs on nonprofit organizations that place undue burden on nonprofits, inhibit their ability to perform their work in the community, or have the effect of removing existing exemptions for nonprofit organizations.
An example of previous action:
- Defended the Johnson Amendment, which protects nonprofit non-partisanship and builds trust and respect for the nonprofit community.

Guiding Principle: Promoting Community Support for Nonprofits

Charitable Giving and Tax Incentives
The Alliance supports state and federal tax incentives, deductions, and credits that encourage charitable giving by individuals, businesses, and organizations. We will evaluate the impacts of proposed changes to these incentives, or creation of new incentives, balanced with other fiscal and social policies that address the critical needs of vulnerable populations served by nonprofits. We oppose efforts to change or eliminate such tax incentives in a way that could reduce the level of contributed income for nonprofit organizations.

Service and Volunteerism
The Alliance supports funding and incentives for national, state, local, and other community service programs and opposes measures that would significantly reduce or eliminate funding and other incentives for such programs. The Alliance promotes protecting the safety of nonprofit volunteers and supports proper funding to ensure resources are available to do so.

Charitable Gaming
The Alliance favors clear rules and policies that allow nonprofit organizations to utilize a variety of gaming options as fundraising tools consistent with applicable restrictions and regulations. The Alliance connects nonprofits to the appropriate government agencies to promote better understanding of and compliance with regulations.

Arizona 2-1-1
The people served by Arizona’s nonprofits deserve to have easy access to information about how to get help when facing a crisis or following a disaster and how to learn more about services to meet their basic human needs. Arizona 2-1-1 is a community information and referral system that most efficiently meets that need. However, Arizona’s current system is inadequately funded, which puts this public service in competition for funding with its nonprofit partners and fails to adequately serve people in need. The Alliance supports permanent, dedicated public funding sources to maintain, promote, and expand Arizona 2-1-1 as a valuable public service in our communities.

Some examples of previous action:
- Supported continuation of Arizona Charitable Tax Credit (formerly Working Poor Tax Credit) program.
- Shared information regarding efforts to increase the donation levels and extend the donation window for the Arizona Charitable Tax Credit. However, the Alliance did not take a position in support of or opposition to the expansion of the credit.
• Successfully lobbied for amendment of legislation for nonprofits involved with wine pulls and other liquor-related fundraising activities and provided training to nonprofits on related regulations.
• Supported federal tax reform initiatives that make it easier for all Americans to utilize federal tax incentives for charitable giving.
• Supported development of permanent, dedicated public funding sources for 2-1-1.
• Supported Arizona tax reform changes that allow Arizonans to continue to receive a tax benefit for their charitable giving whether they itemize or take the standard deduction on their state taxes.
• Successfully advocated for a universal charitable tax deduction at the federal level.
• Advocated for support for AmeriCorps and other community service programs that benefit nonprofit organizations and develop nonprofit leadership.
• Provided education and training on raffle regulations.

Guiding Principle: Advancing the Nonprofit Role in Advocacy

Advocacy and Lobbying Rights
The Alliance encourages all nonprofits to engage in advocacy and public policy to support their missions while remaining non-partisan. The Alliance supports protection of and education around the advocacy and lobbying rights of eligible nonprofit organizations and efforts to strengthen the ability of Arizona nonprofits to engage in the public policy arena. The Alliance will serve as a connector to encourage collaborative advocacy and coalition building among nonprofits. The Alliance also supports laws and initiatives that promote and expand nonprofits’ role in the civic engagement of the people of Arizona and that specifically promote and expand the registration, education, and participation of voters in the democratic process.

Social Welfare Organization (501c4) Reform
The Alliance supports measures that clarify and foster public understanding of the proper role of 501(c)4 organizations in electoral politics; promote transparency and civic engagement; and create clear lines of differentiation between nonprofits permitted to engage in electoral activities and those that cannot.

Some examples of previous action:
• Supported open primary elections.
• Provided advocacy training to encourage nonprofit member engagement in public policy.
• Hosted an annual “Day at the Capitol” to provide an opportunity for the nonprofit community to highlight their work and collective impact and to advocate for policies that support that work.
• Monitored and reported on federal and state legislative activities that impact nonprofits.
• Issued action alerts to encourage nonprofit engagement on specific issues of significance to the sector.
• Defended the Johnson Amendment, which protects nonprofit non-partisanship and builds trust and respect for the nonprofit community.
• Convened nonprofit leaders around COVID-related issues and connected them to the media and their elected officials to tell their stories.

Guiding Principle: Maximizing Nonprofit Effectiveness

Nonprofit Capacity Building
Governments at all levels rely on nonprofit organizations to provide critical services and programs to individuals and communities. Support for nonprofit capacity building programs is designed to promote effectiveness and innovation in the delivery of services, improve a nonprofit organization’s ability to achieve its mission, and help nonprofits sustain themselves over time. The Alliance supports federal and state laws that provide resources to support nonprofit capacity building. The Alliance supports the development of government contract and grant models that allow nonprofits to receive the full cost of delivering government services and to invest in evaluation, measurement, capacity building, and innovation.

Employment & Unemployment Policies
The Alliance will support a balanced approach to employment and unemployment program policy revisions that enable individuals to live sustainable, productive lives while allowing nonprofits to fully cover any related increased costs of providing services.

Equity, Diversity, Inclusion, Access, and Social Justice
The Alliance acknowledges that systemic racism exists in public policies, institutions, and individuals and therefore will work to advance policies that help identify and dismantle systemic racism. The Alliance recognizes that the rich and diverse experiences, perspectives, and values of our entire community should be reflected in all aspects of our work, including the Alliance and nonprofit sector’s public policy engagement. The Alliance will support inclusive public policies and will work to advance internal and external processes that promote diverse voices in the development and implementation of public policy. These voices should include those groups and individuals who have been historically underrepresented or marginalized.

Some examples of previous action:
• Monitoring, reporting, and training on proposed overtime regulation changes and the related impacts on nonprofits as community organizations and as employers.
• Monitoring, reporting, and training on proposed minimum wage increases and the related impacts on nonprofits as community organizations and as employers.
• Following passage of a minimum wage increase, the Alliance advocated for changes to state contracts to ensure the wage increases were included in nonprofit contracts.
• Protection of tribal gaming grants awarded to nonprofits, as well as education of the nonprofit sector regarding these gaming grants.
• Training and outreach to nonprofits and government partners regarding Office of Management and Budget guidance that the full cost of contracted services (including “overhead”) should be funded by federal contracts, including contracts passed through states to nonprofit contractors.
• Worked to ensure that the 2020 Census process was inclusive and did not create barriers to participation for residents.
• Released a statement and support of Black Lives Matter.
• Performed and communicated results of a nonprofit sector poll around Diversity, Equity and Inclusion practices and needed support.
• Communicated and rallied support for overturning the 2020 Presidential Executive Order on restrictions related to diversity, equity, and inclusion training.

Special Section: COVID-19

This global pandemic has created specific barriers to carrying out nonprofit missions. Social distancing protocol and virtual service delivery makes it difficult to provide traditional programs, connect with the community, and fundraise effectively. Uncertainty in funding streams makes it difficult for nonprofits to either support increased service demand or maintain current staff due to decreased service demand. Staff, volunteers, and board members are also often distracted by personal stressors of the pandemic and financial strain.

The Alliance will continue to advocate for:
• Flexible financial relief and support for nonprofits of all types and sizes that allows the nonprofit to effectively respond to community and organization need.
• Reasonable liability protections for nonprofits working diligently to protect their employees, volunteers, and clients allowing them to continue to safely provide services that are vital to Arizona’s communities.
• Inclusion of nonprofit leadership and voices on issues related to COVID communication, response, and recovery.
• Protection of nonprofits that self-insure for Unemployment Insurance, as well as mitigation of any future hardships related to unemployment costs for the nonprofit sector in general.

Adopted by the Alliance Board of Directors 12/16/2020