

PRESIDENT'S CORNER
MARVIN B. BERENBLUM,
PRESIDENT & CHIEF
EXECUTIVE OFFICER

Dear Colleagues:

Since my appointment as NESC's leader last May, I have tried to meet as many of our consultants as possible in New York, Long Island, New Jersey and Connecticut. I am constantly amazed by the variety of skills, expertise, and enthusiasm our volunteers bring to the tasks they perform.

I have established as a strong priority, the formation of strategic alliances with other key organizations that share our interest in strengthening the nonprofit community. Foundations, associations and community-development organizations are examples of entities with whom we can collaborate in identifying the important needs of nonprofits and providing the aid and assistance so essential to their achieving their mission in the most effective manner.

It is not only, for example, the 2,000 Boys and Girls Clubs across the country who can benefit from NESC's invaluable consulting and business advisory services. More importantly, are the ultimate beneficiaries, the more than three million boys and girls served by these clubs. I've had a

Continued on p. 8

**REVENUE GENERATION IS GOAL
OF NEW INITIATIVES COMMITTEE**

Marvin B. Berenblum, appointed NESC President and Chief Executive Officer in May 2003, has created an eight-person Senior Advisory Committee with the mission of augmenting NESC's revenue generation capabilities. The committee, consisting primarily of veteran consultants and several new staff additions, will develop strategies to help meet short- and long-term revenue goals and positioning in the marketplace.

Use Consulting Resources Effectively

Marv recently emphasized his plans to meet the challenges facing NESC in the post 9/11 era and the subsequent extended stock market decline that reduced the funding ability of many donors. In this regard, he feels that NESC must take greater advantage of the skills of our consultants, our primary resource. He seeks to broaden the scope of present consulting assignments to more gainfully employ NESC's large cadre of highly qualified volunteer consultants.

Develop Strategic Alliances

Marv's vision also includes forming strategic alliances with other nonprofits like the United Way, Chamber of Commerce, and Seedco that share an interest with us in serving our common clients. In this regard, he points to the success of NESC Central Connecticut's affiliation with United Way; the recent joint event at the Penn Club co-hosted by our Social Services Sector and Seedco (see story on page 5); and with the Alliance for Non-profit Governance at the Better Business Bureau (see story on page 2).

There is no doubt that Marv has a busy agenda ahead. He has still managed to find time to visit NESC affiliates in Chicago, Los Angeles, Indianapolis, Pittsburgh, and Boston, where he hopes to forge a more effective collaboration in promoting our common mission.



Members of the Advisory Committee discuss revenue generation strategies. Left to right, seated: Eleanor Holtzman, Arnold Becker, Marc J. Reiss. Standing is Ira Schwartz, Gerald D. Levy, Lewis Boxenbaum, Laurence M. Lerner and Fred Schriever. For more information about the committee, see page 7.

INSIDE THIS ISSUE:

<i>Nonprofit Accountability Conference</i>	2
<i>Nairne Appointed Sr.V.P., CFO</i>	2
<i>'Round the Regions</i>	3
<i>Three NESC Events: Arts,</i>	4
<i>Social Services & Religion Sectors</i>	5
<i>Whom We're Helping</i>	6
<i>New Advisory Committee</i>	7
<i>Revitalized Mentoring Program</i>	7
<i>Upcoming Events</i>	8

EXTERNAL AFFAIRS

NONPROFIT ACCOUNTABILITY IS SUBJECT OF RECENT CONFERENCE CO-SPONSORED BY NESC AND ALLIANCE FOR NONPROFIT GOVERNANCE

Almost 400 representatives from across the nonprofit community attended the recent jointly sponsored conference on the state of nonprofit accountability. The conference was held in October at the Better Business Bureau in New York City.

The event was co-sponsored with the Alliance for Nonprofit Governance (ANG). Its newly-appointed Executive Director,

Donald C. Ebel, was formerly a NESC consultant. Carolyn Patterson, Chairperson of ANG, indicated that the conference offered nonprofits a rare opportunity to provide constructive input to the New York State Attorney General, Eliot Spitzer, and other regulators.

The mission of ANG is to build sustainable nonprofit organizations by strengthening their Boards. Accordingly, the joint event is another ex-

ample of the strategic alliances NESC is forming to better serve our mutual clients.

NEW SR. VICE PRESIDENT-DEVELOPMENT ANNOUNCED

Laurence M. Lerner has been named Senior Vice President-Development, it was recently announced by Marvin B. Berenblum, President and CEO. He replaces Carol Ausubel Blumenfeld, who resigned to join Memorial Sloan-Kettering Cancer Center as Major Gifts Officer.

FRANK B. NAIRNE ASSUMES POST OF NESC CHIEF FINANCIAL OFFICER, REPLACING RETIRING LONG-TIME CONSULTANT NANCY S. MILTON

Frank B. Nairne was recently named NESC's new Senior Vice President and Chief Financial Officer, by Marv Berenblum, President and CEO. He succeeds Nancy Milton who resigned earlier after serving as a volunteer CFO since 2001.

Frank was CFO of the Securities Industry Automation Corpora-

tion (SIAC) which he joined in 1989 and previously held key management positions in the brokerage and airline industries.

After retiring in 2002, Frank joined NESC as director of management consulting for the City University of New York (CUNY) consulting project. His business experience also served him well as a recent participant in NESC task forces aimed at developing consulting practices for information technology, earned income and risk management.

Frank continues as a volunteer Treasurer and a member of the Board of the Fund for Peace which he joined in 2002. The Washington, DC-based global nonprofit organization, funded in part by U.S. and foreign government agencies, was formed to help prevent or alleviate armed conflicts.

Frank acknowledges that NESC, like many nonprofits, has been experiencing occasional cash



flow problems which he attributes to a reduction in grants subsequent to 9/11.

He believes the economy is showing definite signs of improve-

Continued on p. 8

Thank you, Nancy Milton!

For the past two years, Nancy S. Milton has served NESC as its volunteer Chief Financial Officer. Prior to that, she worked on numerous NESC consultancies, unstintingly offering her expertise to nonprofits needing financial strengthening.

Nancy will continue to volunteer with NESC, while spending well-deserved "retirement" time with her family and her new grandson.

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'ROUND THE REGIONS

NEW JERSEY



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NONPROFIT START-UPS BENEFIT FROM EXPERIENCED CONSULTANTS PROVIDED BY NESC-NJ'S NEW MENTORING SERVICES

Margean Gladysz, Senior Vice President and Regional Director, NESC-NJ, advises that her group is engaged in an exciting, innovative new project to provide mentoring services to graduates and "near graduates" of Seton Hall University's Institute on Work (IOW). The Seton Hall Program is offered in partnership with the New Jersey Economic Development Authority's Entrepreneurial Training Institute (ET).

The Independence Community Foundation, PNC Bank and the NJ Economic Development Authority are providing funding so client agencies will not have to pay for the services. In addition, the IOW is providing training for NESC consultants and will provide some additional mentors, depending on specific skills required.

Agencies to benefit from this project include: Sports Plus in Newton, St. Paul's Community Development Corporation in Paterson, The Hope Community Development Corporation in Teaneck, and Paterson Thrift Shop.

Dick O'Malley, the project's Director, Management Consulting, and Margean Gladysz, are responsible for this effort. They expect to offer these new services in the future both to the IOW and to other agencies. NESC-NJ consultants participating in the project include Bob Wolfenbarger, Walter Stern, Joel Sobo, Tom McGough and Dr. David Chai.

CENTRAL CONNECTICUT REGION PARTNERS WITH UNITED WAY OF THE CAPITAL AREA

Nancy and Roy Normen, Co-Directors of the Central Connecticut Region report a close partnership with United Way of the Capital Area (UWCA). They provide NESC with office space, meeting rooms and other support services. "Once in a while we turn to NESC for consultation assistance to help us address a problem or need," said George Bahamonde, UWCA President and CEO.

The initial steps were to use a list of issues and other references to draft a table of contents that provided a good structure for the project. Roy Walder, lead consultant on the project, used various resources including a Personnel Handbook produced in a prior NESC project together with his own knowledge and experience to draft the 50 sections and related materials for the new Policy Manual.

CENTRAL CONNECTICUT

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"Bob Andrews and Roy Walder brought their many years' experience and knowledge to bear on this project," according to Mr. Bahamonde. "The result is a product we are proud to bring to our Board of Directors for action."

The cooperation between UWCA and the NESC team was excellent. The final product will also serve as a valuable reference for future engagements.

SOUTHWEST CONNECTICUT

NESC-SWCT COMPLETES "IT" AUDIT FOR WILTON PUBLIC SCHOOLS



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or Al Atherton at
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Burke

Atherton

William J. Burke and Al Atherton, Vice Presidents and Co-Directors of NESC-SWCT, report that their region has completed an Information Technology (IT) Audit for the Town of Wilton. Commissioned by the town's Tri-Board Study Team comprised of members of Wilton's Boards of Selectmen, Finance

and Education, NESC researched the school district and town departments to survey IT projects underway in Wilton; assess ways to share IT knowledge between schools and town offices; learn where IT may help town government improve in the future; and recommend steps Wilton may wish to consider in developing an effective and practical long-term IT strategy.

The eight-member NESC team conducted 48 face-to-face interviews and benchmarked neighboring towns, and software providers, to give Wilton an internal picture, and a view of the outside world. The Tri-Board hailed the report as "thorough and excellent," coming at a time when Wilton recognized a need to develop a plan to utilize IT for efficient government and to improve the citizen-government experience. The NESC team included retired and transitioning consultants, several of whom had prior experience with the use of IT in town government. Four team members were "first-project-with-NESC recruits."

NESC ARTS AND SOCIAL SERVICES

THE ALTMAN FOUNDATION'S KAREN L. ROSA TELLS 59 ARTS GROUPS HOW TO AVAIL THEMSELVES OF FOUNDATION GRANTS



Betty Lefferts introduces the program at The National Arts Club on October 28.

The Arts & Culture Sector of NESC held its 10th annual Wine & Cheese Reception at the National Arts Club on October 28. Hosted by Betty Lefferts, Sector Head, over 120 people accepted the invitation and representatives of 59 not-for-profit organizations attended the event.

Nat Sutton, NESC Chair, emphasized our commitment to help arts groups succeed by providing professional advice to make their management operations more efficient and effective. Marv Berenblum, President and CEO, introduced the guest speaker, Karen L. Rosa, Vice President and Executive Director of the Altman Foundation created in 1970 by the late department store founder, Benjamin Altman.

Praising the high quality of NESC consultancies, Ms. Rosa recommended that the audience avail themselves of our services. She noted that many of the attendees, including the NESC, have been beneficiaries of the Altman Foundation's grants totaling more than \$10 million a year to New York nonprofits.

Ms. Rosa reiterated the founder's long-standing interest in support-

ing the arts and cultural organizations in New York especially in nurturing skills in the arts among children for whom such opportunities are not normally available. The foundation's grants go to collaborations and long-time projects.



NESC Consultant Mitch Brower listens to an Arts Reception guest.



Marv Berenblum, NESC President and CEO, chats with the evening's speaker Karen L. Rosa of the Altman Foundation (left) and representatives of other arts organizations.



Attendees at the Arts Reception included l. to r.: Jane Delgado and Andrew Schinderman of the Abrons Arts Center, and Verona Middleton-Jeter, Henry Street Settlement.



NESC Consultant Sergio Sedita meets (l. to r.): Jennifer Newell, Brooklyn Conservatory of Music, Virginia Almendarez, The Point Community, and Lucy Roche of New York Landmarks Conservancy.

SECTORS HOST GALA RECEPTIONS

NESC'S SOCIAL SERVICES SECTOR AND STRATEGIC PARTNER SEEDCO TELL GUESTS AT PENN CLUB RECEPTION HOW TO APPLY FOR GRANTS TO CREATE SOCIAL PURPOSE VENTURES FOR INCREASED REVENUE

On October 22, the NESC Social Services Sector held a joint reception for clients and prospective clients at the Penn Club in New York. Leslie Brown, Senior Vice President and sector head, served as the NESC host along with Marv Berenblum, President and CEO. The reception was part of a recently announced effort to form meaningful joint alliances with other nonprofits in order to promote a common mission of serving the nonprofit community.

Seedco provides financial and technical assistance, and management support for the community-building efforts of nonprofit organizations and small businesses in targeted disadvantaged communities. Rosanna M. Perry and Dawn Techow, Senior Program Associates, represented Seedco at the highly successful joint event.



L. to r.; Leslie Brown, NESC Social Services sector head, introduces Rosanna Perry of Seedco, and presenters Karen Overton and Lisa Powell.

Participating in the panel discussion were two Seedco grantees who presented case histories of recently-launched earned income ventures. The proceeds of their business ventures are being used to help fund the social service program of the nonprofit organization. In the Q&A that followed their presentation, the speakers indicated that the earned income ventures were unlikely to create a

tax liability provided that it represents a relatively small amount of the overall income of a 501(c)(3) nonprofit organization.

About 60 people attended the “after-work” event. “Based on the positive feedback we received,” said Leslie Brown, “we expect to be asked to assist prospective grantees in developing the comprehensive business plans that are required by Seedco in starting an earned income venture.”

It is also anticipated that the NESC may provide a key role in serving on a Seedco panel that reviews the funding requests for new social purpose business ventures that it receives from nonprofits.



Harmon Butler, NESC Director of Management Consulting, greets Daniel Rivera of The People's Firehouse.



NESC's Marv Berenblum (CEO) and Dan Arnheim discuss funding issues with a guest at the Reception.

RELIGION SECTOR HOSTS LUNCHTIME SEMINARS

A strategic alliance has been created between NESC's Religion consulting practice and The InterChurch Center (TIC) in New York City. The first project of this alliance is a “Noontime Business Best Practices series for Non-Profits,” targeting TIC's Religion and other nonprofit tenants. Held the first Thursday of each month, October's session focused on Business Best Practices in Information Technology, and November's event was on Financial Reporting.

The seminars showcase NESC consultants and help position NESC in the Religion sector.



Ed Redfern, head of NESC's Religion sector, introduces consultant Charles Toder, who presented “Financial Reporting for Nonprofits” at The InterChurch Center.

WHOM WE'RE HELPING

IN THE SECTORS

ARTS AND CULTURE

Historic Richmond Town
 The Municipal Art Society of NY
 Clemente Soto Velez Cultural & Education Center
 Doll and Toy Museum of New York City
 Hospital Audiences, Inc.
 Preservation League of Staten Island
 Snug Harbor Cultural Center
 Staten Island Inst. of Arts & Sciences

EDUCATION

City University of New York

EXECUTIVE SEARCH

Staten Island Historical Society
 Amyotrophic Lateral Sclerosis Association (ALS), Greater NY Chapter
 Amnesty International NY
 New York City Police Museum
 Marketing Executives Networking Group

HEALTHCARE

Community Blood Services
 U.S. Environmental Protection Agency
 Faith Center for Community Development, Inc.
 Center for Health Care Strategies

GOVERNMENT

City of Mount Vernon (NY)

RELIGION

The Riverside Church in New York City

SOCIAL SERVICES

Eastern Paralyzed Veterans Association
 Workshop in Business Opportunities
 Marketing Executive Networking Group
 Weston United Community Renewal

HOW WE'RE HELPING

In the Sectors and Regions named, NESc is doing a wide variety of consulting assignments. Among those are:

- Strategic plans
- Board development
- Facilities review
- Earned income strategies
- Marketing plans
- Organization audits
- Executive coaching
- Space allocation study
- Operations review
- Information Technology Audit
- Communications plan
- Fundraising
- Retreat planning
- Human resources assessment
- Compensation and benefits
- Mission review
- Advertising and promotion
- Public relations
- Financial review
- Executive search (Executive and Development Directors)

IN THE REGIONS

CENTRAL CONNECTICUT

The Capitol Region Conference of Churches
 United Way of the Capitol Area
 Operation Respect CT, Inc.
 YWCA of the Hartford Region
 Institute for the Hispanic Family
 Hartford Public Schools
 South Windsor Recreation Dep't.
 Waterbury Youth Service System
 St. Agnes Home

SOUTHWEST CONNECTICUT

Town of Wilton
 Shelter for the Homeless
 Salvation Army, Stamford

LONG ISLAND

Cornell Cooperative Extension of Suffolk County
 Mill Neck Services for Deaf Adults
 Christ Church
 Junior League of L.I. Thrift Shop

NEW JERSEY

Morris County Heritage Commission
 Newark Public Schools
 Seton Hall University Institute on Work
 Union County Dept. of Economic Development
 NJ Dept. of Community Affairs
 SAGE
 Picatinny Innovation Center
 Somerset County United Way
 Partnership for People

WHO'S WHO ON THE SENIOR ADVISORY COMMITTEE

The new initiatives committee, announced by Marv Berenblum (see p. 1), has as its mission augmenting NESC's revenue generation capabilities. The committee is comprised of:



Eleanor Holtzman, Chairperson, who, in addition to being a former NESC President & CEO and currently a Board Member, brings more than 30 years of experience in marketing and social services.



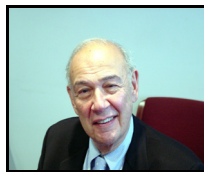
Gerald D. Levy, current Board Member and a veteran senior leader in NESC, as well as in the community and business world as one of the top executives of R. H. Macy & Co., will focus on creating strategic alliances with other organizations that can refer business to us.



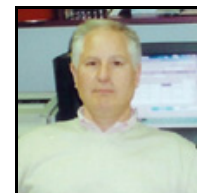
Fred M. Schriever, current Board member, is a private investor and consultant to international clients. He was CEO of RCG International, Inc. and a former Partner of Booz, Allen & Hamilton.



Arnold Becker, new to NESC, will serve as a senior advisor for business development. Arnold is a prominent management consultant in the retail/consumer services sector and served as president of U.S. operations for a major European-based retail company.



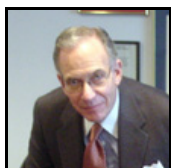
Marc J. Reiss, also a former senior staffer in NESC and a retired business executive with Lerner Shops, will be responsible for liaison and communications with our network of consultants.



Ira Schwartz, a recently retired marketing executive, was a Managing Partner, Global Managing Director and EVP of Darcy, Masius, Benton & Bowles, a major advertising agency. He is a marketing and public relations consultant for NESC.



Lewis Boxenbaum, also new to NESC, will serve as senior advisor on marketing. Lew owned a highly-respected marketing and communications consulting firm which he recently sold. Since then he has filled out his retirement by doing pro bono consulting.



Laurence M. Lerner, newly-appointed NESC Sr. Vice President-Development, has a very successful record of fundraising in the nonprofit sector, including his most recent achievement of raising \$57 million for Manhattan College, \$7 million more than the campaign's goal.

NESC REVITALIZES MENTORING PROGRAM

Recognizing that small organizations often cannot afford to pay for the consulting services so badly needed to insure their survival, the NESC recently revised its Mentoring Program.

Consultants in the Mentoring Program offer their services to qualified organizations on an ongoing basis, meeting once a month for a period of six months and conducting sessions of up to three hours at the NESC office. The services are provided on a one-on-one basis addressing specific problems in priority order as identified in consultation with the client.

The areas for mentoring assistance include Strategic and Business Planning, Marketing and Public Relations, Fundraising, Board Development, Fiscal Management, Human Resources and Information Technology.

Qualified organizations are required to pay a minimum registration fee of \$500.00 for the monthly consulting sessions. The modest fees of the mentoring program are proving very popular with many of the smaller organizations.

In a related area, Sandra Hayes is now heading a third Leadership Development Program that started in September involving a series of one-on-one mentoring sessions with nonprofit executives.

FRANK NAIRNE, NEW SR. V.P. AND C.F.O., *continued from p. 2*

ment and is guardedly optimistic about a turnaround in 2004 that should help the nonprofit community.

In the meantime, Frank stresses the importance of staying the course and maintaining fiscal discipline. He is hopeful that the expected gain in contributions during the fourth quarter will result in a positive cash position at year-end 2003 with no debt outstanding.

A new bottom-up budget process is now underway for the year 2004 involving each sector and regional office.

Frank is confident NESC will have the necessary resources to continue to accomplish our mission.

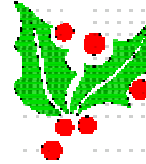
PRESIDENT'S CORNER: Marv Berenblum, *continued from p. 2*

long association with the Boys' and Girls' Club movement, and NESC has performed a number of consulting projects for member organizations.

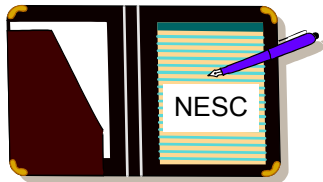
NESC's fees for services provided are subsidized by institutional grants and individual giving, and therefore are very affordable – a most important consideration when one takes into account the current financial squeeze the nonprofit community is experiencing.

I wish to take this opportunity to wish our colleagues, clients, and contributors the very best for the holiday season and a New Year of peace and personal fulfillment

Happy Holidays!



MARK YOUR CALENDARS WITH THESE UPCOMING EVENTS!



Consultants' Reception: December 15, 2003, 6 p.m., Morgan Stanley, 1585 Broadway, New York, NY

Clients' and Funders' Reception: January 15, 2004, 4:30 p.m., McGraw-Hill, 1221 Avenue of Americas, New York, NY



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