



FOUNDATIONS

Local Library or Management Service Organization?

Indiana's Foellinger Foundation is using free library services to boost grantee effectiveness.

By [Jean Butzen](#) | 3 | May. 31, 2012

Many foundations believe their grantees could be more effective by partnering with other organizations—for example, sharing back office services or even merging into a single, larger **nonprofit** to spread costs more effectively. When nonprofit leaders seem uncertain about or scared to try these strategies, what can a foundation do to make them relevant to nonprofits? Cheryl Taylor, president and CEO of the **Foellinger Foundation** in Fort Wayne Allen County, Indiana, found a creative way for grantees to take advantage of the benefits of collaboration—at the public library.

In 1999, the foundation was looking for a way to mark its millennium anniversary. “We don’t do parties,” said Cheryl, so the foundation determined that it wanted to make a gift to the Allen County Public Library while also making a positive impact on the nonprofit sector in some way. “We decided that the library is really like a freestanding management service organization,” said Cheryl.

For those unfamiliar, a **jointly held management service organization** (MSO) is usually an umbrella nonprofit that provides services—facilities management, accounting, human resources, IT, fundraising, etc.—on a fee-for-service basis to the individual organizations that are its members and customers. The members compose the board of directors, and control the mission and activities of the MSO in the same way that any board governs a nonprofit organization. MSOs are very customer-service oriented and achieve economies of scale by pooling budgets. Examples of MSOs abound in the healthcare industry and are beginning to spread into other areas of the nonprofit sector. (One interesting example is the **Glasser-Schoenbaum Human Services Center**, which focuses on shared

occupancy costs, housing 17 health and human service agencies completely rent-free on a campus with 13 buildings; it also offers advanced academic training for staff through the University of South Florida and will soon build a children's health facility.)

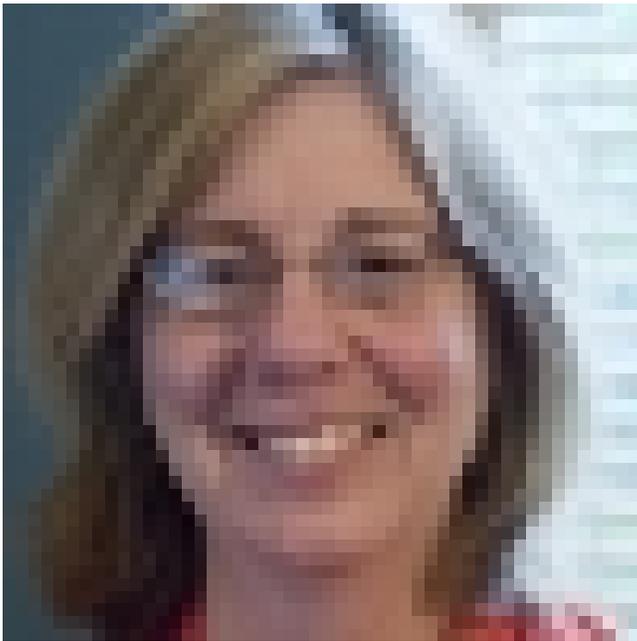
The Foellinger Foundation realized that nonprofits might be able to use the library in a similar way to an MSO. A library is customer service-oriented; it specializes in managing and distributing information and training to a wide variety of people and institutions; and people are accustomed to it operating as a center for learning. The foundation saw that the library budget could cover the overhead and infrastructure, and realized that with some additional funding, the library could expand its offerings and eliminate the need to fund an independent, service-based nonprofit.

In 2000, the Nonprofit Resource Center (now the **Paul Clarke Nonprofit Resource Center**) was born. Staffed Monday through Friday, the center offers a wide variety of completely free sources to nonprofit organizations in Allen County, including:

- Monthly classes on basic grantwriting
- Philanthropy forums that bring together funders and grantees
- Collaborative workshops and seminars on a variety of topics of interest to the broader nonprofit community
- **Board governance** and youth leader training
- Electronic dissemination of information to nonprofit leaders for proposal deadlines and upcoming presentations at the center
- Consulting services for nonprofits
- Reference and circulation services specifically for the publications related to the nonprofit sector

This is a great example of what can be done with some creativity and a collaborative approach. Have you ever thought of your library as an MSO? What institutions or resources already exist in our communities that could we better leverage and use to innovate?

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