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For nonprofits, it's about quality more than quantity



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Cathy Cheney | Portland Business Journal

Meyer Memorial Trust Executive Director Doug Stamm: Some charities are doing “mediocre” work.

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[Doug Stamm](#) no longer worries about Oregon's growing number of nonprofits.

The number of active charities registered in Oregon has doubled to 18,000 in just a decade, according to the Oregon Attorney General's charities section.

Stamm, executive director of Portland's Meyer Memorial Trust, used to worry about the growing crowd. Today, he focuses on quality rather than quantity.

“It’s easy to say, ‘We have 18,000 nonprofits in this state. Oh my God that’s too many,’” he said.

Stamm made his comments during the Portland Business Journal’s Nonprofit Roundtable discussion.

The private sector would never complain about having too many entrepreneurs, he said. While the comparison isn’t perfect, the diverse collection of charitable groups is a sign of passion, if not necessarily one of financial health.

Instead of focusing on the number, Stamm asks if Oregon has a strong, well-capitalized and coordinated nonprofit sector.

It’s a question that helps determine what organizations the Meyer Memorial Trust — established by the late grocery pioneer Fred Meyer — chooses to fund.

In its 2012 fiscal year, the Meyer Trust made 246 grants totaling \$25 million.

The Meyer Memorial Trust increasingly looks not only at the effectiveness of the organizations it supports, but also its role in the “ecosystem,” Stamm said.

Are they networking with their peers or are they acting in isolation? A charity can be effective without partnering with other groups, but that only goes so far.

“If we’re going to move the needle, the nonprofits can act in isolation, even if they are effective,” he said.

Effectiveness matters, said [Jim White](#), executive director of the Nonprofit Association of Oregon.

“I don’t think we have too many charities, but I do think we have too many charities doing mediocre work,” he said.

Some consolidation is taking place.

The Meyer Trust has convened gatherings to help like-minded charities meet, share strategies and avoid common pitfalls.

It has gathered organizations that work on domestic violence and child abuse to collaborate on funding issues.

“Out of that, it’s possible a number may find a chance to have some shared efficiencies,” Stamm said.

An example of like-minded groups choosing to merge was announced last week when Portland-based REACH Community Development Corp. assumed control of Vancouver’s smaller Affordable Community Environments.

Both agencies provide affordable housing to low-income residents of Oregon and southwest Washington.

As a joint venture, they operate a portfolio of nearly 1,900 units with the stated goal of bringing financial stability and new resources to their shared mission.

Executives say there will be more examples. MotiveSpace, a nonprofit commercial developer, expects to open the Barn Nonprofit Center to house up to 30 agencies in the Central Eastside by 2015.

[Tim Hennessy](#), executive director of CASA for Children, said collaboration puts money on the mission, not the management. CASA trains volunteers to advocate for children in foster care in Washington and Multnomah counties. It serves 900 of the 4,200 children in foster care — leaving more than 3,000 uncovered.

“There are a lot of us in the small category. Wouldn’t it be great to collectively handle the administrative function to free up mission-related resources?” he asked

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