

FOCUS

BEST-MANAGED NONPROFITS



REWARDING WINNING WAYS

This year's *Crain's* Best-Managed Nonprofit Contest looked for nonprofits that have taken specific steps to improve operations and delivery of services in a slow economy.

As the best-managed nonprofit of 2008, **Detroit Public TV/WTVS-Channel 56** will be honored at *Crain's* Newsmaker of the Year Lunch next year and will receive a cash prize of \$1,500: \$1,000 from *Crain's* and \$500 from **Gary Dembs**, president of the **Non-Profit Personnel Network** in Southfield. Dembs also served as a judge.

The other judges were:

■ **Kyle Caldwell**, president and CEO, **Michigan Nonprofit Association**, Lansing.

■ **Paul Good**, community and government-relations manager, **Detroit Zoological Society**, Royal Oak. Good has a long track record of nonprofit board experience and United Way volunteer service.

■ **Karla Hall**, manager, corporate contributions and vice president and secretary, **DTE Energy Foundation**, Detroit.

■ **Robert Inskeep**, professor of management, **Lawrence Technological University**, Southfield.

■ **Richard Martin**, vice president, advancement, **Lutheran Social Services** of Michigan, Detroit.

■ **Deanna McGraw**, president, **Detroit Executive Service Corps**, Southfield.

Thanks from *Crain's* goes to the judges for the hours spent evaluating applications and to the nonprofit practice group at **Plante & Moran P.L.L.C.** in Southfield, led by partner **Sue Perlin**, for its financial analysis of the applicants.

THE FINALISTS

Profiles on **Page 10**:

■ **ArtServe Michigan**: Created a more unified voice for arts groups.

■ **GreenPath Debt Solutions**: Reacted quickly to rising consumer demand.

■ **United Way for Southeastern Michigan**: Expanded services of 2-1-1 hot line.

■ **Michigan Humane Society**: Offered pet care cost assistance to owners facing hardship.

Dialed in

Detroit Public Television redoubles commitment to local programming while cutting costs

Detroit Public Television /WTVS-Channel 56, Wixom
President and general manager:
Rich Homberg
Budget: \$22.6 million

BY SHERRI BEGIN WELCH
CRAIN'S DETROIT BUSINESS

To remain relevant amid a cacophony of cable and digital television, radio and Internet choices, **Detroit Educational Television Foundation** is emphasizing local programming that can be broadcast on multimedia platforms.

Winner

Soon it plans to take its show on the road with new mobile productions — which will lower production costs.

Amid its move to a multimedia platform, the foundation, which operates as **Detroit Public Television/WTVS-Channel 56**, has managed to close out a \$22 million capital campaign and shift its programming to five areas critical to the region while reducing its operational costs by \$2.4 million. It also has brought in more than \$1 million in new funding to support its new local and national programs in core areas.

DPTV has done it all while ramping up production at its new, state-of-the-art studio and offices in Wixom. Plus it has successfully managed the transition from



NATHAN SKID/CRAIN'S DETROIT BUSINESS PHOTO ILLUSTRATION

"What will make Detroit Public Television relevant going into the future is more local programming," said President and General Manager Rich Homberg.

analog to digital broadcasting.

For all of those reasons, Detroit Public Television is *Crain's* 2009 Best-Managed Nonprofit.

"The media world is disintegrating with more and more competition (from cable, the Internet and a variety of other things capturing (viewers') attention,"

said Rich Homberg, president and general manager.

"With the way the media landscape has changed over the last few years, there's more and more of a need for a station committed to public engagement

See *Dialed in*, Page 11

Program helps mentally ill get care, cuts visits to ERs

"All of us have to be more creative in how we use dollars. We're trying to save money for the system," said **Adult Well-Being Services** CEO and President **Karen Schrock**.



NATHAN SKID/CRAIN'S DETROIT BUSINESS

Adult Well-Being Services, Detroit
President and CEO: Karen Schrock
Budget: \$10 million

BY SHERRI BEGIN WELCH
CRAIN'S DETROIT BUSINESS

Adult Well-Being Services' implementation of a program to decrease the number of mentally ill people cycling in and out of two **Detroit**

Runner-up

Medical Center emergency rooms is helping to dramatically lower reimbursement costs and improve outcomes for those patients.

One homeless woman with severe mental illness and chronic disease who had participated in the program had been at a DMC emergency room more than 100 times in a year.

But she hasn't been back since **Adult Well-Being** connected her to stable housing

through its new **Transportation-Crisis Mobile Team** program.

The program picks up the homeless struggling with mental illness, gets them to follow-up appointments with mental health professionals and gets them linked to other nonprofits that can, in turn, link them to permanent housing.

Adult Well-Being maintained the program, launched last year, in spite of a 10 percent cut in its mental health funding from **Gateway Community Health** this year.

Its launch of the highly successful program has earned it designation as runner-up in *Crain's* 2009 Best-Managed Nonprofit Contest.

Adult Well-Being's state and county funding declined about \$100,000 this year, said President and CEO **Karen Schrock**. In response to the cut in mental health funding

See *Care*, Page 10

Focus: Best-Managed Nonprofits

ArtServe gives arts, cultural groups one voice

ArtServe Michigan, Wixom
President: Jennifer Goulet
Budget: \$958,500

ArtServe Michigan has successfully integrated the merged operations of the **Michigan Association of Community Arts Agencies**, giving arts and cultural groups in the state a more unified voice.

The merged organization reduced its operating overhead by more than half, in part by consolidating its Lansing and Southfield offices to a new site halfway between the two in Wixom.

ArtServe has doubled the number of constituents and advocates getting its e-mail alerts and has engaged more of them in sending letters to legislators to advocate for arts funding.

It's worked with **McEachin & Associates CPA P.C.** in Ann Arbor to better manage cash flow and has begun building relationships with small arts organizations previously represented by MACAA when it was a membership or-



Goulet

ganization.

Post-merger, ArtServe undertook a statewide needs assessment of its merged members, developed an annual evaluation of its programs and services and conducted a strategic planning process that brought to the forefront its focus areas: advocacy and public policy, capacity building for artists and arts and cultural groups, and strategic communications.

Given economic conditions, ArtServe this year determined that it no longer had capacity to provide professional development and leadership support for arts educators.

— Sherri Begin Welch

Finalist

GreenPath quick to respond to unemployment, foreclosures

GreenPath Debt Solutions, Farmington Hills

President and CEO: Jane McNamara
Budget: \$42.4 million

GreenPath Debt Solutions was well-positioned to respond to the rapid rise in unemployment and home foreclosures.

Despite the economy, GreenPath's total revenue increased to \$32 million in 2008, up 11 percent from total revenue in 2006, as an increasing number of consumers came for low-fee credit and mortgage counseling.

The Farmington Hills-based organization, which operates 37 branches in Michigan, New York, Illinois, Wisconsin, Arizona and Indiana, in 2008 quickly hired additional counselors and re-allocated counseling resources to meet increased demand for mortgage delinquency counseling. It provided additional training on new housing regulations and related government programs to more than 100 of its counselors.



McNamara

Its scalable technology with built-in regulatory references allowed it to move quickly in meeting increased consumer demand.

In the first six months of this year, GreenPath has provided mortgage counseling to more than 38,000 consumers, up from 24,000 during all of 2008 and 7,000 the year before.

It estimates 7 percent of all of those calls come from Michigan residents.

The nonprofit agency also increased its budgeting and debt-management counseling sessions with consumers, providing 204,000 of the sessions during the first half of this year, compared to 235,000 during all of 2008.

— Sherri Begin Welch

Finalist

Humane Society's goal: Help strapped owners keep their pets

Michigan Humane Society, Bingham Farms

President and CEO: Cal Morgan
Budget: \$12.1 million

The **Michigan Humane Society's** belief that pets are an important part of any family spurred it to launch a program to keep pets with their owners during financial hardship.

To that goal, the Bingham Farms-based nonprofit is subsidizing low-cost and no-cost vaccinations for pets, sterilization surgeries, discounted veterinary care, free pet food and free behavior assistance for pets of local families facing difficult times.

Just over half of the Michigan Humane Society's revenue comes from contributions. It earns another 40 percent from adoption center and vet services fees.

The society also began a program to adopt out "certified, pre-owned cats" at no cost to new owners and to place free, identifying microchips in the animals.

A Michigan Humane Society staff advocate works with volunteers who now manage the program, holding subsidization costs for the society to \$151,000 this year.



Morgan

In its first year, the program, at little or no cost to owners, vaccinated more than 3,000 dogs and cats, placed microchips in 825 pets, sterilized more than 2,800 cats, provided free pet food to hundreds of families and provided free behavioral assistance for pet owners to more than 150 callers each month.

The Michigan Humane Society is working with other organizations, such as the **Oakland County Pet Fund, All About Animals**, and private veterinarians to get more pets vaccinated and sterilized.

The humane society subsidizes the procedures at those clinics, targeting areas with very high levels of abandoned animals.

— Sherri Begin Welch

Finalist

2-1-1 assistance hot line takes off for United Way

United Way for Southeastern Michigan, Detroit

CEO: Michael Brennan
Budget: \$54.2 million

After launching the 2-1-1 health and human services hot line to provide residents with referrals to local programs and services, **United Way for Southeastern Michigan** took the initiative further than any of its other national affiliates with its launch of 2-1-1 On The Go.

The local 2-1-1 call center is available around the clock, seven days a week, and is a multilingual, anonymous referral service linking callers to other organizations that can assist them or that could use volunteers.

Four years after the launch of the 2-1-1 call center for residents of Wayne, Oakland and Macomb counties, United Way is able to provide referrals to more than 30,000 local programs and services.

Referral organizations include employment resources, after-school programs, senior care services, medial assistance, credit counseling, mortgage foreclosure assistance, housing and utility assistance.

Through the center, United Way this year assisted 371,000 callers looking for social services assistance or even volunteer opportunities, up from 69,147 its first year.

In 2007, United Way launched 2-1-1 On The Go to bring services and assistance to metro Detroit's homeless, with a goal of helping them attain permanent housing and employment.

The initiative is a collaborative effort of the nonprofit, public and private sectors, using cars donated by automotive transportation magnate Roger Penske, donated mailboxes, voice mail boxes, calling cards and state-issued personal identification cards to help the homeless gain employment and permanent housing.

This year, 2-1-1 On the Go served 500 people, up from 100 in 2007.

— Sherri Begin Welch



Brennan

Care: Program helps mentally ill, cuts emergency room visits

■ From Page 9

from the county and state, Adult Well-Being cut pay for its 150 employees by 20 percent, preventing any layoffs.

It has continued to staff the new program with two existing employees — a social worker and a driver.

Mental health managed care provider Gateway asked Adult Well-Being last year to identify ways to help those patients so they would not need to visit crisis emergency centers as frequently and the related costs would go down.

Just two months later, in the spring of last year, Adult Well-Being launched the Transportation-Crisis Mobile Team program.

Many of the people with mental illnesses seeking both urgent and non-urgent care at **DMC Surgery Hospital** in Madison Heights and

“If you invest a little more, you get better results.”

Karen Schrock,
Adult Well-Being Services

DMC Detroit Receiving Hospital in Detroit were leaving without being seen or were discharged with no means of getting to safe shelter or to follow-up visits with mental health providers, Schrock said.

“It's great to give someone a bus ticket, but if they are mentally ill and substance-abusing, that ticket won't do (much),” she said. “If you invest a little more, you get better

results.”

Through the new program, Adult Well-Being picks up people from the two emergency centers on a scheduled basis and for the next 24 hours transports them to safe shelter or mental health appointments and interim case management and support until they can meet with mental health providers.

The nonprofit also has forged strong relationships with such local nonprofits as the **Capuchin Soup Kitchen, Crossroads of Michigan** and **Detroit Rescue Mission**, placing staff to help identify people with mental illnesses who needed treatment and follow-up.

In its first three months, Adult Well-Being's Crisis Mobile Team transported and assisted 135 people, none of whom returned to the

DMC crisis emergency centers during the following three months.

Adult Well-Being's efforts cut Gateway's reimbursement costs to DMC for the first three months of the program by 80 percent to \$87,648, from just over \$468,000 during the three months before the program launched.

Adult Well-Being now is talking with **Henry Ford Health System's** Detroit hospital and another, undisclosed health care institution about replicating the program with them.

Detroit Wayne County Mental Health Agency has lost more than \$40 million in fiscal 2009 and is scheduled to lose even more over the next year, Schrock said.

“That means all of us have to be more creative in how we use dollars. We're trying to save money

for the system.”

During its accreditation review of Adult Well-Being in September, the **Commission on Accreditation of Rehabilitation Facilities** cited the program as exemplary and said it may look at recommending it to other mental health agencies around the country, Schrock said.

In addition to its mental health services, Adult Well-Being provides services for the developmentally disabled, those with substance abuse problems, senior citizens and those in need of guardianship services.

It reported revenue of about \$10 million for the fiscal 2009 budget year ending Sept. 30, up from \$8.4 million last year.

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