# A Nonprofit Wind-Down

## Case Study

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**INTRODUCTION**

This paper documents the experience of a national nonprofit – Public/Private Ventures (P/PV) – as it closed its operations in July 2012. Based primarily upon financial considerations, in April 2012 the board and staff leadership made the difficult decision to dissolve the organization after almost 35 years as a program, research and evaluation intermediary working with disadvantaged youth in the United States.

Why write about a nonprofit wind down? In no small part, to make sense of what was a profoundly sad experience. But also because it is a legitimate option, and one that does not get considered typically until it is too late. Arguably, it is a viable alternative, and should not be used only in instances where it becomes difficult to raise sustaining funds. In theory, mission-based organizations should be open to the real prospect that they might, in fact, fully achieve their mission and be able to close their doors, or – alternatively – the mission might become irrelevant as external needs and conditions change. For whatever set of reasons, a planned closure, for all of its shock and disruption, is far preferable to a sudden decision that lands in the hands of a bankruptcy court to resolve. We quickly learned that the approach we took at P/PV was unusual, and as we moved through this process we learned much that may be of operational and leadership value to others considering this course of action.

Writing this piece was a challenge, but it was helped along greatly by a community of scholars who reviewed my early work and provided critical feedback on approach. One of the important questions one of my colleagues asked was, "To whom did I feel responsible as we went through this process?" Technically, I of course felt responsible to our board. But I believe that the overwhelming sense of responsibility that drove both the board and staff was to preserve the institutional legacy of P/PV, even as we closed its doors.

What is most troubling about that legacy is that our mission to improve the effectiveness of programs for youth and young adults living in high poverty communities was far from fulfilled. There could be few more important functions in these resource-constrained times than to evaluate the effectiveness and impact of social programs to ensure that dollars are well spent. There are simply too many instances of good money following prior bad investments.

It is indeed what drew me to P/PV in January 2010 – the organization's stellar reputation for assessing not only the impact, but also the gritty implementation elements of programs that serve youth and young adults living in poverty. Ultimately, however, we concluded that we were not able to identify the ongoing support needed to ensure that P/PV, in 2012 and beyond, could live up to its well-earned 35-year reputation for quality research and evaluation. We could not reliably identify sources of unrestricted capital to foster continued creative program design and thought leadership, which were vital elements of P/PV's 'think, action, do' legacy.

We were also admittedly engaged in a significant turn-around exercise, one that required amassing more resources in too short a timeframe for us to achieve greatness again. In broad strokes, we were trying to overcome some classic challenges that may beset other nonprofits, including: inadequate financial management systems; leadership transitions that would have benefited from better succession planning; associated missed opportunities, such as not having a president in place for much of 2009's financial crisis, or to position P/PV adequately during that first year of the Obama Administration; some talent drain over time; and the failure to fully integrate our work across program and functional siloes.

It may be a disappointment to some that this paper does not present a full post-mortem on these issues, but offers instead a reflection on how the decision to close this legacy institution was reached and then executed. The paper does, however, address some of the human experience associated with the decision to close, as while it may not be universally held that *"corporations are people,"*, organizations are indeed shaped and defined by the people who work within and in partnership with them. Culture is much deeper than a balance sheet, and to ignore the human considerations and leadership challenges of such an important decision would be one-dimensional.

**FRIDAY, JANUARY 27, 2011 – 3:00 PM**

Many people have commented that the announcement in April 2012 that P/PV would cease operations came as a sudden and deep shock. For those of us who were in senior leadership positions at P/PV, however, we can identify the moment and time when the idea was first entertained – well over a year before the ultimate decision to wind down was made.

In the fall of 2010 and into early 2011, we were working aggressively to articulate the vision and approach of P/PV in its current context. This was exciting work, although challenging for us to capture thoughtfully and make accessible to the broader public. With considerable input from the staff as well as a number of extraordinary external advisors, we scheduled a special meeting of our board of trustees on January 27, 2011 to review a near-final draft of what would eventually be released as *Priorities for a New Decade: Making (More) Social Programs Work (Better)*. It was aspirational and energizing work, and our senior team spent most of that day working with the board to ensure that we were all in agreement on key messages that should be conveyed.

As we were finishing the meeting at the very end of the afternoon with a discussion of what remained a very challenging financial position (despite our optimistic future aspirations), one of the board members – who was attending the meeting telephonically – beamed in a stunning question: *"Do we know what it would cost to close down the organization responsibly?"* The answer was a resounding – and irate – "NO!", as it was a question that was heretofore unthinkable, or at least one that we steadfastly refused to consider in our efforts to achieve success. It was also extremely disruptive for our team, as it punctured the mood and spirit of forward momentum we were so aggressively trying to create for the organization. After we broke from the meeting, the senior team met in what can only be described as an emergency huddle to look each other in the eye and confirm that no one was going to jump ship, as the question had profoundly destabilized each and every one of us who had been in the room.

That said, we then embarked on a journey of deep cognitive dissonance. I spent that weekend in calls with lawyers and financial advisors trying to understand what different mechanisms are used to close organizations, and beginning to sketch out potential alternative scenarios and associated costs for P/PV should we ever have to face that worst case scenario. At the same time, however, we were continuing with edits to the white paper – a vision piece that we felt represented any future chance for success. We operated in these parallel universes for the next month, which led us to: 1) release the paper to the public in the first week of March; but 2) make the very grim parallel decision with our Board that we would need to lay off almost half of our staff in an effort to keep ahead of what we began to define as our 'red zone' calculation. The red zone was the amount of money we estimated would be necessary to move our projects to new homes, pay for legal and other associated closing costs, and fulfill our severance policy obligations to staff.

We did not arrive at the layoff decision lightly. At an emergency board meeting on March 6th we began analysis of several different options for the organization's future. Again, had the original question about the costs of a wind down not been posed, we would not have looked at our balance sheet and considered we had 'an emergency'. However, our entire frame of reference had changed with 'The Question', and it now incited a new spirit of urgency. The senior staff and board looked at four distinct options at that March 2011 meeting. The first was to remain a freestanding entity, but to make hard cuts to our staff and operations in order to reduce costs and gain some hoped for running room. The second was to begin explorations of potential mergers with other institutions. The third option was to contemplate becoming a subsidiary of a philanthropic entity – a pipedream, but a potential opportunity existed we needed to run down. The fourth – and most unattractive option – was to move into a 'responsible wind down' of P/PV.

At that March 2011 juncture we moved forward with the first option – building a strategy to preserve P/PV as a freestanding entity. I shared with the Board that there were three considerations that would affect our ability to be successful in that scenario. First, that I would not move forward with the painful layoffs that would be needed unless we were able to raise at least $1 million in unrestricted support in the next month, as that would provide us with essential rebuilding and repositioning funds. Second, I was not sure that we would be able to deliver organizationally on quality work if we *did* proceed with the layoffs, and signaled that we would have to assess that dimension honestly as we proceeded over the coming year. Third, I was concerned with my own capacity (and that of the senior team) to manage the enterprise under such difficult circumstances. Would we be able to preserve enough of the essence of P/PV if we made drastic cuts to the staff? In short, we began to plan for layoffs to be made in early April 2011, still not fully sure that it would be adequate to keep the red zone at bay indefinitely, nor that we could operate with sufficient quality.

With all of those caveats assessed openly with our Board, we did embark on an aggressive fundraising campaign the following week, building upon the release of the *Priorities* paper, and paying visits to our core funders throughout the country. We were able to exceed the core support target with a courageous lead pledge of support from the Charles Stewart Mott Foundation, and then similarly swift and generous core support grants were awarded from the Robert Wood Johnson Foundation, the Ford Foundation, the Annie E. Casey Foundation, and The California Endowment. We approached each foundation with full candor about the challenges we were facing, and were heartened and encouraged by their willingness to invest in our turn-around efforts.

Before we had begun our travels, the senior team had inadvertently begun to dismantle the organization in our own minds, yet those visits and core support pledges provided us with a vital sense of renewal and faith that we might be able to sustain the organization into what we believed was a next generation of life. These grants did, however, mean that we then moved into planning for layoffs, as we knew that these awards needed to be accompanied by expeditious cuts to the staff, changes to our board composition, and continued reductions in operating expenses. It may seem odd given the subsequent 2012 decision to close the organization, but I believe that most – if not all – of us on staff experienced the April 2011 layoffs as the most painful nadir of our time at P/PV. More reflections on this experience are in the final section of this report.

On the one hand, the cuts were necessary from our financial modeling at the time, as of course salaries and benefits were among the most significant discretionary expenses in the organization. The post-layoff experience did inform our assessment of whether it would be feasible to make such dramatic cuts and thrive. The honest answer, in retrospect, was "no" – we lost too much of our middle management. In addition to the project experience and client relationships that these individuals held, it became clear that they were also essential mentors to our more junior staff. It was a gaping hole that we spent the next year trying to fill, yet we admittedly never truly found the capacity we needed in their absence. At the same time, we couldn't get ahead enough on our finances to hire the kind of senior talent that had made P/PV the rich institution it had been in the past. Moreover, it also became that much harder to earn the revenue we had brought in, as when we laid off 18 of our 44 staff there were not enough hours in the day for the smaller staff to earn full revenue on the projects we had in house. This increased our deferred revenue liability, and further challenged the organization financially over time.

One of the goals that we had hoped to build upon during 2011-2012 was to move more aggressively into advancing the collection, analysis and use of data to improve not just program outcomes, but also *organizational* outcomes for youth-serving agencies. It is a vast need in the sector that remains to be addressed, and we had hoped to combine this evaluative and performance management focus with P/PV's deep content knowledge of youth programming. We found, however, that while we viewed our tight content focus as an essential asset for building effective practice and performance management in the field of youth development, it became increasingly difficult to compete with firms and agencies that did not retain such a restrictive mission focus.

We were not able to attract the requisite *ongoing* core support to sustain that highly focused mission, with its unique combination of deep content knowledge and functional evaluation – and hoped-for performance management – skills. Without that dedicated, long-term support, we ultimately concluded that we could not compete with larger evaluation houses working at scale that were not constrained by our content areas, nor did we have the capacity to do more than simply execute evaluation contracts. P/PV at its pinnacle filled a dynamic intermediary role, and one that required dedicated resources to think, create, develop and manage programs *and* provide research and evaluation services. At a time when all organizations that provide direct services to young people in poverty are experiencing heightened challenges to attract resources, we found it was getting that much more difficult to win the hearts and dollars needed to support our one-step-removed intermediary role in the marketplace.

Another constraining factor we were facing over our last year in operation was that more and more funders were ceding the responsibility for contracting for evaluations to the provider agencies themselves. On the one hand, this has its merits, as practitioners absolutely need to be partners in any meaningful evaluation effort. On the other hand, when so many nonprofits are maximally strapped for cash themselves, their ability to pay a boutique firm like P/PV for the quality, talent and overhead that we needed – even with our diminished operational expenses – proved often to be inadequate.

For most of our history, we had enjoyed the benefit of core support that provided us with the ability to execute upon this focused mission successfully. However, as most of that funding dried up many years ago, we had been operating at a deficit (since 2006). What was left of a generous unrestricted Ford Foundation endowment from the 1990s was soon to disappear, as it had effectively been subsidizing our operating expenses for years. Over that year, from April 2011 to April 2012, we did again look at select merger opportunities, as well as explore an effort to concentrate our work more deeply in our headquarter city of Philadelphia, both of which we saw as potential strategies to regain strength and hopefully thrive again.

In one way or another, these efforts ran into dead ends, and when we met with our Board on April 19-20, 2012 we could see the red zone fast approaching, and avenues for a healthy and strong P/PV closing or closed. At that Board meeting we made the decision to pursue one last merger exploration, and if that failed, to move swiftly into a wind-down plan. The merger under consideration could not be achieved within our tight timeframe, and winding down became *the* option by early the following week. This decision was reached in no small measure because we already had done the preliminary calculations to understand just how quickly we would dip below the financial assets needed to close responsibly if we were not clear and swift in our actions.

**ENTERING THE WIND-DOWN PHASE**

As already noted, the days immediately following the Board meeting involved ruling out a final discussion about possible merger opportunities, and then developing a plan to inform the staff and the public about P/PV's imminent closure. For all of us on staff this was uncharted – and entirely surreal – terrain, and there was much to learn, and quickly. Not the least of which was that we had hoped to remain open through September 2012 in order to complete certain key projects, and within the first few days of the wind-down planning we realized it would not be financially feasible to continue operations beyond July. The finality of trying to spend down to an exact end date while ensuring that we had adequate funds to meet our obligations 'responsibly' was alarming, to say the least. We were able to turn to key funders for either additional core support or flexible repurposing of grant elements in order to ensure that new needs – such as increased communications consultancies in order to meet abbreviated publication deadlines – could be fulfilled. We were met with great support and flexibility by most of our funders, which made an otherwise frightening passage more navigable.

The immediate steps in that first week were to develop a list of all of the partners and funders with whom we needed to speak directly before any press release was issued, and of course to plan for our simultaneous meeting to inform the staff. The staff was essentially given two months notice when we shared this grim news with them on Monday April 30th, as we agreed that the majority of staff would transition out of the organization at the end of June, with a skeletal crew to remain to close down operations in July. An immediate challenge was to ensure that staff would stay with us until the end of that period, as we knew that the work involved in moving and closing projects would be extraordinary. We also knew that it would be difficult to keep staff motivated under these circumstances, which became its own unique leadership dance.

When the press release went out the week of April 30th, there were a number of calls to field with reporters, and of course a tremendous number of questions from our funder and provider partners. One thing we had not anticipated was the degree to which our news would trigger external panic. It became clear immediately after the press release that most of the public assumed that our closing would be done in bankruptcy (which was decidedly *not* the plan), and that all work would cease immediately. The notion of a planned closure was not a familiar one, and we were following on the heels of other notable and sudden closures in the non-profit sector that were managed by bankruptcy courts. We were largely able to manage those concerns through a seemingly endless number of individual calls and explanations, and we also launched a series of blog posts in an effort to keep the public informed about the steps we were taking and what we were experiencing and learning as we began to wind down the organization.

In addition to a remarkable outpouring of concern and sadness from a great number of people, one of the most heartening aspects of these early weeks was that many local and national research organizations reached out to us to see if they could help place our staff. Because we were in a race against time, we deeply appreciated that several firms traveled to P/PV to interview all of our interested staff, which allowed individuals to remain on site to focus on the work at hand within the fast pace of our planned closure. This was extremely efficient for us, and added a much-needed energy to the place, as it was clear that there was strong external interest in our staff.

This was, in fact, one truly positive thing that we could focus on – seeing that everyone on the staff placed successfully into new opportunities. All of us shared the broader goal of closing down P/PV responsibly and with our legacy held high, but there were too many uncertainties for us to have strong faith in the process as we proceeded. We simply did not know that we would be able to achieve all that needed to happen for the wind down to conclude responsibly, which left us all with a gnawing anxiety. Seeing staff placing into other jobs, however, was concrete and gratifying, and provided a healthy counterbalance to the emotionally devastating work of deconstructing a renowned organization, and giving away or closing hard-won projects in which staff had a great deal of professional and personal investment. Our internal knowledge management system – "Ziggy" – became a central resource for posting job opportunities and exchanging leads among staff. In addition to serving as our internal job fair platform, Ziggy provided a vital central resource to address staff questions as and when we uncovered answers. For example, we posted templates of grant assignment agreements for staff to access, and kept an ongoing Q&A section on implications of the closure across a range of issues.

We identified legal counsel to work with us through this uncharted terrain, and within the first two weeks of our announcement we generated a lengthy list of questions for counsel (see Appendix A). The first and most central concern we had was to understand the mechanics of transferring grants and contracts to other organizations. This proved to be a very time-consuming, project-by-project process, typically involving many actors and multiple sets of paperwork and legal review.

The first issue that needed to be examined in each open contract was whether we had the legal ability to assign the work to another agency. This involved reviewing every grant or contract award letter individually with our attorneys. In instances where we did have assignability rights, we had discussions with the responsible project leader from the staff to determine where there might be a natural home for continued work. As one would imagine, in some instances these homes were relatively easy to identify – in others, it was not such a simple decision. Compounding the challenge, we worked with every funder (in some instances there were multiple funders for a given project), to try to determine a mutually acceptable new principal investigator for each project (although in some instances our staff were able to remain responsible for their projects as consultants after P/PV closed). In cases where we did not have assignability rights, we needed to identify a date by which time we would stop work on the given project in order to calculate and return the balance of funds to the funder so that they could re-grant the work directly. This was, by far and away, the most pressing and challenging element of our work in May – and into June – and no projects could be transferred until we had at *least* three parties submitting signed paperwork (and in many cases far more): P/PV, the funder(s), and the new host entity.

In the first couple of weeks after announcing the wind down, we considered whether it would it be best for us to hire a firm to centrally manage and coordinate the logistics of closing down operations for us, given the many questions that arose for which we had no answers. We ultimately gained confidence that working in partnership with our attorneys – and with the diligence of staff, particularly our director of finance and administration –we could ultimately determine the answers to these questions without external wind-down consultants, and preserve those resources for other unanticipated expenses.

There were an overwhelming number of questions that needed to be addressed, which are detailed in Appendix A. These included the detailed questions we presented to our attorneys in early May – and our eventual answers are provided in the appendix *in italics*. Some of the issues we grappled with are particular to a research organization – such as the legal and ethical management of our data sets – but most other issues are relevant for any organization that embarks on a wind-down path.

Effectively, we had 14 weeks within which to work to wind down the organization by July 31st. None of us had any experience with this process – nor, might I add, would any of us want to undergo anything like this again. A few notes from the flow of these critical weeks – both operationally and emotionally – are laid out in Appendix B to spark the imagination of funders and partners who may well encounter these conditions again. This Appendix is more impressionistic, but it captures a very real sense of the wind-down process.

With the details captured in the appendices, the next section provides more general reflections on the wind-down experience.

## LESSONS LEARNED AND REFLECTIONS

### Operational

As already noted, external partners' inability to conceptualize a "responsible" closing caused some panic, including threats that people would pull or close projects prematurely. This placed us in sometimes contentious negotiations with vendors and partners to ensure that we could extricate fairly. Despite the lack of regular and positive work, there were times when we realized we were exerting tremendous energy, albeit fighting so very hard only to kill ourselves – a true end of life battle.

One element we had not anticipated was that we might have difficulty collecting upon accounts receivable once we announced our planned closure. In hindsight this might have been something we should have expected, as it became clear to us that in difficult economic times some organizations might see this as an opportunity to renegotiate or revisit grant and contract terms, which led to some fairly harrowing discussions. Ultimately we were paid for work we had done by every single contractor (although one took almost a year to chase down!), albeit sometimes at renegotiated levels because of the perceived disruption caused by our terminating or moving projects.

Our funder partners were critical in the wind down, and not surprisingly, some funders had greater ability to grasp what we were going through than others. For those who stood by us through the wind down – and who even provided us with additional resources to help us get to the finish line intact – we could not be more grateful. They had the capacity to undermine our vision for closing responsibly, and enormous power over our ability to execute this transition successfully. The relief and permanent loyalty engendered by those funders who rolled up their sleeves with us will never be forgotten.

We also had learned in the year leading up to the decision to close that you *can* cut an organization too deeply, as our experience with layoffs in April 2011 ultimately revealed to us. Unfortunately, in these times many other nonprofits are in perhaps less dramatic ways slowly but surely reducing their core organizational capacity. As Paul Light has described, there has been a steady *'hollowing out'* of the nonprofit sector. It is a critical time for funders and nonprofit leaders to assess at what point an organization can no longer deliver upon its core mission with quality. Slow erosion of an organization's competencies occurs, and much of value is lost as a result.

**Leadership**

I began writing this paper at the same time that Super Storm Sandy struck the East Coast of the United States. Watching different localities mobilizing without hesitation to rebuild after the storm, I began to think about the new leadership qualities that will be required of our world. Won't it become an increasingly essential function of governance and leadership to know when to retreat and give up hard-fought ground? Won't this require an entirely different orientation from that of building and conquering new territory? Similarly, I ask whether those same questions of leading for retreat don't need to be asked among our nonprofit leaders in the coming years. Can there be planned consolidation within the nonprofit sector – or as Mayor Bloomberg stated in preparing for Hurricane Sandy, *"planned failure"?*

A colleague wrote to me during the last very difficult month of July, and shared the following observation: *"You inherited a terminally ill patient, and provided hospice care."* As I thought about her comment, and my own personal experience of seeing my father through his last year of life in 2010 (including finally moving him into hospice care), I found the metaphor rang true for me. Once it was clear that we were in a terminal situation, we had made it our singular goal to retreat while alleviating as much pain and suffering as possible – in effect, trying to die with dignity. This became our collective leadership focus at P/PV, and it is one that we were ultimately successful in achieving. Difficult as it was, we had clarity of purpose, which distinguished this passage from the pain of our lay-offs a year prior. Nor did we have survivor guilt this time around – we were all terminal.

That said, it was completely counterintuitive to give away all that we had built. As professionals, we spend our careers *building* – it is hard to describe the inverse and disruptive psychology of releasing projects we had fought so hard to win, cared deeply about, and wanted to see conclude responsibly and have the impact we desired. What happens when the work stops and there is nothing new to chase? All of our jobs changed profoundly. After the initial flurry of concerned calls, the phones stopped ringing, except to sort the details of invoices, project termination agreements, and questions from confused partners and vendors. One way or another, many of us struggled with our emotional, physical and mental health during this period.

On the brighter side, the unexpected joy of seeing that almost all staff landed in new positions was invigorating. It was, of course, bittersweet as we had indeed built a strong team environment, and had achieved the kind of culture that was necessary for us to work most effectively across previously siloed content and skill areas. The staff was a marvel to me, as they had to work as hard as they ever had before, but on work that had no future for us. They did it because they cared deeply about P/PV and its work – our collective responsibility to the legacy kept staff inspired and motivated. Staff executed the wind down with consummate professionalism, all the while facing enormous personal insecurity about their futures and employment opportunities. I will never forget the level of professionalism and dedication they showed in those final months.

**Reflections on the Nonprofit Sector**

As we entered into the wind-down phase I was very mindful of the fact that we had only a sliver of time available to us before we dipped below the 'red zone', and would likely not be able to surface above it again. We had already cut our operating costs considerably, and I understood that if we didn't move – and swiftly – we would be on the awful treadmill of raising funds just to stay open, but with no opportunity to thrive, or to make a proactive decision that we could not be strong enough again to execute the work at the quality level that the organization deserved and our clients expected.

It is this last point that concerns me deeply about the nonprofit sector. Whereas we've all observed the experience of large corporations and banks that were deemed "*Too Big to Fail*" in this last recession, I think the underside is that there are now perhaps too many nonprofits that are in effect "*Too Weenie (small) to Fail*." Too many organizations have to chase money just to make payroll from week to week, but no longer have the ability to operate at the level they know they need to function in order to be truly successful against their respective missions. These agencies effectively cannot *afford* to stop that mad chase, even as they suspect they will never be able to thrive again. For them it is a constant prayer to keep creditors and bankruptcy at bay – this is a debilitating, and potentially impossible, place from which to lead.

Part of the challenge is that too much of the fundraising game is project by project, with insufficient support for the core operations of nonprofits. Beyond that, however, funders can engage differently with nonprofits that are teetering on the brink of losing their effectiveness, and encourage open dialogue about what would *really* be necessary to foster continued growth and meaningful organizational contributions. In these challenged situations, invaluable support can be provided to nonprofits to support their healthy explorations of mergers or collaborations with other organizations, and to help leadership understand and plan for such an eventuality. Or, in some sad instances, it may be necessary to facilitate the provision of hospice care when it is clear that the prognosis is terminal. Making wise decisions will be facilitated by honest dialogue between funders and grantees that includes a rational and open appreciation of the true costs of leading high performing organizations.

## APPENDIX A

## QUESTIONS *(and Answers)*

### Legal and Operational

- What date were we actually closing? If we chose July 31, it meant that no activity could be undertaken at all past that date (all checks must be written and mailed, all payroll done, bank accounts closed, etc.). How would that work?
  - How would we handle the last pay for staff? If there were final staff to be terminated on July 31st, that payroll date wasn't until August 10th. The last payroll in July was scheduled for July 27th for time worked through July 20th. *The last payroll was indeed executed on August 10th for the four remaining staff.*
  - When would we close the bank accounts? *They remain, as of May 2014 we are still paying select vendors such as auditors, attorneys, and our financial consultant.*
  - What would that close actually look like?
    - By what date would our balance sheet equal zero? *This did not need to happen by July 31st, and as of May 2014 we still have a modest cash balance available.*
    - How would we handle transfer of any remaining equity? *In partnership with the Pennsylvania Attorney General we agreed upon a charitable organization that is consistent with P/PV's mission to receive any unexpended balance of funds.*
- What would we do about a large federal grant that was not set to expire until September?
  - Could we remain active through 9/30 in order to close this grant, yet cease all other activity? *The P/PV operations ceased in July, but relevant project staff for this grant have moved to a new 501(c)(3) organization, and in working partnership with our external financial consultant were able to produce the requisite reporting in September 2012.*
    - Would we need to keep associated bank accounts, payroll and health care insurance active for those relevant project staff? *Only the bank account remained open after the final payroll was transacted on August 10th.*
    - What possible liabilities would we be facing if we remained "open" past 7/31? *Again, operations ceased as planned. We were able to retain D&O coverage only until March 19, 2014, at which time the two other standing Board members resigned, leaving only myself serving as a Board member while we await tax clearance (the Attorney General already approved the dissolution plan in early 2014). Most unfortunately, a lawsuit did arrive at my home in late March, which is currently being contested by our*

*attorneys. This will erode the resources available to distribute to another nonprofit when – and if – we receive final tax clearance.*

- Would we need to maintain some type of address after closure – like a post office box? *Yes, we forwarded all P/PV mail to our attorneys.*
    - Whom would we designate as a contact on any items like document retention, HR, etc.? *We retained our external HR and benefits consultants through September in the event of staff problems post-employment, and continue to work with our external financial consultant. I remain available to manage inquiries, sign checks, and address questions.*
- Would we need to contact anyone specifically to notify them of closure? *Yes, we sent a letter to an exhaustive list of past vendors to inform them officially of our intent to petition for dissolution, as well as to all states in which we were registered to solicit business.*
- How would we conduct the financial statement audit, pension audit and final Form 990 production? *Through continued contracts with our financial consultant and audit firm.*
    - How would staff that work on these items after July 31 be compensated? *Former staff time is negligible – it is primarily the work of the external financial consultant.*
    - Who should sign the Form 990? *The board (including me).*
    - We would need to confirm with auditors that they could file 1099s for us at year-end 2012. Y*es they can, but this is a new experience for them – it will be a mutual learning process.*
    - Similarly, we would need to confirm with our payroll firm that they could process year-end W-2 filings. *Yes they can.*

**Document and Electronic Data Retention**

- We needed to find a way to inventory and store all hard copy records at an off-site storage facility, and identify destroy dates for each document. This involved recalling over 2000 boxes and going through each one – we set up a staging area on another floor in the building just for this process. Additional related questions that emerged included:
    - Who should we put as a contact? *Our attorneys.*
    - What are the requirements for HR records? *Destroy dates vary based on specific content.*
- Electronic data
    - Who would determine how long the data need to be saved – governed by law, the funder or both? *Both, as well as by our internal policies.*
    - What hard copies would need to be saved (e.g., signed research consents, assents) or could they be scanned and saved electronically? *We needed to keep hard copies for active projects, because the research dictated that we do so (in case the new owner needs to access*

*and work with the raw data). We also needed to keep signed consents in keeping with both legal and research policy.*

- How far back should we go for studies? For example, would we need to save our data bases for studies that ended in 2003 and that had no remaining P/PV staff linked to it? *We did not have to save any data – just consent for projects that were finished. Sometimes we did keep project data that was old if the funder or program wanted it and had the right to have it and we had time to strip it of identifiers. That was key – the identifiers had to be removed (unless the project was active, in which case it could not happen, but we alerted the participants through website and other notifications).*
- How would we need to document this process? Would we need to document what we kept and what we destroyed? *Yes – <u>everything</u> was documented by our MIS analyst.*
- What kind of legal documentation and research consents would we need for the transfer of data to a new organization? How would this work with identifiable research data? *In cases where the participant could be identified by date of birth, name, social security number, etc., we needed to tell the participants they were being moved (which we did ) and we needed to move the consents in hard copy (unless it was a passive consent process, in which case we transferred the nay-sayer file – those who did not provide consent). Then the new organization needed to meet funder and legal requirements, as well as its own policy and Institutional Review Board (IRB) rules (if the project or organization is governed by an IRB). We facilitated this IRB process by providing all files and letters to show good standing, etc.*
- Should we destroy all data that would not be transferred to another party? *If we had more time, we ideally would have created public use data sets where permitted – these are data sets with no identifiying information. But we did not have time, so if a project was not moved, the data had to be destroyed in the absence of a steward of the data. Our attorneys took temporary custody of four live projects that required oversight but that had not yet been fully transferred to other agencies as of July 31. The attorneys provided a chain of custody/sources list document, and provided encrypted hard drives or thumb drives (depending upon the size of the data) so that we could be assured the data was encrypted in transit and at rest.*

  *We had a generous offer in July from another research firm to transfer all of our data to them to store, but we ultimately concluded that this was not feasible with the limited time and staff we had remaining. The chief obstacles were:*

  - *Legal: Legal counsel (and research ethics) cautioned against the sharing of confidential information on individuals with others.*

*This meant that all data files would need to be de-identified in order to share them, and this would be a large, resource-intensive task that would require specific staff skills at a time when we no longer had research staff working with us. Additionally, sharing data would require us to assure that the data were not owned or co-owned by another organization (e.g., our funder). With the short time frame for dissolution – and the fact that some of these data sets were over 30 years old – we sadly concluded that we did not have adequate resources to transfer these data responsibly.*

  - *Resources: Additionally, in order for another researcher to make use of our data files, adequate documentation would be needed (e.g., variable names, response categories, and context – at a minimum). As the process of transferring projects was the focus of staff's final months, they did not have adequate time to identify or prepare the data and documentation files for use by others.*

- *The data that we <u>were</u> able to ensure would 'live on' included:*
  - *Big Brothers Big Sisters School-Based Mentoring*
  - *Big Brothers Big Sisters Community-Based Mentoring*
  - *Sectoral Employment Impact Study*
  - *Youth Violence Reduction Partnership Comparison Group Study*
  - *After Zones*
  - *America Works*
  - *Elev8*
  - *Latin American Youth Center*
  - *Career Advancement Academies*
  - *Higher Achievement*
  - *Washington State Mentoring*
  - *Project Quest*
  - *Amachi*
  - *Imentor*
  - *Out-of-School Time Cost Study*
  - *Benchmarking*
  - *First Place for Youth*
  - *Children's Futures*

- *Recent substantial data that most unfortunately could <u>not</u> be transferred included:*
  - *Alternative Staffing*
  - *Ready4Work*
  - *YET*
  - *Boys and Girls Clubs of America*
  - *CORAL*

**Publications and Intellectual Property**

- Our communications staff developed a painstaking search of all publications P/PV had ever produced, including developing an inventory of all hard-copy publications that were being held at a fulfillment house. This was a true labor of love, as this information had not been systematically tracked over the years.
    - Since we were short on time – what were our options for distributing these publications?
        - Should we try to find one or two organizations to take all of them or should we look at each publication separately? *Our communications staff, with help from all interested project staff, managed a remarkable feat of placing over 25,000 hard copies of our publications with nonprofits and practitioners across the country in just a few short weeks. We made them available free of charge in May in an effort to see them placed as widely as possible. Our office looked like the Amazon fulfillment house for several weeks in May and June, as we bundled and shipped our in-house stock to partner organizations and individuals.*
    - What kind of legal document would we need in order to transfer publications/electronic survey data? *Legal documents were developed and signed by all parties for each set of data and for the full repository of P/PV publications.*
    - Would it be possible to identify and transfer the entire body of our electronic publications to one entity? *Yes, we transferred our entire collection of nearly 400 publications to The Foundation Center's IssueLab. These publications are now accessible under a Creative Commons license and featured in a dedicated, permanent P/PV collection on the Foundation Center's IssueLab website. Links to these publications have been automatically forwarded to the Foundation Center website effective July 31, 2012, ensuring no gap in availability.*
    - What kind of legal documentation would be required? *We chose to make the P/PV collection available under an Attribution, Non-commerical Creative Commons License, which allows for limited use of the material, provided it is properly credited to Public/Private Ventures and the Foundation Center and is for noncommercial purposes. Users do not need to secure permission from P/PV or the Foundation Center before using, copying or sharing this material, or developing derivative works based on it. By downloading, sharing or creating derivative works based on P/PV publications, users agree to adhere to the terms presented in the Creative Commons License. Any modifications to P/PV's original publications constitute "derivative work," and must be clearly identified as such. Excerpts or quotes that are taken verbatim from the original source are not considered derivative work.*

*We felt strongly that derivative work should be allowed, given that it will enable program leaders, policymakers and researchers to build on and "remix" our material without having to secure permission directly from the Foundation Center. We anticipate this will be particularly useful for program staff who want to continue to customize content from P/PV's many hands-on guides and tools for use in their particular organizational setting.*

*We concluded that the Creative Commons license presented the easiest and least cumbersome way to ensure that P/PV's publications would remain accessible and relevant for the program staff and managers, funders, policymakers and others who have found them useful over the years. P/PV and the Foundation Center are deeply committed to the broadest possible dissemination of P/PV's work, to ensure that it continues to inform more effective social programs and policies.*

- *We also released several publications prior to our official wind-down date, including:*
  - *The results of a long-awaited report on the comparison group study of Philadelphia's Youth Violence Reduction Partnership.*
  - *A brief that examines how funders can make the most of their investments in mentoring programs.*
  - *A short piece that describes an innovative approach to workforce development called "alternative staffing."*

- *We completed several additional publications, for subsequent release by the Foundation Center in conjunction with their launch of the official "P/PV Collection":*
  - *An interview study of participants returning from Rikers Island Jail, which examines factors affecting their decision to engage in post-release programming.*
  - *A report that chronicles the history of the Amachi mentoring children of prisoners program, which features an afterword written by Dr. W. Wilson Goode, Sr.*
  - *A guide that distills the most rigorous research in the workforce development field into concrete recommendations for programs serving formerly incarcerated individuals.*
  - *A report that presents the findings from the New York City Sectors Initiative and highlights lessons for other collaborative workforce development efforts around the country.*
  - *A report that draws on P/PV's experience working closely with workforce practitioners in New York City to understand which short-term progress measures can inform young adult workforce programs about participants' employment or educational outcomes.*

*In addition to the release of the aforementioned publications, we also launched our* <u>*Notes from a Wind Down*</u> *blog for the period May-July 2012. We were able to publish posts that focused on: our institutional legacy (e.g, programs and organizations that were seeded at P/PV), reflections for future research, and lessons learned from P/PV's 35 years of operations. We were also able to use the blog to inform our constituents about critical project and publications transitions.*

- Copyrights/trademarks
    - What steps would need to be taken to transfer or terminate copyrights/trademarks? How would we determine the proper disposition? *We worked with counsel to determine that we had 10 outstanding trademarks, some of which we ultimately transferred to other organizations or individuals, others which we allowed to expire.*
- We also had property rights for four websites:
    - How would we transfer these, knowing that some were for closed projects and others were for active projects? *We shut one down and moved the others to new homes.*
    - What would happen to the P/PV website? Could it refer people to an ultimate repository for our electronic publications? *Yes, our former 'live' website refers readers seeking P/PV publications to the Issuelab section of the Foundation Center website.*

**Human Resources**

- There would be no one to answer letters regarding unemployment - whom could we designate as a contact? *The attorneys, with my consultation as needed.*
- Our existing severance policy called for staff to be offered two months of health insurance continuation under COBRA with lay-offs. How could we provide this benefit when the health plan would need to be terminated on July 31, effectively eliminating a COBRA option?
    - For coverage after the 7/31 plan termination could we find out from each staff person what their cost would be and pay it to the employee directly? *We ultimately settled on one amount for all employees that was less than family coverage and slightly more than individual coverage.*
        - Would any such payment be done as an accounts payable check or would we need to include this amount in their paycheck with taxes withheld? *The latter.*
        - Would there be any issue if staff did not use the money for health care, and how would we track this? *No.*
- Would it be possible to give each staff person a generic referral letter? *Yes, although we failed to issue them to all staff – it was unevenly done as requests were made.*

- Pension: Could we vest all employees 100 percent in the pension plan regardless of term (usually 5 year period), given that approximately 10 out of 27 remaining staff were already vested? *Yes.*
- Severance (our policy provided 2 weeks/year of employment up to a maximum of 26 weeks):
    - When would we need to decide when each staff person's last day would be? Given different project dispositions, it was not readily clear as we looked at the calendar for all staff. *We pinned dates down as we could, although some of them shifted depending on the work needed from individual staff members.*
- Would we need to provide key staff with "stay" bonuses to ensure we could reach July 31st responsibly?
    - If so, how would we determine what is reasonable? *We ultimately decided not to provide stay bonuses, as people showed a willingness to remain committed to the institution until their respective final days of employment.*
- If a staff person were to resign before their termination date, would we still be able to give them severance? We didn't want to create a disincentive to their looking for employment, as their ability to land jobs was in many ways a vital measure of success of the wind down. *Again, this proved to be a moot question (and therefore one we never had to answer), as almost everyone stayed until the end of their expected employment, even when new positions had been identified.*
- *We needed severance agreements drafted by the attorneys for employees working in California, New York, Indiana, Pennsylvania and Vienna, Austria.*
- What if a staff member was still working for P/PV but had the opportunity to subcontract with the project transfer organization? What would be the best way to handle this?
    - Remain a full-time employee of P/PV until their termination date and contract themselves separately with the second organization? Or terminate employment with P/PV and subcontract with both parties? Would they still get severance?

*These questions became moot – in some instances staff left employment earlier than anticipated as their projects were transferred successfully.*

*I am pleased to report that the vast majority of staff found new jobs almost immediately, and severance payouts were made in accordance with our institutional policy. We also carefully documented all Board meetings/proceedings to ensure accurate minutes and wind-down proceedings and worked closely with our legal team (Duane Morris) on issues ranging from project assignment and termination agreements to managing sensitive HR and personnel issues.*

*All employees were terminated on July 31, 2012. I remain available (18 months later) to manage any final business, including submission of some final grant reports, overseeing final audits, terminating pension plans, and handling of various other administrative details. I have been working with long-time colleagues from Your Part-Time Controller (YPTC) on our financial reporting, remaining vendor payments and audits. We expect to have a final balance of any remaining funds determined by year-end 2013, and any unexpended balances will ultimately be directed toward a 501c(3) organization consistent with P/PV's mission, and one that has now gained approval from the Pennsylvania Orphan's Court. Our reduced Board will remain effective into 2014 while we await final tax clearance and formal dissolution. During that period, Duane Morris will continue to serve as the point of contact for P/PV, responding to legal and administrative follow-up.*

**Information Technology**

- What items/steps would we need to address with our outsourced IT provider (we had no IT staff)? *We needed to ensure that they were our partners in the shutdown - all our data and files needed to be saved/deleted according to the terms of each contract (by project), and we had to be very clear to ensure that what we and our attorneys requested happened and was documented.*
    - Servers, email, electronic files? *For historically unclear reasons, we had upwards of 16 servers - every department saved things in its own private part of the IT world...yet all of our data/information was backed up nightly. There was no real risk on the email/electronic file front - we had never really made a smooth transition from storing things locally to transferring all our data to the cloud. For all servers we needed to have information wiped from the equipment, and the disposal method documented. This included matching date of erasure and date/method of disposal to all equipment serial numbers.*
    - Was there anything we should be retaining in storage? *We backed up everything we would need for the auditors and continued financial oversight. We saved or transferred all data/backups required by MIS/IRB, and stored these files with the attorneys in accordance with their policies. All other backups were disposed of by July 31.*
    - If we were to let staff retain their fully depreciated laptops, what would we need to do to scrub proprietary or confidential data from their machines? *No work material remained on the computers after scrubbing them – staff were left with a computer and an operating system with no data. We saved all files/folders in accordance with IRB regulations and whatever our contracts stated. Some provider organizations owned data, and some funders owned data. We had to read through each contract to understand where the information should go and how long it needed to "live." We also needed to identify all outstanding licensing agreements and terminate them.*

- How much would we have to document what was done with electronic information?
    - Was there something our IT consultant would need to document for us about the steps we took with electronic data? *All electronic data that was destroyed received a certificate of destruction from the consultants.*
    - Would they be able to take a snapshot of our entire electronic data base at some point in time, and when should that be? *The attorneys and I received a black box with the certificate of destruction that included a snapshot of our drives in the event of an information need pursuant to closure. This decision was made in July, and involved some expense with the external IT consultants, but it was deemed an important legal protection for P/PV to retain this snapshot.*
- Was there anything we would have to document with staff or have them sign about what information they were taking with them (electronic or hard copy? *We did get language into all of the severance agreements about restricted information/materials for staff transitions.*
- What would we do with our beloved and only recently completed internal knowledge management system - Ziggy? We had been maintaining our files on our intranet cloud, rather than the network. *Anything that needed to be saved from Ziggy was saved or exported to a zip drive, and then Ziggy was shut down, sadly, with the click of a delete button.*
- *We worked with our telephone provider to shut down all phone/information lines toward the end of July.*

**Office Closures**

We had three offices to close. Within the prior year we had renegotiated all three leases for greater cost savings (including moving all three offices). The challenges were different in all three sites.

- Oakland
    - *This was the most straightforward (and painless) because we had really done the hard work of "closing" the Oakland office in June 2011 when we downsized and relocated our staff to smaller space in the same building the year before.*
    - *P/PV did not have a strong record of central management, which made it very difficult to track down legacy contracts for things like the water cooler, copier, internet, etc. A lot of phone calls had to be made to these vendors and many were not interested in hearing that we were going out of business - they immediately moved into defensive postures as they assumed it meant we weren't going to make good on remaining payments (although we did).*
    - *We were able to donate our old computer equipment to a Bay Area nonprofit.*

- *The office officially closed June 2012, although staff moved out a few weeks earlier.*

- New York
    - *Again, the move from our prior space in the previous year made the wind-down a lot easier. We had only signed a one-year lease, which was actually co-terminus with our final operations date – but, here too, staff moved out of the NY office by the last week of June.*
    - *We found the management of our copy machine contracts and equipment to be a frustrating challenge. Somehow it seems it shouldn't cost $500 to remove a copier from a nonprofit that is going out of business.*
    - *We were able to donate our furniture to other nonprofits in the Thoreau Center for Sustainability (where our offices were located).*
- Philadelphia
    - *This lease was our gravest financial concern (followed by our copier contracts), as we had just renegotiated a considerably downsized 10-year lease with the building in the prior year, and depending on how the owners handled our news, it could have thrown us into a bankruptcy position.*
    - *Mercifully, we were able to extricate from the lease with a one-year buy-out provision – six months of which we already had in an escrowed deposit, so our cash needs were for only 6 months, 3 of which we were still occupying the space. We are extraordinarily grateful to our landlords for working with us with such understanding and cooperation. This was a big potential exposure for us.*
    - *We worked with a variety of Philadelphia schools and youth-serving nonprofit organizations to donate excess office supplies in our final weeks.*

**Funders/Assignment**

- What should we be documenting with each project?
    - Regarding decision to repay funds or assign work to new agencies/contractors? *As we learned, we needed to document <u>everything</u>*.
- What about contracts with vendors?
    - Would contractors establish new agreements with new organizations if possible? *Yes.*
- Who would draft the assignment agreements? *The attorneys.*
- Would we need an agreement regarding the return of funds to grantors, or just a letter to accompany the check? *The former.*

*As of July 31, 2012 we successfully orchestrated the following project transfers:*

- *Amachi to Amachi, Inc., in Philadelphia, PA.*
- *America Works to the Manhattan Institute in New York, NY.*
- *Gulf Coast Alternative Staffing Initiative to the Southwest Center for Economic Integrity in Tucson, AZ.*

    - *The Benchmarking Project to the Corporation for a Skilled Workforce in Ann Arbor, MI.*
    - *Career Advancement Academies to the OMG Center for Collaborative Learning in Philadelphia, PA.*
    - *Elev8 to Research for Action in Philadelphia, PA.*
    - *First Place for Youth to First Place for Youth in Oakland, CA.*
    - *Higher Achievement Program to the University of Texas in Austin, TX.*
    - *Latin American Youth Center to the Urban Institute in Washington, DC.*
    - *Project Quest to the Economic Mobility Corporation in New York, NY.*
    - *Strengthening Financial Management to MDRC in New York, NY.*
    - *The Choice is Yours to JEVS in Philadelphia, PA.*
    - *Washington State Mentors to Washington State Mentors in Issaquah, WA.*
    - *Year Up to Year Up in Boston, MA.*

*We were also able to ensure that the various trademarks P/PV owned were assigned, where applicable, to these new entities.*

**Board of Trustees**

- At what point would they need to petition for dissolution? *Not until after operations were to cease.*
- At what point does the board itself dissolve? *The majority of members resigned in July 2012 – the chair, the chair of the finance committee and I were to remain until dissolution and final tax clearance is granted. As of March 18, 2014, the two other Board members resigned because our D&O insurance was cancelled effective March 19, and no other vendor would provide us with a policy. Friday the 13th (fitting!) of July was our last full Board meeting. At that meeting we reviewed:*
    - *Financial statements and our remaining cash estimates (which accurately predicted what appears to be an approximately $100,000 balance to be transferred to another 501(c)(3) in partnership with the Pennsylvania Attorney General when all final invoices are paid.*
    - *Project status.*
    - *Intellectual property transfers of trademarks, publications and data.*
    - *Legal review of the Pennsylvania Orphans Court petition process.*
    - *Board governance resolution that included:*
        - *The resignation of four of our seven trustees.*
        - *The continued membership of the president on the remaining board of three.*

        - *The termination of the president's employment effective July 31, 2012.*
        - *The president's authority on behalf of the Corporation to compensate any and all persons in her discretion as necessary to effectuate and complete the Plan of Dissolution.*
        - *The continued authorization (by bank policy) of two former staff members as co-signers of checks drafted post-July 31 from open checking and borrowing accounts as directed from time to time by the president and board officers of the Corporation.*
    - *Approval of minutes from our prior meetings.*
- Would we need a board meeting to review the audits and Form 990 when completed?
    - If so, who needs to be in attendance? *We reviewed with the board before operations ceased.*
- When the final tax clearance comes from the Commonwealth of Pennsylvania approximately two years after official closure, does someone need to 'receive' it? *This remains unclear, but presumably the remaining three board members (including me) will receive it with the attorneys.*

**APPENDIX B**

**TIMELINE AND THE HUMAN EXPERIENCE**

**Week 1**

- We confirmed with our attorneys that bankruptcy would be more expensive and chaotic, although it would provide more protection for us if we found that we couldn't satisfy our creditors. We decided to live more dangerously by managing our own dissolution in the clear hope of disrupting as little of our important project work as possible.
- We had several deliberations with our board and a crisis communications firm about whether to provide a press release. We made the decision in that first week to proactively communicate our closure, in the hopes that we could manage expectations and messages more effectively.
- Early discussions with funders revealed that some of our initial thoughts for transfer agencies would not comport to their desires or past experiences with other vendors, which led to more prolonged negotiations in some instances than we had expected.
- During this week we lived with the very grave concern about whether we would be able to extricate from our Philadelphia office lease, which had a remaining 9-year term. Similarly, we had another 3.5 years with our copy machine leases, which was a great unknown and potentially significant obstacle to our desire to manage this process without turning to the bankruptcy courts.
- As a research organization, we had to learn with urgency what to do with Institutional Review Board (IRB)-governed projects.
- We were also concerned about whether we would be able to obtain extended directors and officers liability coverage (D&O ) for the trustees who would remain on the Board for what might be as long as two years before dissolution. We asked our benefits representative to search for competitive bids for continuing our coverage, and ultimately received the following response: *I have no other insurers that will entertain D&O for a nonprofit that is closing down. There is almost no market for this.* [Note: we did subsequently obtain this coverage].
- We provided an early signal to the Philadelphia region's Attorney General, so that we could work in concert with him through this process.
- We had worked very hard only weeks earlier to submit the evaluation portion of an important application to the Social Innovation Fund (SIF) in partnership with another nonprofit, the Greenlight Fund. We placed a call to the SIF to ensure that our transition wouldn't jeopardize the Greenlight Fund's competitive chances. (They ultimately did receive the award.)
- I conducted individual meetings with every staff person to understand what was of foremost concern to them, and to begin the matchmaking process to help facilitate their job search process.

- Between the funders, the press, external friends and partners, and each of the staff, I have never spoken to more people in one week in my life.
- We realized that we should have done more to emphasize to people in our initial communiqués that the work would indeed continue through at least June.  We corrected this with subsequent calls and blogs, but the world had little imagination for anything but a middle of the night, cut-and-run scenario.
- We also needed to make sure that our staff fully understood that all of our financial calculations were predicated upon their being able to earn revenue and margins on our projects though June 30th.  We needed them to ratchet up production, at what was a profoundly destabilizing time for each and every person on the staff.
- Our nerves were individually – and collectively – totally frayed.

**Week 2**

- We almost forgot to move our investment balance of cash for safe-keeping (but, of course, did).  There was no need for long-term investments anymore, or for *any* margin of error if the market were to crash again.
- We began to appreciate the magnitude of the challenges associated with de-identifying individual data from research studies.
- All of us were quite anxious about health insurance and how to provide for people's continued coverage once the plan ended.  We had far more questions than answers at this point.
- We identified that P/PV held 10 trademarks that would all need to be planned for.
- We set the goal of getting all project homes identified by June 8th.  We began a painstaking tracking process of our 40+ open projects with a spreadsheet that was continuously updated through June (sometimes walking through the project list twice in a given day with different staff). The elements we tracked for each project included:
    - Project name.
    - Project manager.
    - Project disposition (transfer, close, return funds).
    - Data transfer agreement status (signed, pending, N/A).
    - Assignment agreement (signed, pending, N/A).
    - Return/termination agreement (signed, pending, N/A).
    - Financial and project narrative status (complete, incomplete).
    - Email blast to notify partners and interested parties (complete, incomplete).
    - All invoices in?
    - Other notes.

**Week 3**

- We invited one of our senior fellows with considerable consulting expertise – Patti Patrizi – to provide a Consulting 101 seminar for all of the staff who might be turning to this as a next step.
- We moved into many of the administrative details of planning for scrubbing laptops and ensuring that all staff balances on our corporate credit card would be paid off before our American Express account was terminated on May 31.
- We urged staff to aggressively get *all* outstanding invoices from vendors into P/PV ASAP, as our final accounts payable check run for vendors would be July 13.
- We also had to push staff to work aggressively to identify remaining project account balances and to produce volumes of reports for all open projects.
- We did yet another walk through of all of our open projects with the full staff.
- We confirmed that all of our IRB projects would need to identify new IRBs when transferred.

**Week 4**

- A former board member called to warn me that I should not be blogging about the wind down, as it would too closely identify me professionally with a "sinking ship." I was not sure what else to do, however, and continued writing.
- We experienced two end runs in one day, where competitors started going straight to funders to win our work, bypassing us entirely. Fortunately, our funders shared this information with us, so that we could continue to manage these decisions together. It was the beginning of feeling like we were dead folks walking.
- Our senior fellow, Dr. W. Wilson Goode, Sr., finally received notice (after almost two years of waiting) that he had been successful in getting 501(c)(3) status for Amachi Inc., which would allow him and his staff to transition this highly successful, nationally replicated program to a new home. Not a moment too soon.
- A series of other agencies began to pay visits to P/PV to interview staff. It was a bittersweet joy to see such keen interest in the staff, and to see them all clean up so nicely for outside interviews.
- A colleague who had been through a remarkably difficult process of moving her grants to another organization burst into tears after an incredibly supportive and flexible call with our program officer from our largest funder – the Robert Wood Johnson Foundation: *I just couldn't handle someone finally being nice to me about all this.*

**Week 5**

- At our all-staff meeting this week we covered a range of details that were unfolding, including that:
  - On July 25 our computer network would go down;
  - All live projects needed to recall all materials for transfer (which meant recalling and sifting through over 2,000 boxes);
  - We would need to identify transfer/destroy dates for everything, keeping a hard copy of all open project data;
  - If projects were completed, we would need to destroy old documents;
  - There were seemingly endless details involved in how to close out projects.
- Several job offers had already been made to staff, and two people had already placed out into jobs.
- Our negotiations with the Foundation Center accelerated to move our publications to its IssueLab site.

**Week 6**

- I hosted a party – financed by our board – at my home to celebrate P/PV's rich history. We invited every former staff person whose contact information we could find, and it was a much-needed formal opportunity to reflect and celebrate P/PV together. The doorbell didn't stop ringing for two hours as people I'd never met poured into my home, dating back to P/PV's founding president.
- We continued to feel pressure and concern about the feasibility of de-identifying old research data. Employment programs, for example, almost always have social security numbers attached to data, and we had to find a means to manage this information confidentially and responsibly.

**Week 7**

- Our IRB approved the notion of transferring projects to other IRBs.
- We began to grapple with the challenge of what to do with projects where providers also held data. Could we give them notice so they could share with participants?
- We were still waiting on our written lease termination agreement for the Philadelphia office space, and remained quite nervous.
- We donated our Oakland and New York office equipment to other nonprofits as both offices were being closed.
- I had breakfast with a long-time colleague who has been a nonprofit leader for almost 40 years. His remarks were chilling, and heartfelt:

- *I've never experienced a more exhausting time than now in fundraising….It used to be that foundations would give you money to experiment. Now they want to do the strategy, and have nonprofits execute for them.*

**Week 8**

- We walked through our list of all projects *twice* in one day, which was painstaking and difficult, as there was nothing but loss involved. No future movement or building. Emotionally torturous for all.
- Our Philadelphia lease buy-out papers finally arrived. Phew!
- I realized that we were all working desperately hard, but only to close – we were essentially engaged in a pitched battle to fail. The fights this week included: the possibility that a funder would renege on a prior commitment; a few providers threatened not to pay us for work we had already completed (providing essential revenue we had calculated into our close-down costs), and; the potential premature closure of a promising project because of anxiety about losing us as the intermediary. There was little regard paid to the potential consequences for the young people enrolled in this critical program. People often "smell blood", and it became increasingly clear that if the wind-down was not well-organized, many providers would refuse to pay.

**Week 9**

- This was our final week with the full staff. On Monday my inbox was completely full, but only with requests for severance meetings with each of the staff for the end of the week.
- On Tuesday, I decided to put the vast majority of my office in the dumpster, even though I would be there for another month. I'm not sure why, other than that the departing staff were doing so, and I simply wasn't clear what else to do with myself.
- On Friday, after all of my individual meetings with staff who were terminating, we had our final all-staff meeting. It seemed important to provide each of us on staff with some form of ritual, and I asked everyone to write on a piece of P/PV paper what this loss represented to us personally, to read our pieces, maybe to cry or laugh, then toss the papers into a copper kettle at the center of the table (in good P/PV form, there were many basketball jokes through the tears). We crammed into one elevator, took the bucket to the back of the building, then set it on fire so that we could move on individually with the collective P/PV spirit shared. We each needed to name the loss in order to move on. For me, a bittersweet loss was that I could say that we had finally achieved the vision of operating the organization as 'one P/PV' over the prior 9

months.  It was too little too late, but I will always hold that knowledge in my heart.

**Week 10**

- Those few of us who remained this week struggled with feeling abandoned in massive ways.  Next to no one reached in to see how the staff transitions had gone, or how the handful of us who remained were coping.  People don't know how to deal with the living after a death.
- The lights kept going on and off – now that most of the staff were gone, there wasn't enough motion or life to keep the light sensors on.  An eerie and haunting feeling.
- The auditors admitted they didn't know how to handle this situation.
- Dollars were flying to new entities, reports were being produced, and we were still fighting over receivables.
- We received a generous offer from another research house to host our data – but we ultimately decided it was unfeasible.  We simply did not have the remaining staff to clean the data properly or responsibly.
- The high point of the week was finding a missing file cabinet key where we thought important old documents were hidden.  Simple pleasures.

**Week 11**

- We realized we needed to get agreements from every organization that shared copyrights on any publications that would be shared through our Creative Commons agreement with the Foundation Center.  We went through *all* of our former publications to determine if there were shared copyrights, sent letters detailing all of these publications to 15 different organizations, and received mercifully swift and favorable responses within the one week we had requested (time was rapidly running out for us).  As our former communications director, Chelsea Farley, noted as she helped us through this arduous archeological dig: *It really hit hard poring through the list of all our publications – it was like doing a post-mortem.*
- We completed the transfer of over 25,000 hard copy publications to interested parties.
- The auditors determined that they would produce a liquidation report.

**Week 12**

- We needed to process final checks to be written out of our accounting system, as it closed on July 20.
- We *finally* got a reasonable buy-out deal for our copy machine leases.  Thankfully.
- We determined that the P/PV corporate seal would be transferred to our attorneys (the little things).

- We were still fighting with one provider client over receivables. Ultimately, we were successful in getting all of our receivables paid to us. But not so easily. One took almost a year to collect, and not without repeated badgering from us.

**Week 14**

- Our server and Internet access was shut down, and it was a profoundly strange dislocation to try to produce final work with no staff or internet. It was very hard to function.
- A real wrinkle in the wind down was facing the throwing away of so much history – how does one throw away pictures and historic records when normally they just get passed along to the next leader or staff to hold? I couldn't bear to throw away many of the photographs of former staff, and ended up bringing home an irrational number of items that I am not clear what to do with, but as yet have still been incapable of discarding. Some have suggested I open a P/PV museum…..

**Last Day**

- I spent the morning at an internet café trying to get a connection to send out final reports to funders who had provided core support.
- I paid a visit to the post office to mail two final grant termination agreements to a funder.
- I helped a former staff person load the last of the office supplies into his car to donate to a local Philadelphia school.
- I turned the lock at P/PV one final time then dropped two large bags of keys and ID cards at the building front desk.
- I paid a final visit to Gus, our local food cart vendor for tea. He brought me to tears as he said goodbye and shared: *I remember when you guys used to be a whole floor.* Indeed.