

Mission Creep and Accountability in Nonprofit Organizations

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To remain accountable to their stakeholders, nonprofit organizations must balance flexibility with fidelity to their original missions. An inflexible organization will fail to keep pace with the times and find itself irrelevant. One that succumbs to mission creep, however, will find itself courting irrelevance or even malfeasance.

Two examples of organizations grappling with mission creep are the AIDS Healthcare Foundation and the Sierra Club. Interestingly, they have reached their problems in different ways. AHF has suffered from over-concentration of power in the executive office, while the Sierra Club's mission has wandered because of its democratic and chapter-based structure, which has allowed individual chapters and members to influence or stray from the group's mission over time.

The same democratic structure that created the opportunity for missteps, however, also allowed the Sierra Club to recover from them, while the AIDS Healthcare Foundation seems to have no counterbalancing force and remains committed to its unrelated projects.

AIDS Healthcare Foundation

The AIDS Healthcare Foundation (AHF) began at the height of the AIDS crisis as a brash organization demanding access to care and destigmatization of HIV-positive people (Glazek 2017). Although it began fundraising with thrift shops, by the 1990s and 2000s, it had a very successful business model running nonprofit pharmacies. Substantial federal funding for HIV care under a rule known as 430B, and successful pharmaceutical HIV treatments, meant that these pharmacies generated substantial revenues - over \$1 billion by 2018 (Marinucci & Colliver 2019).

The organization's substantial resources made it immune to donor pressure, and although it has a board of directors, it seems that the board was no match for the forceful personality of CEO Michael Weinstein.

In the early 2010s, the group spent heavily to back "ballot measures to require condoms on pornography shoots in Los Angeles County and statewide," (Reyes & Zahniser 2017). This effort, although only arguably effective, was definitely AIDS-advocacy-related. Similarly, its pharmaceutical pricing advocacy was on-topic, if occasionally coming dangerously close to prohibited lobbying practices or illegal diversion of funds from 430B programs (Marinucci & Colliver 2019).

The organization began to draw even more criticism after 2012, when the FDA approved Pre-Exposure Prophylaxis (PrEP) as an HIV-prevention drug. Disagreeing with most health policy experts, Weinstein opposed its use and backed that opinion with a public relations campaign funded by AHF's substantial resources. Otherwise allied groups were not pleased, and editorials with titles like "Fact-Checking AIDS Healthcare Foundation's Latest Anti-PrEP Screed" (Ryan 2015) began to appear in the gay press.

In 2016, the LA Times profiled him with quotes from detractors describing him as "Satan," a "thug," and a "bully." (Mai-Duc 2016). In 2017, the New York Times followed suit, noting that rivals in the field regarded him as a "mastermind driven by ideology, accountable to no one, with bottomless funds and an agenda marked by financial opportunism and puritanical extremes" and describing accusations of "questionable business practices, including union-busting, giving kickbacks to patients, overbilling government insurers and bullying funders into denying grants to institutional rivals" (Glazek 2017).

Although much of the earlier criticism could be attributed to stylistic differences and rivalries, the group truly began to stray from its foundations in 2016. As the LA Times reported early the following year, "the foundation sued to stop construction of two residential towers next to its headquarters... [and filed] a lawsuit challenging plans for a 15-story office building down the street." Weinstein claimed this was to preserve affordable housing for HIV-positive people, but it was difficult to avoid noting that the new buildings would have obstructed the views from his office.

Then it began to fund advocates for Measure S, a ballot measure that would impose stiff new restrictions on anything being built in Los Angeles. AHF "spent more than \$4.6 million — or nearly 99% of the campaign's contributions — to support the controversial measure." (Reyes & Zahniser 2017). The San Francisco Chronicle later reported that "the campaign mailed fake eviction notices, which confused some voters and prompted a cease-and-desist letter from the Los Angeles County Sheriff's Department" (Swan 2019). Otherwise-allied LGBT groups and city officials spoke out strongly against both the bill and AHF's involvement; Los Angeles City Controller Ron Galperin referred to AHF's activities as "squandering millions of dollars" (Linton 2017) that could otherwise have funded healthcare.

In 2019, a proposed housing law once again attracted Weinstein's attention, and he marshalled the AHF's resources to stop it (Swan 2019). SB50, proposed by California Senator Scott Wiener, would have permitted the construction of four and five-story housing near transit nodes throughout the state. Weinstein regarded it as a machine of gentrification and a handout to developers, and AHF spent heavily to oppose it. Most notably, the group sent mailers throughout San Francisco using a quotation from a 1963 James Baldwin interview, stating that "Urban renewal means Negro removal." The response from housing advocates, the local NAACP, and communities of color was scathing, but Weinstein was unrepentant.

Press (Swan 2019) also tied the opposition to Weinstein's long-standing feud with Wiener, which had begun in 2014 when Winer, then a member of the San Francisco Board of

Supervisors, helped make a decision which denied AHF a permit to consolidate two pharmacies into a larger location. The truth of the matter is unclear, but Wiener and Weinstein have long been opposed politically: on decriminalizing HIV exposure, on PrEP, on the usefulness of Weinstein's campaign to require condoms in pornography, and on housing. The dislike is clearly mutual: Wiener took to Twitter to describe AHF as "a pariah among [#HIV](#) advocates" and "a chain pharmacy & insurance company masquerading as a nonprofit" with "zero credibility," and arguing that their "despicable" political actions impermissibly diverted funds from health care (Wiener 2019).

AHF continued to follow its CEO's off-topic passions with no interference from the board. In August, 2019, the group sued the City of Los Angeles in an effort to preserve what it deemed a historical record shop (Britschgi 2019). That same month, California Senator Ben Hueso requested that the state Attorney General's office open an investigation into the group for misuse of its 430B funds (Marinucci & Colliver 2019).

Sierra Club

There are two notable examples of the Sierra Club encountering and recovering from dangerous levels of mission creep. The first was with immigration. Although the Sierra Club had long promoted family planning and a stable human population as an environmental cause (Hopkins 2018) in the late 1990s and early 2000s an anti-immigrant faction began to demand that the club address US population growth. They wished, in other words, to legitimize their anti-immigration views, often sourced from explicitly racist groups like VDare (Barringer 2004), by tying them to a well-respected liberal organization.

The democratic structure of the organization and a low threshold for voting allowed thousands of new members, influenced by a small number of board members, to push for that position (Worth 2019). Bitterly-fought board elections in 2004 (Nijhuis 2004) ended in defeat for the insurgent group.

The Sierra Club has since spent significant effort undoing the damage to its reputation. Even in 2018, Sierra Club Director of Strategic Partnerships Hopkins, reflecting on the struggle, wrote that “the Sierra Club was vulnerable to organized bigotry because of our democratic structure. Part of the reason that [bigoted] ideas are still popular is because the Sierra Club was slow to act” (Hopkins 2018).

Although the immigration controversy remained fresh in the minds of Sierra Club leadership, mission-related disputes appeared again in the late 2010s. This time, the club’s work to preserve open space collided with a housing crisis and the efforts of other environmental groups to lower carbon emissions by clustering housing and jobs near mass transit. Although the national organization issued repeated statements in favor of transit-oriented development, state and local chapters opposed them. Most notably, the San Francisco chapter repeatedly used thinly-supported historical or environmental preservation justifications to block both individual projects and changes to San Francisco development policy. Dissenters within and outside the organization saw these actions as counter to the Club’s mission, and complained that they were exacerbating the region’s ongoing housing crisis and increasing the very carbon emissions that the national and statewide groups claimed to want to quell.

In 2016, Sierra Club member Conor Johnston wrote with dismay that the local San Francisco chapter of the club had opposed numerous infill housing developments that would have been environmentally sound, claiming that the decision had been made by “a handful of NIMBYs who put their personal agenda above the environment.”

In 2017, the incongruity continued. Although the national group continued to claim to support transit-oriented living, low-carbon living, and a move away from cars, the San Francisco chapter united to oppose redevelopment of what they termed a “historic parking garage” (Lynch 2017).

Chapter member Andy Lynch attended the meeting and came to a dismaying conclusion:

The national Sierra Club promotes infill development because they know that dense, urban environments result in less greenhouse gas emissions than urban sprawl. The local San Francisco chapter has shown itself to be against urban housing on a number of policy issues. Whether it is under the guise of affordable housing activism, “smart” growth, or cynical political calculations, their activism results in more personal car commutes, more greenhouse gas emissions, and a continued threat to our climate.

Market Urbanism Report founder Scott Byer explored the contradiction in an interview with San Francisco Chapter Director Minda Berbeco. “Infill housing definitely we are supportive of,” he quotes her as saying. “But at the same time, it needs to be done right.”

However, it seems that in many cases, there were an infinite number of reasons that a project was “not right.” As Beyer pointed out in 2014, the Club’s members used multiple layers of review to drag project approvals out for years, citing an example that had been seeking approval since 2006 and showed no sign of beginning construction. At the time, the San Francisco Sierra Club was lobbying to expand review requirements in the city, making even more projects subject to extra process. The euphemism for these endless layers of review is “local control,” which seems on the surface to be an entirely reasonable principle.

In 2018, in coincidental agreement with AHF, the Sierra Club opposed Senator Scott Wiener’s SB827, calling it “heavy handed” (Jones 2018) and advocating for the importance of “local control.” Later that year, the official housing policy of the Sierra Club of California (2018) and memos from the national group (Kash 2018) claimed to support transit-oriented development as critical to preserving the environment, but simultaneously opposed laws that might enable it.

Pushback from members and allied groups was swift. California Planning and Development Report writer Josh Stephens (2018) spoke with Sierra Club national Communications Director Maggie Kash about the national and state groups’ concerns, and got no satisfactory answers. After the interview, he wrote that local control had historically been used to enforce segregation and is today used to prevent exactly the kind of development the Sierra Club claimed to support. His conclusion was that the Sierra Club had entirely lost its way: “for the good of California and the country ... I hope the Sierra Club rebuilds and refocuses itself before it’s too late.”

He may get his wish. In 2019, the Sierra Club issued a statement from Executive Director Michael Brune titled “Building More and Doing Better” in support of a groundbreaking Minneapolis zoning reform project that aligned with the organization’s stated goals. Although it is not entirely clear that this support was due to backlash from the Club’s opposition to California’s housing proposal, it is plausible. And it is certain that donor support and donor pressure are more effective in the Sierra Club than they are for AHF, both in straying from the core mission and in returning to it.

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