

# Building Community

BULLETIN #1, August 1992  
Grantmaking Consulting Program  
Sponsored by the Philanthropic Ventures Foundation  
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Starting in November, 1991, twenty community foundations have received grantmaking consulting with visits up to five days. A typical visit included an extended debriefing of the executive director on all aspects of operation of the foundation with emphasis on grantmaking, interviews of all staff members, an audit of operating procedures, meetings with board officers, board committees, an extended three to six hour meeting of the Board of Directors; review of filing systems and grant processing, visits to a sampling of applicant agencies, and meetings with significant citizens who relate to the foundation.

Meetings started as early as 6:30 a.m. and lasted to 10 p.m. The purpose of a consulting visit was to become familiar with the foundation, critique processes as they stand, make suggestions, conduct in depth discussions to raise the awareness of all concerned, and present ideas for a new vision.

The role of the consultant is not to present formulas, not to say what should be done; this person offers an outsider's viewpoint, a new perspective, a vision of what can happen. The consultant is the facilitator of meetings, is the person with new ideas, the agent to challenge people to change. Persuasion, energizing, discussion, support are the tools used.

## Comments by Community Foundation Executives on Grantmaking Consulting

"Bill Somerville is one of the most provocative, exciting, and dynamic consultants in the field. He successfully expanded the executive committee's understanding of what a community Foundation can do - and in particular how creative grantmaking can be an engine for growth... As Executive Director, I can say Bill accomplished all I hoped: the Board has an expanded sense of their own capabilities and many new ideas. Now it is up to us to implement them." (Margaret A. Gray, The Santa Fe Community Foundation, New Mexico)

"Your visit was characterized by many of those who met you as a 'shot in the arm' for the Berkshire Taconic Foundation." (Sally K. Eagle, Berkshire Taconic Foundation, Connecticut)

"He made a real effort to get to know us, exploring the town, as well as getting out of the office to visit programs and people who could give him a good feel for what is going on in our world. He was interested in our history, economy, politics, and quickly gained a basic understanding and appreciation for the Big Sky County and its people." (Sidney Armstrong, Montana Community Foundation)

"Excellent! In order for foundations to embrace change, it is important that fresh approaches be introduced by someone of Mr. Somerville's caliber. His background in grantmaking gives the credibility and validity to change that trustees, in particular, need to hear." (Carolyn M. Pratt, The Jackson Community Foundation, Michigan)

"As Bill reminded us, one of the very serious problems confronting the smaller community foundations is the seemingly inordinate amount of time which the tiny staff spends on "paperwork." John F. Freeman, Wyoming Community Foundation)

"He creates a non-threatening atmosphere, ripe for participation. He strips us of preconceived notions and systems, then systematically rebuilds with us in a "how to " fashion. We consider Bill a guru in philanthropy. He is inspiring, like a battery chare, or "jump start." (Thomas A. Mack & Jean C. Tehan, Wasau Area Community Foundation, Inc.)

# Foundations participating in grantmaking consulting

Names and telephone numbers are given for those wishing to have collegial contact.

Hawaii Community Foundation, Jane Smith, Chief Executive Officer, 808-537-6333  
Maine Community Foundation, Marion Kane, President, (207) 667-9735  
Berkshire Taconic Foundation, Sally K. Eagle, President (203) 435-2483  
Community Foundation of Western Massachusetts, Sandra Eagleton, President, (413) 732-2858  
Community Foundation of Western No. Carolina, Pat Smith, Executive Director, (704) 254-4960  
Greater Triangle Community Foundation, Shannon St. John., Executive Director, (919) 549-9840  
Santa Fe Community Foundation, Margaret A. Gray, Executive Director, (505) 988-9715  
Montgomery Area Community Foundation, Eve Loeb Shearer, Executive Director (205) 271-3643  
Edmonton Community Foundation, Lorne C. Leitch, Executive Director (403) 426-0015  
Red Deer Community Foundation, Margaret Hicks, Chairman (403) 343-1630  
Saginaw Community Foundation, Lucy R. Allen, Executive Director (517) 755-0545  
Jackson Community Foundation, Herbert E. Spieler, President (517) 787-1321  
Community Foundation of Greater Flint, Dorothy M. Reynolds, President (313) 767-8270  
Wausau Area Community Foundation, Thomas A. Mack, President (715) 845-9555  
Community Foundation of Fort Collins, Diane Hogarty, Executive Director (303) 224-3462  
Wyoming Centennial Community Foundation, John T. Freeman, Executive Director (307) 766-2477  
Montana Community Foundation, Sidney Armstrong, Executive Director (406) 443-8313  
Rockfort Community Trust Gloria T. Lundin, Executive Director (815) 962-2110  
Community Foundation of Jackson Hole, Jean Adams, Chairman (307) 739-1026  
Community Foundation of Cape Cod, Kathryn L. Lima (508)771-7883

## OVERSIGHT COMMITTEE

The grantmaking consulting project was overseen by a committee of colleagues. It has met twice and has received full reports and evaluations of the project.

Joanne Scanlan, Council on Foundations, (202) 466-6512  
Todd Leuders, Monterey Community Foundation, (408) 375-9712  
Andrew Bell, Jacksonville Community Foundation, (904) 356-4483  
Ruth Shack, Dade Community Foundation, (305) 371-2711  
Tullia Hamilton, St. Louis Community Foundation, (314) 2411-2703

## What Next?

The Oversight Committee has discussed the possibility of following up the consultations with special training which might take place in a retreat which brings together executive directors and board chairpersons. Such a session could last up to five days including travel.

There would be presentations, small group sessions, individual foundation appraisal sessions, and facilitated discussions. Experienced professionals from the foundation field would lead sessions.

This is in the planning stage. If people are interested in such a session, they can call to be put on a mailing list. (415) 854-2164

# What was learned from visiting Twenty Foundations?

- Foundation personnel, for the most part, are new to the field of philanthropic grantmaking. They are eager to learn and open to suggestions. Many work into the evenings and on weekends. There is no common background amongst them; in many cases, they came to the job of executive director by succeeding the person before them. Sixteen of twenty foundation executives were women.
- Salary levels for all twenty foundation executives were modest and sometimes considerably below what could be expected for the position.
- Administrative staffing varied from the executive director acting as his/her own secretary to small foundations with a staff of five. Administrative funding is a major concern for small foundations and often is not given the attention it requires.
- Funds for administrative costs come from a wide spectrum: administrative endowment, private foundations, fees on Funds, allocating money from the grantmaking budget, fund raisers, Friends/Sponsors of the Foundation, Board member contributions. In most cases, administrative support money came from a non-permanent source.
- For the most part, administrative fees charged by foundations to the Funds they hold were low. They varied from 1% to a scale depending on how much money was involved. In no case was there mention of the fees charged by the custodian banks and financial advisors.
- Foundation administrative tasks consumed the major portion of most foundation executives' time, regardless of the size of the foundation. A large share of this time was spent attending various foundation related meetings, i.e. Board committees.
- Board of Directors were made up of men and women who are financially successful for the most part, above the age of 45, often retired, often native to the area, very proud of their area, and very eager to help with the development of philanthropy in their area.
- For the most part, Boards of Directors were so large that they and their committees consumed major portions of staff and members' time. Often Boards met monthly, and the frequency of meetings seemed to have no relation to the size of the Foundation. In some cases, the foundation executive director chaired Board meetings.
- In most cases, it appeared that Board members were acting on their best judgement but in isolation from how other foundations operate. In all cases, Board members reacted with considerable enthusiasm to comments that gave them an idea of the full dimension of philanthropy and new things their foundation could do.
- Many of the foundations had already had up to five previous consultants. It was hard to ascertain whether or not this had resulted in innovation and increased effectiveness. Some consultants gave opposing views on the same subject.
- Foundation literature abounds. Often annual reports are quite elaborate, and there seems to be no direct relationship to the size of the foundation and the elaborateness of the report; more it is the writing talent of the executive.
- Application procedures for getting a grant tend to be ponderous with most foundations. They vary from a fill-in-the-blanks forms to lengthy statements of foundation policies and philosophies. This front end, meet-the-public literature does not seem to be getting the attention it deserves to make it user friendly, effective, and flexible.

## What was learned from visiting Twenty Foundations? (continued)

- Procedures for handling grant requests vary considerably. In some cases, everyone on the staff reads them; in other cases, volunteers read the requests; in another case, Board members read the requests. An inordinate amount of time was spent in reading requests vs. making site visits and evaluating them.
- Few Foundations made, as a regular procedure, site visits to applicants.
- The application processing procedures seemed to evolve at foundations as opposed to designing an efficient and effective way of working with the public.
- There are as many filing systems at foundations as there are leaves on an oak tree. In many cases, there wasn't a system; things were merely put in a drawer.
- Grantmaking meetings of distribution committees, for the most part, were held too seldom; semiannually or annually in many cases, and this was not always related to the amount of money available.
- It is hard to evaluate the effect of a consultant in lasting terms, i.e. changes in operations. Maybe there is a difference between educating and training. A consultancy educates; training is more related to change.

The next Bulletin will have recommendations to deal with many of the findings.

What are your thoughts, comments, suggestions for running an effective foundation?

Let us know.

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