

Building

Community

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Foundations

Grantmaking Consulting Program

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This Bulletin offers suggestions regarding the operations of community foundations with emphasis on grantmaking. The comments herein are based on findings from consulting in-depth at over fifty-two community foundations. Twenty-five of these foundations were visited in the past year with stays up to five days. Bulletin #1 listed the findings from the visits to those twenty-five foundations. Subsequent bulletins are responding to the findings.

Getting Out into the Community What's Worth Funding?

One of the primary findings from visits to community foundations was that the executive and program staff found it very difficult to get out of the office. Administrative matters, committee meetings, responding to the public on the telephone took the lion's share of time.

Let's make some assumptions in the operation of a community foundation. First, good grantmaking is related to knowing effective professionals, i.e. grass roots people who get things done. Second good grantmaking is a balance between responding to the mail and taking the initiative - going out and finding funding opportunities. Third, good grantmaking is the willingness to take risks, and this is made possible by professional experience which tells one that the risk is worth taking.

All of the above are qualities that come from getting out into the community. But how does one do it?

A grantmaker is a people hunter and an idea hunter. The search for dedicated, effective people and good ideas is constant. There are a variety of ways to search:

- subscribe to all the newspapers in your giving area and review them for people doing significant things; if you don't have time, have an intern do it.
- have interns at your foundation; they bring new sets of antennas. Such interns can be college students, Junior League members, retired persons. They need not be paid; it is a quid-pro-quo arrangement where both parties gain from the relationship.
- expose staff persons to various events in the community. This is not so much going to meetings as it is attending events out of the ordinary to raise one's awareness.
- try to have a reputation such that people can and will call you, not for money, but to point something out.

How does one find an emerging idea? Be constantly on the alert. There is no formula; it is a process where one is committed to knowing the community and what goes on.

A popular method used by foundations to relate to the community is the needs analysis - prioritizing problems - studying the issues. This is done extensively and involves thousands of hours of meetings and lengthy reports. Interestingly, many communities come up with the same information.

A.I.D.S., teen pregnancy, homelessness, child care could each take all the money available in a given community. In large part, these same issues occur in most communities. Thus, the need for a needs analysis, or problem search is not as great as focusing on the task of doing effective funding in global issues with very limited money.

In other words, it isn't the problem search that counts; we know what the problems are. It's how to relate to the issues, how to find critical intervention points.

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The real needs analysis is done by the foundation executive being out in the community, knowing the community, working with grass roots people, observing everything.

The possibility for the executive to get out of the office for program work is contingent on the skill of running the office. The following observations apply:

- The larger the Board of the foundation, the more meetings the staff are required to attend.
- Support staff should be capable of relieving program staff of basic administrative chores (even in two person offices).
- Application processes should be honed to the bare minimum needed for obtaining the necessary information.
- Attendance at meetings should be judged by whether the executive is more proficient in making grants by attending.
- The foundation director says "no" about four times more often than "yes" in making grants; thus one should speed the processing of the "no's" so they take less time.
- The foundation filing system must be efficient and allow for finding things in a minimum of time. One of the best professionals to help set up such a system is a reference librarian.
- Professional reading can be divided into two parts: that which needs to be seen by the executive and that can be read and summarized by an intern.

- Interns can represent the foundation at functions and report back to the executive.
- One must use computers efficiently; in most cases the computer increases capacity to do something; it does not necessarily speed up the process, e.g. bookkeeping. The computer should have as much capacity as the foundation can afford.
- Try to get persons who "want to talk to you" to submit their inquiry in writing. It causes them to organize their thoughts, and it allows you to decide how much response is needed. In other words, you need people to be succinct on the phone and otherwise.
- Allow yourself and your staff to visit another foundation to see how it works. Be critical and come back with new ideas.
- Try for affordable office space so you can have adequate room.

Taking the Initiative

If funding ideas aren't coming in to your foundation which relate to serious issues, take the initiative and cause something to happen. In this way, you can intervene and get results that wouldn't happen otherwise.

Intervention can take many forms. You are a people hunter; you have found an effective person; you suggest a new approach.

You are aware that you are the money person, and people will rarely refuse your suggestions; so the dialogue is carefully crafted in order that there is give and take and there is the understanding that if a project is agreed upon, it belongs to the grantee, not to you.

An example: The artistic director of a dance company comes to you for funding. You have already funded three other dance companies, so you ask if this company would be interested in trying to reach low income children - a new approach. The director thinks it over and offers to work with thirty children during the summer. You fund it.

As this example plays out, the director continues to have classes for low income youth, and over seven years has enrolled two thousand children (a true story).

The outcome is, you took the initiative to suggest something that was needed but not being fulfilled. The director was not coerced but had full choice of what to do. The result is that people who were never involved in dance got involved, and you played a role in an artistic company expanding its outreach and its effectiveness.

As the story goes on, it turns out that not one of the two thousand low income young girls has gotten pregnant (if a girl feels good about herself, she is far less prone to have an unplanned pregnancy).

The fact is, as a foundation director you have read hundreds of proposals; you have talked with numerous professionals; as a result you have insight that others don't have. You have the ability to introduce ideas that can cause things to happen.

What People Say about Grantmaking Consulting

"I just finished reviewing grant applications submitted on our new forms and I'm so excited, I just had to write and say "thank you!" Not only did it take half the time to process them, but the applications are clearer and require less follow-up! What a welcome difference! Thanks for your help!"

Lucy Allen Executive Director - Saginaw Community Foundation

Consulting Continues

In addition to the twenty-five community foundations visited thus far, four new community foundations have requested consulting:

- Sonoma County Community Foundation, California
- Community Foundation, Inc., Springfield, Missouri
- Greater Green Bay Community Foundation, Wisconsin
- Community Foundation for the Fox Valley Region, Wisconsin

The Santa Fe Community Foundation used Bill Somerville to facilitate a full day retreat of its Board. He also facilitated a full day meeting of New Mexico grantmakers - the first get together of its kind.

In other work, Mr. Somerville conducted the initial meeting to create the Mendocino County Community Foundation (CA), and he conducted the executive search for the Humboldt Area Community Foundation (CA).

This Bulletin is the third
in a series dealing with
effective grantmaking

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