

Building

Community

Foundations

Bulletin #8 March 1993

Grantmaking Consulting Program

Sponsored by the Philanthropic Ventures Foundation

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Bulletin #8 is the last bulletin of this phase of the grantmaking consulting program. Bulletins #1 - #8 have offered commentary on grantmaking which has been based on observations from on-site consulting and from on-the-job experience.

The Philanthropic Ventures Foundation is developing a handbook on responding to emergencies/disasters by foundations.

If any reader is aware of a situation where a foundation responded to an emergency, please call (415) 854-2164.

The Site Visit An Integral Part of Good Grantmaking

In Bulletin #3 we talked about how hard it is for some community foundation personnel to get out of the office. We also offered some suggestions on realigning duties so that there could be more time for field work.

For the purposes of this bulletin, we will assume that the community foundation executive now has time to leave the office.

If a proposal comes to the foundation that is deemed eligible for consideration to receive a grant, a site visit should be scheduled. As a rule, every request for consideration by the foundation grants committee should have a site visit by a staff member.

There are exceptions. If a small amount of money is involved and the grant can be made by the executive director from discretionary funds, a site visit is not crucial. If the request is from an agency that has been funded before and the foundation staff is familiar with the program, a site visit might not be needed. If the applicant is a start up entity and has no office, then the person is invited to the foundation office for the interview.

The basic point is that an integral part of good grantmaking means the staff has first hand knowledge of the applicant agency and its program.



To begin with, when a request is received by the foundation and it is eligible for consideration, one way to handle it is as follows:

- Read the proposal with the point of view of why it should not be funded - be critical.
- Everytime a question or a concern comes up, write it down allowing two inches between each written comment. This is your interview schedule when you make the site visit.
- Call and make an appointment with the applicant. When you arrive, make it clear that you are there to strengthen the proposal and to anticipate the questions of your grants committee. The conversation could go thusly: "Thank you for getting together with me. This is your session as well as mine, and our job is to strengthen your proposal as much as possible. As with all proposals, questions came up as I read it, and I want to share these questions with you. If you feel I have misread or missed the point of your proposal, please bring that up. Our job is to anticipate the questions of my grants committee which is made up of thoughtful citizens. If we don't answer their questions, they'll either vote 'no' on your proposal or else postpone it three months to the next meeting. Is it OK if I proceed?"

With this preamble, it is unlikely applicants will feel defensive. Usually they are at ease and eager to get started.

- The foundation staff person asks the questions that came up from reading the proposal. The staff person writes the answers as completely as possible (don't interrupt with "slow down, I'm not a stenographer;" let the applicant's thoughts flow).
- Follow up on any answers that raise more questions. Don't give your opinion on the answer; save your judgements for later. If the answer is weak, let it stand unless a follow up question comes to mind. Don't try to turn a weak answer into something it is not.
- Take your notes on the table, not in your lap as if you are hiding something. Be as open as possible. You want candor, frankness, honesty.
- Ask for the names of three or four professionals who are familiar with the applicant agency and get their name, title, and phone number. Later, call these people and ask for their thoughts on the application. If all they say is superlatives, ask them what the weaknesses are (often people will change gears and respond more candidly). Ask these people for secondary references you should contact regarding the proposal.

Note: Foundations might want to consider asking for three or four names of reference professionals in their guidelines for application.

All of the above should rarely take more than 45 minutes to an hour. Honor the people you visit, and don't waste their time with chatter. (Since they are asking you for money, they will be prone to let you linger forever.)

- While you are on-site ask to be shown around; ask questions about what you see (and take notes); look carefully at things; be genuinely interested (all of what you see will be useful later in discussions of the applicant).

- The applicant will often ask the foundation person who should be at the interview. The response should be "I need to talk to you; if you want other people there that is fine but it's up to you." In other words, this is a working session, not an open house.

The purpose of an on-site visit is to develop a full rich understanding of the applicant and the proposal. Based on the interviews with the applicant and reference persons, the foundation staff person is now ready to write up a report for the grants committee.



In presentations to non-profit personnel, this writer tells people how the on-site visit works and elaborates the above information (there are no secrets). He will also depict to them the fact that most agency personnel just sit passively during the interview and wait for the next question. Thus they miss the point that they are getting a free critique of their proposal by a person who has read hundreds of proposals, and every question asked illustrates where the proposal was weak. The point being that the applicant should have someone in the room (maybe him/herself) writing as fast as the foundation staff person.

Proposals often go to more than one foundation, and with each submission they should get stronger and stronger.

NOTICE

Additional funding to continue the grantmaking consulting program is being considered. If such funding is approved, other community foundations can apply for assistance. In addition, community foundations in the original group of thirty may apply for another visit.

The general rule will be that if the foundation has \$5 million or less in assets, it will cover lodging and meal expenses for the consultant. Travel expenses and the consultant's time will be covered by other sources. If the foundation has over \$5 million, then there is the expectation for it to help with some of the travel costs as well.

Consulting visits to a foundation last from three to five days including travel time. Prior to a visit, the consultant has read extensive materials from the foundation including copies of the Minutes of the last ten Board of Directors meetings.

A visit includes an extended meeting with the Executive Director, interviews with all staff members, separate meetings with the Board Chair and Grants Committee Chair; an extended meeting with the Board of Directors (anywhere from three to six hours has been the case); a meeting with the Grants Committee; and additional meetings with the Executive Director. If requested, written recommendations are furnished to the foundation.

In addition, the community foundation often hosts a grantmakers forum which the consultant facilitates, the topic being "Significant Grantmaking - Some New Insights."

During a consulting visit, meetings start early morning (in one case at 6:30 a.m.) and go into the evening. This is a time of focused attention on grantmaking (questions regarding other foundation operations are handled as time permits).

Comments on Grantmaking Consulting Program

To give you a feel for some reactions from many of our board members, read on: "He was the kind of wake up call that we needed." "Fantastic!" "The best thing we've ever had." "Every few years we need a Bill Somerville to remind the Foundation of what we really are." "It really helps to have an outsider articulate so well the vision." "He did an excellent job of challenging conventional wisdom." "He was marvelous." "Everything made sense." "Please bring him back again." "He was a sparker, igniter extraordinaire." "It was the best time I've had with the Foundation in all the years I've been on the Board."

Terry Foster, President
Ann Arbor Area Community Foundation

"You opened our eyes to some very exciting possibilities, especially in terms of grantmaking...."

The Youth Council
Ann Arbor Area Community Foundation

"Your work is important, both in Michigan and elsewhere, because you are a different voice. Challenging paradigms is a critical step to growth and change."

Kathryn A. Agard, Ed.D., Program Director
Council of Michigan Foundations

DOES YOUR FOUNDATION NEED GRANTMAKING CONSULTING?
CALL (415) 854-2154

The March, 1993 issue of the Tom Peters newsletter
On Achieving Excellence, which goes to 8,000 businesses,
featured the Philanthropic Ventures Foundation.

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