

PLEASE ROUTE:

EXECUTIVE DIRECTOR _____

PROGRAM OFFICER _____

CHAIR GRANTS COMMITTEE _____

BUILDING COMMUNITY FOUNDATIONS

GRANTMAKING CONSULTING PROGRAM

Sponsored by:

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The Turn Down Letter

Foundations say ‘no’ more often than ‘yes’. In some cases foundations turn down 85% of what comes before them. The professional skill in the field is how to do this gracefully and respectfully.

Ruth Chance who was the Executive Director of the Rosenberg Foundation in California and who was one of the first recipients of the Outstanding Grantmaker Award by the Council of Foundations, stated that no matter what, never diminish the person you are turning down.

Such phrases as “at this time” in your turn down letter indicate that your actions are without prejudice and the applicant can come back again.

Be discreet and thoughtful in your turn down letter, otherwise people can read whatever they want into your letter. For example, to say “We are sorry we can’t fund your good idea” is a confusing statement. Possibly, to say “at this time, we won’t be able to give support to your...” doesn’t indicate any like or dislike of the proposal.

A turn down letter should be as short and to the point as possible. It is not the foundation’s job to give a critique of the denied proposal. If some reasons for denial are given, you must be ready to defend and further elaborate on the reasons. Trying not to sound arbitrary, some program officers feel a need to say something and often such statements confuse and anger the recipient. The stock in trade answer is “We don’t have money to fund all the requests that come before us.” This is true and it is understandable.

Getting turned down is always disappointing but if an applicant calls in anger it is not a worthwhile use of time or psyche to argue. One must be firm without being dictatorial and terminate the conversation.

In the final analysis, all decisions to fund or not are subjective. Did you like it or not? To get to this point, one tries to be objective by investigating the request, making a site visit, asking questions, talking to reference persons, etc. The point here is that subjectivity doesn’t rest well with the person who is denied, thus you either give a general answer or you are prepared to defend the details you stated.

Note: More foundations are implementing a “not favored by staff” status. In the first review of the proposal, it is clear for various reasons that the request isn’t going to be funded. Thus, the founda-

tion staff can make an immediate decision to deny and a letter goes out right away to the applicant.

One would argue that this is more ethical and fair as opposed to processing the request and giving the applicant a 'no' answer three months later.

All not favored requests are submitted as a bunch to the grants committee for confirmation. If the committee overrules a denial, the applicant is notified "that on further review of the proposal a decision was to give funding". No mention is made of being overruled, etc.

For requests out of your giving area, a postcard is adequate stating: "In response to your request for information/funds, please be advised that the _____ Foundation funds primarily in the _____ area. Consequently, we cannot be of assistance to you." Do not save these proposals.

If you would like to share your idea of a good turn down letter, please send it to us and we will publish it.

Turned down proposals should be saved for one year only.

What are some predictions for the future of philanthropy?

- Women will increasingly be in charge of foundations.
- As younger donors create advise Funds, the demands for 'outcomes' will increase and consequently giving will become more stilted.
- Commercial philanthropy, i.e. for profit public charities such as Fidelity, will continue to increase in size and smaller community foundations will either become more dynamic or cease to exist.
- The e-mail charitable giving phenomenon will soon peak, consolidations will set in, and it will become like giving or soliciting by mail.

What are your predictions?

Gift Acceptance Policies

All foundations need a Board resolution which states:

Certified Copy of Resolution

I hereby certify that a meeting of the Board of directors of _____ Foundation, a corporation organized and existing under and by virtue of the laws of the State of _____, held the _ day of _____, at which said meeting a quorum was present and acting throughout the following resolution was adopted and ever since has been and now is in full force and effect:

"RESOLVED, that the President or Executive Director, Vice-President and the Treasurer of this Corporation, or any one of such officers, be and they hereby are fully authorized and empowered to transfer, endorse, sell, assign, set over, and deliver any and all shares of stock, bonds, debentures, notes, evidence of indebtedness, or other securities now or hereafter standing in the name of or owned by this Corporation, and to make, execute, and deliver, any and all written instruments necessary or proper to effectuate the authority hereby conferred."

Building Community Foundations

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CHANGE SERVICE REQUESTED

The Grantmaking Consulting Program offers three services:

- Three-day on-site visits with extensive review of foundation procedures, extended individual sessions with the foundation board, grants committee, and staff.
- Two-day training sessions for program officers (5 or more persons).
- Facilitating board retreats.

Past copies of ***Building Community Foundations***, Bulletin 1 (August 1992) to Bulletin 46 are available as a unit for \$25 to cover the cost of copying and mailing. After April 2001 they will all be available on our website free to download in .pdf format. If you wish to purchase a printed copy now, send check to:

**Philanthropic Ventures Foundation
1212 Preservation Park Way
Oakland CA 94612-1201**

Comments on grantmaking consulting:

“Made all of the Trustees and myself think outside of the box - not an easy task for so many.”

Laura Lewis, Executive Director
Community Foundation of the Texas Hill County, TX

“The consulting was exactly what we expected and was certainly what our Foundation needed. Bill’s excitement about community foundations and the grant making possibilities was contagious, and his ideas were doable. In fact, we have already incorporated many of his ideas into the foundation’s grant making activities.”

Chandler Moenius, Executive Director
Topeka Community Foundation, KS

“Bill really knows his stuff! In addition, it was obvious that he read through the material I had sent ahead of time. He was able to quickly assimilate what I told him and to show how what we were doing could be changed and/or improved.”

Jascia Redwine, Executive Director
Ohio County Community Foundation, IN