

BUILDING COMMUNITY FOUNDATIONS



Philanthropic
Ventures
Foundation

Bill Somerville
President

Grantmaking Consulting Program

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WHEN THE EXECUTIVE DIRECTOR & THE BOARD DISAGREE

The Editor has had numerous calls from executive directors asking what to do when the board of directors is in disagreement.

First of all, it usually isn't the entire board that is in disagreement.

Second, it isn't so much a case of disagreement as it is that the board does not want to adopt a new approach to something.

"How do I break through the resistance?" asks the executive director. "The board wants to stay with past practices."

A little bit of the history of how community foundations development might be helpful. It all starts with a group of citizens who want to have a community foundation for their area. This group acts as the board and the staff in the beginning.

As their idea develops and gains momentum, board members come to realize they don't have the time necessary to run the foundation and they hire one staff person. This person often is in the role of clerk to the board.

The fledgling foundation starts to grow in assets and program work. Even with a staff person, the board members retain much of the duties of running the foundation such as site-visits to applicants, reviewing applications, etc.

The giving over of these duties by board members to staff is often a trying period because it is fraught with apprehension and misunderstanding of who does what.

As the community foundation continues to grow, more and more responsibility is assumed by the executive director but sometimes this

PERFORMANCE IMPROVEMENT: SOMETHING NEW

Community foundations can now request a performance review which consists of a four-day visit by PVF President, Bill Somerville (who has 44 years experience in community foundation and nonprofit work).

This review is a 'first of its kind' in its comprehensiveness and represents a performance appraisal analogous to a hospital or university accreditation. At present, there are no accreditation procedures for foundations in the United States.

Mr. Somerville looks into all aspects of a community foundation's operations including interviewing all staff members.

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Executive Director

Program Officer

Chair Grants Committee

new responsibility is not fully acknowledged by board members and this is where trouble begins.

For one thing, the board wants to approve everything. Often the executive director inadvertently causes this to happen by putting every decision to be made before the board. Likewise, boards that meet monthly are more prone to micro-manage the foundation's operations than a board that meets less often.

In reality, large foundations depend on staff work because boards simply cannot handle day to day decisions. Is the board then a rubber stamp? Not necessarily. The board sets the course for the foundation to follow. In the case of the Ford Foundation, the staff decides on all grants, not the Board. In the case of the Packard Foundation, small subcommittees of the Board make decisions on grants based on staff review and recommendations.

It is boards of community foundations which have grown to a considerable size, but still want to retain their original stance of running everything, where trouble lies. In a sense, there is a maturing process that needs to happen in a community foundation wherein the board is willing to give over responsibility and decision making powers to the executive and this is based on trust.

If the board hires an outstanding executive but continues to micro-manage or veto new ideas, then paralysis and frustration come to bear.

Here are a few suggestions of how to overcome the problem of a board that micro-manages:

- Bring in an outside professional to make the board aware of new dimensions in the operation of community foundations.
- Have a board retreat where there is an airing of trouble spots so that they are not unspoken/unaddressed issues.
- Try to select board members who are open to new ways of thinking and new ways to approach an issue.
- Give board members reading material that gives them new insight.
- Be clear that community foundation board members are fully aware of the workings of their foundation and the process of evolution in the responsibilities of the executive.
- When a board member wants more training, try workshops versus conferences.

In the operation of the community foundation:

- Aim for a board size of 7-9.
 - Try out quarterly board meetings.
 - Limit the number of board committees to Grants, Investment, and Development/Public Relations.
 - Encourage board members to visit grantee programs.
 - When convening professionals over an issue, invite a board member to attend.
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(Performance Improvement continued from page 1)

The major areas of concern in the performance review are as follows: Grantmaking, Board Concerns, Administrative & Staffing, and Development & Fiscal.

At the pleasure of the foundation, Mr. Somerville can also meet with the Board, individual Board Members, and past Board Members.

After the review, a full report is written and sent to the Executive Director of the Foundation.

COMMENTS ON PERFORMANCE REVIEW

“Your enthusiasm is contagious! Your experience encompasses a time span that has validated what works, and what doesn’t work in building and operating a community foundation. Thank you for sharing so much in candor and for enthusing us to embrace bold, new approaches. You were an effervescent delight. From our perspective, it was a most beneficial visit.”

Earle F. Jones
Co-Chairman of the Board
MMI Hotel Group
Board Member
Community Foundation of Greater Jackson, Mississippi

“ I can’t thank you enough for visiting us in Jackson and evaluating our work at the community foundation. As one of our board members wrote, you were insightful as well as inciteful! You inspired our staff and board members. I expect there will be some wonderful long-term benefits to the Community Foundation as a result of this evaluation.”

Linda B. Montgomery, CFRE
President
Community Foundation of Greater Jackson, Mississippi

Performance Improvement reviews are available to community foundations in the United States and Canada.

The cost to a community foundation is the travel, food, and lodging of Mr. Somerville. The Packard Foundation sponsors this program. The estimated total value of a review is \$12,000.

For further information contact:

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Additional Grantmaking Consulting Services Offered by Philanthropic Ventures Foundation

PVF has provided on-site consulting to over 265 community foundations throughout North America and the U.K., working with staff, board members and the community to improve grantmaking and operations. The PVF consulting fee is paid for by the Packard Foundation. Participating community foundations pay for travel, meals, lodging. If you are interested in receiving consulting services, contact PVF president, Bill Somerville at 510-645-1890.

The services offered include:

- **Grantmaking Consultation** - Intensive
3-day on-site sessions focusing on analysis of foundation operations, grant making programs, public relations and internal procedures. Includes meetings with foundation board, grants committee, board chair, foundation staff, and executive director. Optional inclusions are meetings with funders, interviews with local media, and meetings with nonprofit organization personnel. The days are full and intense with the result being new enthusiasm, new expectations and new ideas.
- **Program Officer Training** - 2 full days of training for foundation personnel, involving problem solving, interaction of participants and exchange of ideas, accompanied by 500-page reference manual. Participants analyze actual grant requests, evaluate and make grant making decisions and engage in role-playing.

- **Board Retreats** - Facilitator for Board Retreats (1/2 to 2 days). Work through issues facing foundations including growth, planning community outreach, & grantmaking. Results of retreats include critique of the Foundation's work, new insights for change, & recommendations for the future.

Comments on Grantmaking Consultation:

'Many, many new ideas. In fact, our foundation will never be the same; we think differently now.'

Lisa John

Executive Director

Community Foundation of Boone County, Indiana

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