

BUILDING COMMUNITY FOUNDATIONS



Philanthropic
Ventures
Foundation

Bill Somerville
President

Grantmaking Consulting Program

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Insights from Consulting Work with Community Foundations

Over the past 15 years as a consultant to community foundations, I have been to over 315 foundations throughout the United States. With each site visit, I provide a report to the community foundation with my recommendations. I am noticing common themes in these recommendations, whether the community foundation is large or small, new or well-established, or in an urban or rural setting.

The following is my list of common recommendations for change for community foundations:

- Decrease the length of time it takes to make a grant - meet more often on grant decisions
- Strive toward immediate response grantmaking, giving money when it is needed
- Drop deadlines
- Write checks and send them ASAP, not once or twice a month
- Use guidelines for requests for funding instead of an application form
- Speak in the positive when referring to grantmaking (ex. Drop “we don’t give to non-501(c)(3) programs,” “we don’t give to individuals”)
- Let the staff deny proposals that are weak without waiting for “the meeting”
- Give staff the authority to approve donor advised grant recommendations so they can be made immediately
- Give the Executive Director discretion in making grants
- Give the Grants Committee authority to act on behalf of the Board with no need for further approval
- Encourage program staff to get out of the office and visit local nonprofits



ABOUT THE EDITOR

Bill Somerville has been in non-profit and philanthropic work for 45 years. He was the director of a community foundation for 17 years, and in 1991 founded Philanthropic Ventures Foundation serving as President and Executive Director. PVF is a demonstration foundation practicing unique forms of grantmaking and conducting initiative philanthropy. Bill has consulted at over 315 community foundations in the United States, Canada, and abroad, on creative grantmaking and foundation operations. In addition to *Building Community Foundations*, he publishes *Dialogue*, a newsletter for development officers. His primary interest is in the creative and significant use of the philanthropic dollar.



Executive Director



Program Officer



Chair Grants Committee

(Common recommendations for change for community foundations, continued)

- Give program staff the opportunity to visit other foundations outside of your area of town
- Keep the number of Board committees to a minimum (Grants, PR/Development, Audit/Finance)
- Review Board size - the ideal size for a Board is 7-9 members; the ideal size for a committee is 3-5
- Question whether an Executive Committee is really needed
- Conduct Board meetings bi-monthly or quarterly, not monthly
- Conduct Board meetings as a celebration of your work in the community, not an operational/administrative check list.

Good Reading:

“How Regional Alliances Can Help Sustain Small Community Foundations,” *Snapshots: Research Highlights from the Nonprofit Sector Research Fund*, No. 41, June/July 2006..

This is a three-page paper produced by the Aspen Institute in Washington, D.C. Available at www.nonprofitresearch.org.

Predictions on the Future of Professional Philanthropy –

- Foundations will move from simply responding to proposals in the mail, to taking the initiative and causing things to happen.
- Foundations will become more willing to venture in making grants, accepting that some grants will fail.
- The philanthropic field will be increasingly made up of women.
- The public will become more demanding of philanthropy.
- On-line giving will be short-lived. It is too anonymous.
- Electronic communications with foundations will increase and challenge the concept of creating relationships between the giver and receiver.
- Corporate investors’ involvement in professional giving will increase significantly, as we have seen with Fidelity and Vanguard.
- There will be more focus on “results” in grantmaking - what is significant, high-impact, evaluation, accountability.
- With the exchange of wealth over the next twenty years, there will be an explosion in the amount of philanthropic giving.
- Philanthropy will become more amorphous as many more players enter the field.

Hopes and aspirations for the future of philanthropy: Wouldn’t It Be Wonderful If -

- Foundations became more supportive of venturing and tolerant of some failures by nonprofit programs.
- Foundations trusted more and conducted paperless giving, or at least giving with far less paper required.
- Foundations threw out schedules and gave grants quickly.
- Foundation personnel left their desks more often to visit nonprofit programs.
- Foundations exercised their unique status and did more convening on topics of concern.
- Foundations offered their services such as advice on fundraising, workshops on operational effectiveness, seminars with experts.
- Foundations offered nonprofit personnel the opportunity to intern for a week at a time at a foundation.
- Foundations asked nonprofit personnel how they could be more helpful.
- Large foundations considered lead grants, wherein they set aside \$1 - \$5 million for five years with the income going to an outstanding agency(s) for operating support.

New Resource for Community Foundations

Diane Hogarty, Sharon Omahen and Clare Payne Symmons have joined forces to launch a national consulting firm, Innovative Charitable Solutions, LLC, providing services to foundations, nonprofit organizations and individuals.

Their work with community foundations ranges from start up to maturity; specializing in planning, affiliate development, transition management and capacity building initiatives for nonprofits.

For more information, contact info@charitable-solutions.com or 970-472-5937. These three women have run community foundations and together have extensive experience in serving community foundations.

What is a Significant Grant?

Significance is a generic term in that it is what every donor, funder, grantmaker strives for in their giving. Significance is related to having a positive impact. What are the ingredients for a significant grant?

Here are a few ingredients that can add to the significance of a grant:

- An element of risk; a new approach
- Reaches out to a new population group
- Made on a timely basis – when it is needed
- Relationship of trust between the funder and the grantee
- Possibility of a positive outcome is apparent
- Funds a creative/original idea versus responding to a crisis

Your input is welcome. If you have thoughts regarding significance in grantmaking, please email them to bsomerville@venturesfoundation.org.

Evaluation – Grantmaking Consulting

The following is an excerpt from an evaluation of Bill Somerville's recent consulting at the Wichita Community Foundation, Kansas.

1. What is your position with the Foundation? *Board Member*
2. What is your frank assessment of the consulting/facilitating you received? *Quite valuable*
3. How was the pacing and organization of the issues covered? Were you able to follow and absorb ideas presented? *Well organized – easily followed*
4. Was the critique of your work given in a constructive way? *Yes, and I felt it was accurate.*
5. Did you get any new ideas? *Yes. We need to be more spontaneous in our giving and identify leaders who are worthy.*
5. Was the training relevant to your concerns? *Very, having just finished a grant round that was drawn out.*

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PVF's Grantmaking Consulting Program

PVF President and Director Bill Somerville has provided on-site consulting to over 315 community foundations throughout North America and abroad, working with staff, board members and the community to improve grantmaking and operations.

PVF's Grantmaking Consulting Program is funded by an ongoing grant from The David and Lucile Packard Foundation, in an effort to improve operational effectiveness and promote creative grantmaking.

Participating community foundations pay a nominal fee of \$500 plus expenses of travel, meals and lodging.

The Grantmaking Consulting Program is described in detail on PVF's website, www.venturesfoundation.org/consulting/

For more information on consulting services, contact PVF President, Bill Somerville at:

**510-645-1890 (Tel) 510-645-1892 (Fax)
bsomerville@venturesfoundation.org**

The consulting services offered include:

- **Board Retreats** - 1-2 day facilitation at Board Retreats. Work through issues facing foundations, including growth, community outreach, and grantmaking. Results of retreats include critique of foundation's work, new insights for change, and recommendations for the future.
- **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.
- **Program Officer Training** - 2-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 grantmaking decisions, and engage in role-playing.
- **Performance Review** - Intensive 4-day on-site review of all foundation operations, focusing on grantmaking, Board concerns, administration, staffing, development and fiscal health. Visit is followed by an extensive, written report on findings and recommendations. The days are full and intense with the result being new enthusiasm, new expectations and new ideas.