



Grant Report 2017 General Operating Support

Thank you for your financial support in 2017. General operating support grants allow us to carry out our mission of empowering philanthropists to leverage their resources and amplify their impact. Your support helped us meet our goals and act on opportunities that aligned with our strategic framework of guiding, connecting, and championing philanthropy practiced with few or no staff. This report documents our accomplishments and activities in calendar year 2017.

YEAR-END REFLECTION

2017 marked another year where Exponent Philanthropy made great progress in all areas of our work. We advanced leanly-staffed philanthropy through successful in-person programs, peer learning cohorts, monthly webinars, local-engagement groups, new and refreshed content and resources, improved communications, and new offerings, such as our recently introduced SignaturePLUS membership option.

Below are a few of our most notable 2017 accomplishments:

- **Launch of a SignaturePLUS membership category** featuring legal guidance from nationally recognized firm.
- **Sold-Out CONNECT Conference** - 97% of participants would recommend the conference and 92% would attend again.
- **Launch of a multiyear Diversity, Equity, and Inclusion in Philanthropy initiative.**
- **New Series of “Great Funder-Nonprofit Relationships” programs** bringing together more than 300 funders and nonprofits in four cities, plus nearly 200 attendees on a closing webinar.
- **Complete website redesign and content refresh** informed by feedback from members, partners, and colleagues.
- **Two successful peer learning cohorts**, including our sold-out Next Gen Fellows Program and best-in-class Master Juggler Executive Institute.
- **Strong local connections through Local Engagement Groups** in eight cities and regions around the country.

- 1,795 funders benefitting from our educational programs.
- Newly negotiated discounts on human resources outsourcing, including health insurance options, payroll services, and more.

PRIORITY GOALS & 2017 HIGHLIGHTS

Central to our mission is a strategic framework built around guiding, connecting and championing the work of funders who practice philanthropy with few or no staff. We are pleased to present 2017 highlights around each of these strategic pillars.

GUIDE: We measure our success in guiding members and other philanthropists who work with few or no staff by helping them become increasingly knowledgeable in the core, intentionality, and leadership topics they need to excel in all phases and aspects of their work.

2017 Highlights:

Benchmarking data – We released and disseminated our annual Foundation Operations & Management Report, which details trends among small-staffed foundations in the areas of grantmaking, operations, governance, and investments. This report continues to be a valued member benefit and garner media coverage. Our 2017 Foundation Operations & Management survey, which now includes Salary and Benefits information, had a total response of 330 members (17%). Overall this response was slightly less compared to the previous year in terms of total number of respondents, but the total response was more than sufficient to report on a representative sample of members. This year we added questions related to Diversity, Equity, and Inclusion in order to establish a baseline of the diversity of our membership and how they are applying a DEI lens to their philanthropy.

Educational Programs Attendance, Revenue, and Evaluations

Exponent Philanthropy's 2017 educational programs attracted **1799** participants. This represents a 4% increase in participants compared to 2015, our last non-National Conference year.

- 350 individuals participated in our CONNECT Conference (demand exceeded our venues limits - 70 individuals were on the waitlist);
- 902 individuals participated in 9 distance learning programs;
- 35 individuals participated in peer learning cohorts; and
- 640 individuals attended in-person programs other than our CONNECT Conference.

Total program registration revenue was \$376,000, which represents a \$50,000 increase from 2015 (our last non-National Conference year).

Evaluation scores indicate that program participants were highly satisfied. The

average participant overall evaluation score was 4.4 on a scale from 1-5.

Notable Programs in 2017:

- The **2017 CONNECT Conference**, our largest conference of the year, served approximately 350 donors, trustees, foundation staff, and other philanthropy professionals. The overall conference rating, based on participant evaluations, was a 4.36 (on a scale of 1-5). 92% of respondents said they would attend a future CONNECT Conference and 97% said they would recommend the conference to others. In total, the program included more than 24 sessions. The most popular sessions were: *Summon the Courage to be Daring, Out of Your Bubble and Into Your Community, The Succession Opportunity: Looking Forward, Acting Now, and A Legal Intensive*. The conference had a net positive impact on our overall 2017 budget due to stronger than expected registrations, keeping expenses under budget, and strong foundation and sponsor support.
- **Great Funder & Nonprofit Relationships** – With grant support from the Fund for Shared Insight, and in collaboration with the National Council of Nonprofits, we hosted four regional programs (Los Angeles, San Francisco, Boston, and Washington, D.C.) that brought together both nonprofits and funders for a half-day of facilitated discussion dedicated to helping funders and nonprofits build better working relationships and increase the impact of their work. Altogether, the four programs had 296 attendees and a combined session rating of 4.17. Following the programs, we shared the combined results of **participants’ self-diagnostics** and crowd sourced guidance on how to build impactful relationships through a webinar, which attracted 185 attendees. This series served as the basis of a new toolkit that we will be releasing in Q1 of 2018.
- **The Power of Advocacy** – Encouraging small-staffed funders to embrace the power of advocacy was a priority in 2017 and will continue to be in the year ahead. At the CONNECT Conference, we held a half-day session on the *Power of Advocacy* and in December, with the support of the Annie E. Casey Foundation, we hosted “A Funder Conversation: The Unique Powers of Small Funders to Shape Policy,” in Atlanta. The Atlanta program was offered in partnership with the Arthur M. Blank Family Foundation, and featured three Atlanta-area funders sharing their experiences with engaging in advocacy and policy. The program attracted 27 registrants (our goal was 25), who rated the program highly with an overall score of 4.25.
- **Peer Learning Cohorts** – In 2017, we held two peer learning cohorts including our fourth NextGen Fellows Program and our Master Juggler Executive Institute. The NextGen Fellows Program is a six-month program that attracted 23 participants. It received a 4.31 overall program rating and 100% of the participants were inspired to take action by the program. The Master Juggler Executive Institute, a leadership development program designed for

foundation executive directors, enrolled 12 participants. Although this cohort was smaller than our goal (20), the size enabled the group to bond with each other and the content in a meaningful way. The initial in-person intensive component of the program scored a very high 4.63.

Distance Learning

In 2017 we achieved a significant increase in attendance per webinar as a result of a more robust and dedicated marketing strategy. Our largest webinar, put on in partnership with Foundant, was attended by over 300 people. Webinars without partners easily garnered 50-100 participants, smashing our goal of 35 participants each. Even though we held less public webinars in 2017 (9 total) compared to 2016 (15), we increased the total annual webinar audience from 737 to 903.

Assessments – In 2017, we offered three assessments: 1) 10 Minute Impact Assessment; 2) Board Self-Assessment, and 3) Grantee Application & Perception Survey. The 10 Minute Impact Assessment is open source and available for anyone to download from our website. In 2017, it was downloaded 88 times. The 10 Minute Impact Assessment continues to be one of our most popular resources. We sold two Board Self-Assessments in 2017 and sold three Grantee Application & Perception Surveys.

Content Review & Refresh – In 2017, we continued our effort to review, update, and rebrand all of our content – a process that started in 2013 as part of the preparation for the launch of the Exponent Philanthropy brand. This effort was completed in tandem with the launch of our redesigned website. Going forward we have established a regular editorial review process that will ensure the quality of all our content on an ongoing schedule.

Publications

Most of our publications and online content are free to members. However, we do sell several publications to non-members. Publication revenue was \$29,632, which is about 20% more than in 2016. Our most popular publications continue to be our *Trustee Handbook*, *Foundation Operations & Management Report*, *How to Avoid Self-Dealing*, and *Keeping Good Records: Small Foundations' Guide to Staying Organized*.

Q&A Service

Exponent Philanthropy staff answered 261 Q&As from members in 2017, only slightly fewer than in 2016 (275).

CONNECT: We work diligently to help members and other philanthropists who work with few or no staff to be increasingly connected to one another, Exponent Philanthropy, relevant trends, and resources that will strengthen their work.

2017 Highlights:

- **In person programming** – As mentioned in the previous section, Exponent Philanthropy connected 1,799 funders through its in person programming in 2017. This includes participation at our CONNECT Conference, at local programs, and at our one-day seminars.
- **Local Engagement Groups** – In 2017, Exponent Philanthropy members led local engagement groups in seven regions: Northern Virginia, New York City, Boston, Southern Massachusetts, Northern Ohio, San Francisco, and Chicago. In total there were 13 local engagement group gatherings held in 2017, which attracted 231 participants.
- **Virtual Connections** - In addition to connecting funders at in-person programs we also connected them virtually. We offer an online membership directory that members can use to connect to one another and we offer online member discussion groups that allow members to ask one another questions and share information. The discussion on our online community continues to be strong, with about 3 new conversations begun each week by members. The number of subscribers to the online community continues to grow steadily, reaching 636 in 2017. At the end of 2017, the online community saw 550 posts and responses.

CHAMPION: Sharing the stories and impact small-staffed funders have on their communities and society at large is at the core of our champion work where we celebrate and showcase the unique style of philanthropy practiced by funders who work with few or no staff.

2017 Highlights:

- **Media efforts** – In 2017, Exponent Philanthropy was mentioned in media outlets 58 times, which represents an increase from 23 times in the prior year. The increase can be attributed to our new Pulse Survey and a steady increase in strong relationships with journalists who cover the philanthropy and social innovation sector.
- **Outsized Impact** – In December of 2017, we released our annual Outsized Impact Report as a micro site rather than an electronic publication. The 2017 edition served as an opportunity for us to shine a light on several examples of how members are having an outsized impact in their communities and priority funding areas. We also utilized this annual report to showcase our greatest 2017 accomplishments and thank our financial supporters. Having this “report” as a micro-site will allow us to add stories to it and create an online hub for stories of outsized impact.

OTHER KEY INITIATIVES & MEASURES OF SUCCESS

Diversity, Equity & Inclusion

Thanks to a generous grant from the W.K. Kellogg Foundation, Exponent Philanthropy was able to launch a three year Diversity, Equity & Inclusion Action Plan in 2017. Activities included:

- Presenting a successful plenary session at our 2017 CONNECT Conference featuring Anthony Greenwald, co-author of *BlindSpot*, and hosting a workshop where participants discussed implicit bias in philanthropy and began working on individual action plans.
- Training on DEI issues and practices for both staff and board (trainings are taking place in January and February of 2018)
- Adding a set of questions to our annual *Foundation Operations & Management* survey that explore diversity, equity and inclusion practices and mindsets as well as collecting, for the first time, foundation staff and board racial demographics, providing useful benchmarks.
- Publishing a series of blogs, which were then repurposed into an issue of *Essentials* (our member publication) discussing the importance of and offering practical guidance on how to seek diverse voices and perspectives.
- Began the process of infusing DEI principles into our NextGen Fellows Program and upcoming revision to our *Trustees Essentials* Handbook.

Cooperation & Collaboration

Exponent Philanthropy has always prioritized collaboration and 2017 was no exception. Most notable collaborations included:

- Working with The National Center for Nonprofits (thanks to a grant from the Fund For Shared Insight) on a regional series on Great Funder & Nonprofit Relationships. This series included four regional events, a closing webinar, and a new toolkit to be released in Q1 2018.
- Exponent Philanthropy has several partnerships with grantmaker associations around the country including: Council of Michigan Foundations, Philanthropy Southwest, The Oregon and Southwest Washington Association of Grantmakers, The Western Pennsylvania Grantmakers Association, NC Grantmakers Network, Southeast Council of Foundations, and the Indiana Philanthropy Alliance. Each partnership is unique but most include sharing of resources and publication discounts. Some include joint programming arrangements. Membership in the United Philanthropy Forum has helped to facilitate some of these partnerships.
- Exponent Philanthropy partnered with Southern California Grantmakers on hosting and marketing our 990-PF Seminar (January 2018).
- Exponent Philanthropy partnered with the Southeast Council of Foundations, Georgia's Funder Alliance and The Annie E. Casey Foundation on a Funder Conversation on Advocacy in Atlanta (December 2017).
- Exponent Philanthropy partners with regional grantmaker associations where we have local engagement groups including Ohio, New York, San Francisco, Los Angeles, Northern Virginia, Chicago, Philadelphia, and Boston.

Membership & Stakeholder Satisfaction

In early 2017, we contracted with a consulting firm, Avenue M, to conduct a value and pricing study. This exercise was part of a multi-year analysis of membership trends and our membership dues structure. The results of the survey provided clarity on:

- the member benefits that are most valued (learning best practices, staying on top of trends, enhancing effectiveness and leadership skills, and improving grantmaking and governing practices);
- how our offerings are valued compared to other philanthropy organizations;
- perceptions/opinions about our dues structure;
- interest and value of potential new benefits.

The study showed that we offer a strong value proposition and the percentage of members who were likely to renew their membership was high (over 85%). The study also showed a strong net promoter score of +34, which is higher than average compared to other membership organizations in Avenue M's database.

Most importantly, the study validated the interest in Exponent Philanthropy offering legal services. This is a benefit that we had been considering for a while based on comments from existing members, potential members and leanly staffed community foundations.

In June of 2017, our Board adopted the staff's recommendation to introduce a new two tiered membership structure. Our Signature membership offers the same benefits of our existing membership at the same price of \$750. The new SignaturePLUS membership is now offered at \$1750 and includes all Signature benefits plus access to up to 10 hours of legal expertise and quarterly legal/regulatory updates.

We were able to launch this new structure with the funds raised during our 2016 20th Anniversary fundraising campaign. The new structure was introduced on November 1, 2017 and has been well received thus far. Our hope is that it is self-sustaining by 12/31/18.

Financial Stability

Exponent Philanthropy ended 2017 with a strong balance sheet, making it the fifth year in a row that we were able to add to our cash reserves. Cash reserves now represent 9-12 months of operating expenses.

Expenses were either at or below budget in almost all areas of operations. Revenues exceeded expectations in most areas including program registrations and fundraising. 2017 was a particularly successful fundraising year because of a number of multi-year general operating grants from large foundations who support philanthropy, a restricted grant towards our diversity, equity and inclusion action plan, and a restricted grant to support our 2018 strategic planning effort. Corporate sponsorships were slightly below budgeted expectations.

Revenue from membership continued to fall short of expectations, but our attrition of members has slowed. Our retention rate for 2017 was 88% and we brought in 142

new members. In our continued effort to reach net positive in regards to membership numbers, in late 2017 we introduced a new staffing structure that merged our membership and marketing teams and dedicates two staff members to member engagement and member acquisition. With this new staffing structure and the introduction of our new two-tiered dues structure we are optimistic about our ability to make significant progress towards increasing membership revenue in the years ahead. Despite our membership challenges, our other revenue streams have allowed us to stay financially strong.

Overall Member Support

Member satisfaction can also be measured by support of Exponent Philanthropy members. In 2017, approximately 82% of our revenue came from members through membership dues, grants, publication sales, and program registrations. This represents a 6% increase compared to 2016.

Our Reach & Key Communication Channels

This year we did a full content review and redesign of our website. The website serves as not only an introduction to the world about who we are as an organization, but operates as a resource library for our members. The new design is more user-friendly, optimized for search, and includes fully updated content. We served 58,735 unique visitors through our website in 2017, which is typical for us in a non-National conference year. Our most popular content areas were Tax & Legal, Careers, Next Gen Fellows Program, and About Us.

As part of our website redesign, we migrated our blog from an independent Wordpress domain (philanthrofiles.org) to the exponentphilanthropy.org domain, allowing its content to be searchable on our website. More than 200 high-performing posts from the blog's archive of 350 were reformatted, scrubbed for outdated links, and published at the new domain exponentphilanthropy.org/blog. We also are repurposing popular blog posts around priority topics into our *Essentials* publication, which is mailed (and emailed) to members three times per year.

We saw continued growth in our social media following in 2017, for a total of 7,792 Twitter followers (15% year-to-year increase), 701 LinkedIn followers (32% increase), and 724 Facebook followers (52% increase).

Email marketing continues to be an important communications channel. We adjusted our email marketing strategy in 2017 in order to make our emails more useful and effective. Our weekly member email (list size of 4,519 grantmakers) was migrated to an every other week email, which now includes a section on most popular Q&A's, a highlighted resource, a highlighted blog post, and upcoming events. This strategy has made our member email increasingly valuable and has opened up room in our communications calendar for dedicated emails about important programs and initiatives as needed. Our non-member email list includes 4,825 funders and 1,897 service providers (accountants, lawyers, philanthropic consultants, etc.).

CONCLUSION

In summary, 2017 was a successful year for Exponent Philanthropy. The work done this year sets us up for future success. We look forward to hearing from members and leaders within the philanthropy sector about how we can continually evolve in order to get closer to our ultimate vision of a better world through informed and passionate philanthropy.