OUTSIZED IMPACT 2016

ILLUSTRATING THE POWER OF PHILANTHROPY PRACTICED WITH FEW OR NO STAFF

exponent philanthropy
Guide | Connect | Champion

When philanthropists are at work, it is often their potential to bestow grants that draws our attention. Everything philanthropists do, whether or not it involves the transfer of dollars, is called grantmaking.

Yet we know that many foundations, philanthropic families, and individual donors are quietly practicing a kind of philanthropy that counts money as just one type of resource, sometimes the least important. **These funders are achieving *outsized* impact—impact far beyond the size of their dollars or time—and via an entirely different kind of changemaking.**

They have converted their giving from simply reviewing proposals and funding individual nonprofits to something more far-reaching and transformational.

Not only have these funders discovered powerful opportunities to make impact; they are following their passions and learning as they go. They are engaged and inspired and fulfilled.

Because we know these funders are catalyzing change, often without fanfare, we want to shine a light on their style of philanthropy and the mindset of their leaders.

Their success shows us that money is only the beginning.

STORIES OF OUTSIZED IMPACT

PARTNER STORIES

We are pleased to illustrate how four Exponent Philanthropy partner organizations are lending their expertise to help our country's philanthropists catalyze change.

2016 WAS A BANNER YEAR

at Exponent Philanthropy, where we empower philanthropists to leverage their resources and amplify their impact.

Yearlong 20th anniversary celebration, including a successful fundraising campaign to enhance our ability to provide technical assistance to members as well as three inaugural **OUTSIZED IMPACT AWARDS** to recognize those whose contributions had far-reaching effects on our association

LARGEST NATIONAL CONFERENCE TO DATE

SERVING NEARLY **950**

92% OF ATTENDEES said **they would attend AGAIN** and **95%** would recommend our conferences to someone else

VIBRANT SOCIAL MEDIA PRESENCE, including **1,000+** new TWITTER followers and 100+ BLOG POSTS earning 43K+ VIEWS

- **Two sell-out peer learning cohorts,** including our fourth Next Gen Fellows Program and a new Coaching program
- **New offerings for funders of all types, roles, and experience levels,** including resource and programs on leadership, collective impact, catalyzing change, and more

RE-RELEASE OF THE FOUNDATION GUIDEBOOK for those new to foundations or philanthropy, with updated content and design

- **Strong local connections through Local Engagement Groups** in seven cities and regions around the country
- **Expanded liability insurance offerings,** now including Directors & Officers Liability, Business Owner's Policy, Workers' Compensation, and Cyber Liability

A SUCCESSFUL PHILANTHROPY LESSONS VIDEO SERIES AND CAMPAIGN, INCLUDING THE LAUNCH OF NINE VIDEOS WITH 250K+ **VIEWS**

What an **EXCITING and AFFIRMING year** for Exponent Philanthropy.

BLACKSTONE RANCH INSTITUTE

Trusting in Change

JOHN RICHARDSON

John Richardson never considered himself an environmentalist. Yet he spent earlier decades traveling for the United Nations, investigating some of the world's most complex humanitarian relief operations. He has seen firsthand the impact that environmental issues have on people and lands and nations.

He now directs the Blackstone Ranch Institute (BRI), based in Taos, New Mexico, founded by venture capitalist and entrepreneur Pat Black from Erie, Pennsylvania. Black initially had the idea to convene groups together for meaningful action, and he hired Richardson to help make it happen.

BRI convenes pioneers in environmental sustainability—to exchange ideas and as launching pads for major attempts at change. "Convening people is key for any social change. You've got to bring people together early on—either physically or online—to do anything of scale," says Richardson.

"Convenings are a real philanthropic leverage point. A small grant of $50K or $60K can lead to all kinds of activities and attract millions in funding. Small funders can trust in that."

Trust is important to BRI. They give organizations money early (often the first grant), betting on the fact that they will get future grants from bigger funders. "It's often harder for organizations to get amounts under $100K early on, and yet, that's where a lot of the important stuff starts. It gets these networks and coalitions out of the gate and to the next level."

In one example, BRI gave the first grant to a new regional alliance of large, privately owned ranches pioneering land management practices in the West, including using cattle as part of the landscape growth rather than destroying it. "These ranches wanted to form an alliance and 501(c)(3), and needed $110K to run it for a year. They

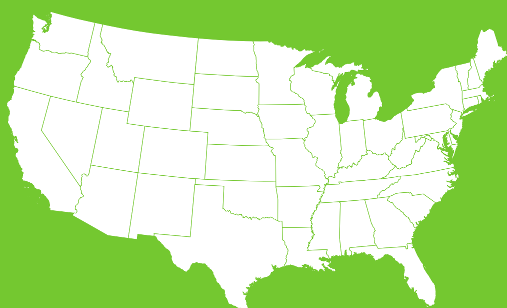
Photos: Blackstone Ranch Institute

needed a funder to legitimize and challenge them, and we got them moving. I told them we were on the table for $40K. They had the rest of the money the next morning."

Richardson believes in getting money out fast—typically within three weeks. "We've heard time and again: If you hadn't given us money at that moment, it wouldn't have happened," says Richardson. "We've been able to play this catalytic role, where something will be ready to go and others don't trust it yet."

ABOUT **OUR COMMUNITY**

Exponent Philanthropy is the nation's largest community of donors seeking to maximize the impact of dollars and time.



More than **2,000** MEMBERS FROM ALL **50 STATES**

Another way BRI lends its trust? They do away with bureaucracy whenever possible.

"We don't do application forms. I sit and talk with potential grantee partners," says Richardson, whose interviewing skills come into play. "I listen for an action moment—the bigger context where our injection of funds could have the most leverage. And when I hear it, it's 'Ahh, that's it.'"

Once it funds a convening, BRI gets out of the way. "We aren't interested in reading an enormous donor report with technical jargon. Nor do we want grantees to spend $30K of staff time to produce a report." BRI asks grantees to send a simple email or letter six months later, saying what they wouldn't have been able to do without BRI's support. "They get expressive and much more direct in a letter, and we want that. It's meaningful."

"Funders are trying to bring something to life, to get something worthy out there in the world. To do that, we have to be willing to trust, and to make mistakes early on. Too much bureaucracy and metrics in the beginning defeats the spirit of what we are trying to do."

"If we as funders are willing to detach from preconceived outcomes, at least for the first year or two, we may surprise ourselves at what does happen. It could be better than we imagine."

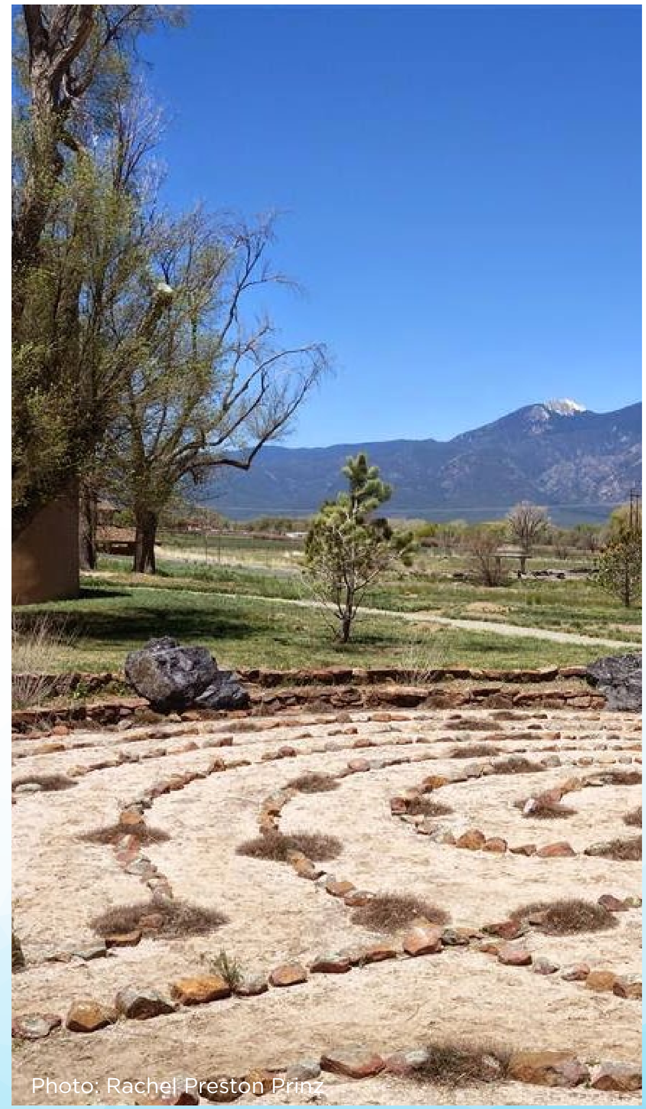


Photo: Rachel Preston Prinz

THE ALICE VIRGINIA AND DAVID W. FLETCHER FOUNDATION, INC.

Small Steps Toward Big Change

BILL YOUNG

Bill Young isn't new to humanitarian work. He's been doing it for several decades, including 14 visits to Vietnam and 16 trips to Myanmar (Burma), where he participated in projects on clean water, education, housing, and more. "Those powerful years shaped me into the person I am and the passion I have for service today," he says.

As executive director of the Alice Virginia and David W. Fletcher Foundation, Young's passion is now focused on a small neighborhood in Hagerstown, Maryland, called Bester, defined only by a few streets and a railroad. There are no local service resources here; all of its residents must travel a great distance for social services, medical care, infant care, and even a major grocery store. Countywide, Bester has the highest number of children not living with a biological parent. Children can be found living on a neighbor's couch, raised by a grandmother or an aunt, living in abandoned cars, going hungry.

"What the children of Bester will tell you," says Young, "is that they want a safe place in which to grow and to play. They don't want to be out in areas where there is hostile gunfire. They dread going home to parents who are addicted or walking in on a parent who has died from overdose. We knew we could make a difference if we were willing to commit to a long-term reinforcing and rebuilding of this community. This is the heart and the focus of the major project of our foundation."

In 2014, the foundation committed infrastructure funding for the new Bester Community of Hope, an initiative of San Mar Children's Home, one of its grantees. In partnership

Photo: Bester Community of Hope

with the Casey Family Programs in Seattle, San Mar aims to safely reduce the number of children placed outside their homes by building “communities of hope.”

“The first thing we did was listen to the community and how it articulates its needs. Then we found a way to build support systems into the existing structure—so instead of the community going out for services, the services are offered right there.” For example, Bester Community of Hope partnered with the Community Free Clinic to provide healthcare to the children who needed care.

What Young has learned the most over his years of service is this: Each neighborhood has its own culture, and has to be approached with the deepest respect for the individuals who live there. “We created a space where the community identified its own needs, and then we helped to raise up community leaders within those neighborhoods.”

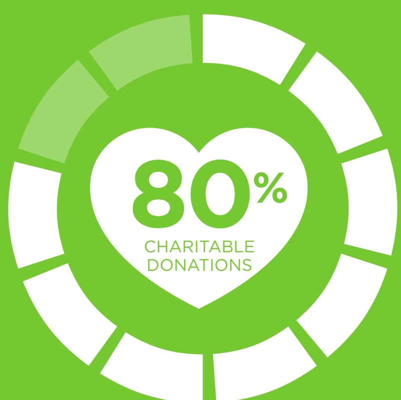
For example, in less than two years, the Bester Community of Hope and its partners have been able to form strategic relationships with various groups in the community—including 16 houses of worship—all committed to a better Bester.

Everyone has to buy into the vision, says Young, and that’s not something that happens overnight. “This is about changing the narrative of an entire community. Consequently the process is slower; it takes a lot of dollars and takes a lot of sweat equity, patience, and deep understanding.”

Yet there are certainly successes along the way. One of the streets in Bester was badly in need of repair. The Bester Community of Hope and its partners used their collective influence to open doors to community leaders and to businesses like Lowes Home Improvement that donated the materials and manpower. Once the houses on the street were repaired, neighbors came together to plan flowerbeds and a community garden.

“These are small steps to build a sense of community, and what it means to be a member of community,” says Young. “Small steps are the only way we are going to fix an otherwise broken system.”

Individuals and small-staffed foundations make an estimated 80% of all charitable donations in the United States.*



* Giving USA and Foundation Center

Photo: Bester Community of Hope

Photo: Greater Houston Community Foundation

GREATER HOUSTON COMMUNITY FOUNDATION

Reclaiming Hope in Houston

REBECCA HOVE

In Houston, the largest city in Texas, the atrocity of human trafficking is hiding in plain sight. The Department of Justice estimates that 25% of trafficked victims pass through Houston at some point. This issue touches all; victims include all genders, ages, races, ethnicities, and economic backgrounds. It is a complex, large-scale, community, and global problem.

This is the challenge that Rebecca Hove, director of strategic philanthropy at the Greater Houston Community Foundation (GHCF), confronts daily. The epidemic of human trafficking requires creative and collaborative solutions and, as convenor of an anti-human trafficking donor working group, GHCF has built a team of individuals, foundations, and corporations who want to help.

“We have one founding principle: Members of the group are committed to change. We’re here to get things done, not just talk about it,” she says. “Everything we do at GHCF is donor-centered. We listen to what donors want, and we respond. A donor with ties to this community wanted to do something about human trafficking, and she asked GHCF if we would join her.” GHCF said yes.

To start, GHCF co-hosted an educational event with the lead donor in 2014, attended by 75 foundations, community stakeholders, nonprofit leaders, and individuals. The event brought attention to the issue and inspired others to get involved.

“Prior to this, the donor community had not looked at human trafficking from a collective impact point of view. This was the first time a donor group had come together to talk about human trafficking in Houston,” Hove says.

Partnering with a policy and advocacy group called Children at Risk, GHCF then hosted a bus tour for donors that pointed out places of business that are potentially violating human trafficking laws. These sites are mere steps away from beloved and familiar spaces in the city—a wake-up call to bus tour participants. “At the end of the tour, we said, ‘If you want to do something more, come to a follow-up lunch to start discussing and planning,’” said Hove.

Although the mayor, city and federal agencies, nonprofits, law enforcement, and community activists have been raising awareness on human trafficking for years, she says, this group did something different: They created an asset map of what existed in the community, looked for gaps, and determined what their value as donors could be.

They decided to form the 17-member working group to better coordinate funding and exchange information. Donors don’t pool money; they meet biannually and coordinate ongoing efforts. GHCF facilitates, convenes, advocates, researches, and acts as a thought partner to the group.


Photo: Greater Houston Community Foundation

What’s changed as a result? Through the working group’s advocacy and guidance, the mayor’s office created a new position and hired a Special Advisor to the Mayor on Human Trafficking to coordinate efforts and messaging across all levels of government—a significant step in building awareness and changing policy.

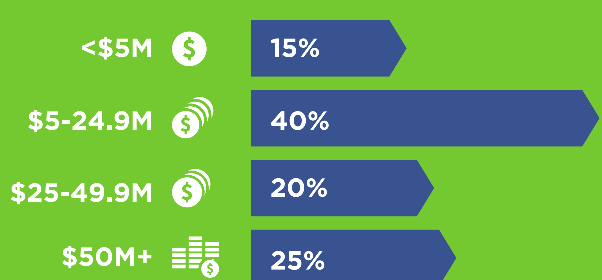
The impact in anti-trafficking grantmaking can also been seen and felt. Donors who had not previously given toward this issue are engaging. Those who had been giving are now aligned alongside other donors in strategy and results, providing leverage and eliminating duplicity, so resources and outcomes can be maximized. Coordination of services by nonprofits, with donor support, has even attracted federal funding.

Getting information to people in ways they can easily digest has helped GHCF engage more donors and make a difference—one that ripples from Houston into the international arena. “The tide has turned as people have stepped up. We have a goal to transform Houston from a hub of human trafficking to a hub of hope. We’re just beginning.”

WITH FEW OR NO STAFF,

Exponent Philanthropy members steward assets of all sizes, from

<$5M to $50M.



NETWORKS MOVE THE NEEDLE

MELISSA JONES

If you invite Melissa Jones to a meeting, she'll say all the things other people are afraid to say out loud. "People know I'll rabble-rouse," she says. Jones is an individual donor, a partner in the donor collaborative Social Venture Partners, and a consultant who connects nonprofits to networks and systems of change.

One example: She believes more foundations should sunset. "I want to destroy all the benefits foundations get year after year. How about this? You get one tax break when you start a foundation, and that's it. If people want to talk the talk about reallocating wealth, let's do it. I would rather see foundations spend their money now rather than perpetuate for years."

Nonprofits have proliferated in America since the 1970s and even more so since 9/11, but we're not moving the dial on social problems, she says. In some cases, we're slipping back.

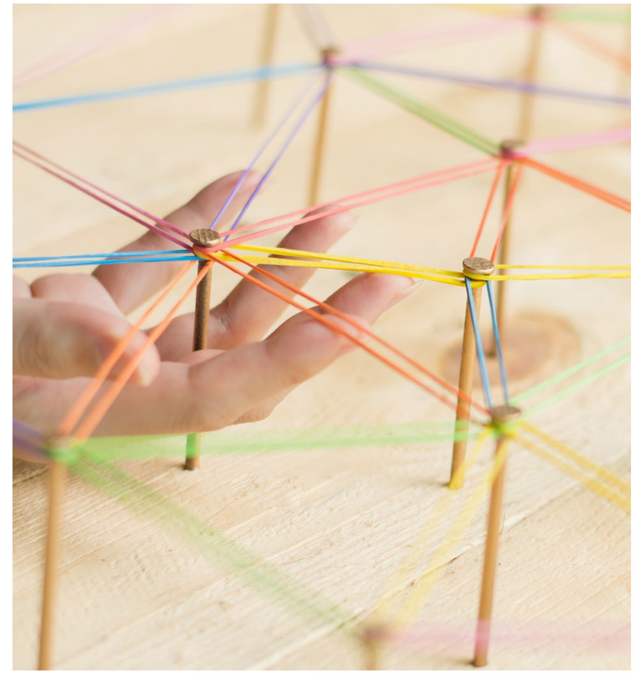
Transferring money alone is not effective, she says. Funders must work with nonprofits to build networks, and that means deeply understanding the cause and joining the fight. "Real change happens when funders tap their networks, use their influence, and advocate for policy and behavior change. That's what will make the difference in moving social problems."

Jones inherited wealth in her late 30s after the sale of her father's tech company. "Before the company sold, we thought about starting a family foundation. I moved to the Bay Area to really understand what we would be getting into. I started thinking deeply about giving and became a scholar—immersing myself in the deep thinking in philanthropy that was happening in the West."

Ultimately, the family decided not to form a foundation, and it was in the Bay Area that Jones first became involved with Social Venture Partners. She is now working with others to create a chapter of Social Venture Partners in the Washington, DC area. She first started funding in the food space and still does today. She spends a lot of time learning from the groups she supports and actively networking on their behalf.

"I was interested in food, so I went to my local farmers market and talked with farmers, learning about the issues they face. I wondered: Why can't some communities get healthy food? I started studying the root causes and deeper issues that create the circumstances in which people go hungry: poverty and equity issues, the economic aspects of food access, and how housing and transportation come into play."

Wanting to learn more, she volunteered in a kitchen at an organization housing the homeless. "I was able to connect the chef of this kitchen to the local farmer's market to glean fresh fruits and vegetables. I talked to my friends in real estate when I found out the organization needed landlords to help the homeless secure housing. And I held a happy hour benefit on myroof deck, telling my friends and colleagues about these issues and how they can share them with *their* friends."

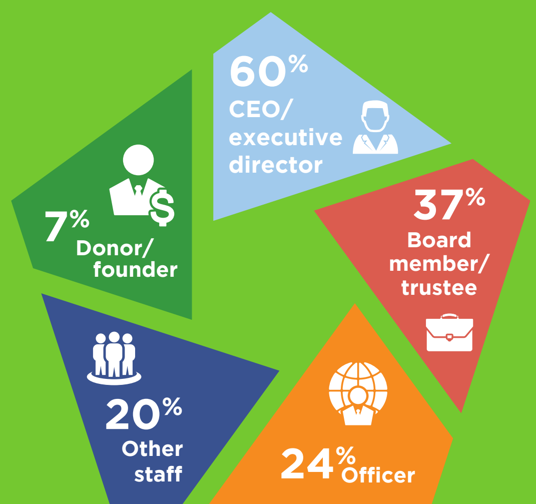


"In philanthropy, there's often an attitude of either we know it all or we know nothing," she says. "Funders have a real opportunity to educate themselves on issues and disseminate that information to their community."

"Giving is secondary," she says. "It's a privilege, and I love to be able to do it. Yet what's amazing is when I am drawn deeper and deeper into being a better citizen of the world."

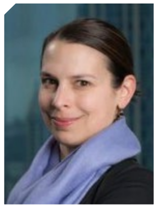
"Everyone has the potential to make big change. All it takes is to pay attention, use our critical thinking skills, call on our networks, and connect people. Our brains are wired for that."

The Exponent Philanthropy community represents a variety of roles in philanthropy.



OPEN ROAD ALLIANCE

Reinventing Risk Management



MAYA WINKELSTEIN

Emergencies never wait for a convenient time. Maya Winkelstein, executive director of the donor advised fund Open Road Alliance, believes funders should support nonprofits in the day-to-day, and also help them respond to the unexpected. Too often, funders are limited by a structure that allows them to be supportive but not responsive, she says. It's well past time to reinvent that model.

"The way most grantmaking is structured, funders dole out money in December, and nonprofits have to wait an entire year to get more. When things go wrong in April or August, there's no way for nonprofits to quickly access capital to solve the problem," explains Winkelstein. She has worked with Open Road Alliance since 2012, when Colorado-based philanthropist and psychologist Laurie Michaels founded the fund.

Open Road's model is based on speed and financial leverage. There are no deadlines, and applications are accepted on a rolling basis. The fund makes charitable grants as well as recoverable ones—both designed to help nonprofits overcome a discrete unexpected roadblock or seize an unexpected opportunity. Recoverable grants function like loans and are repaid to Open Road after a set period.

Winkelstein projects the organization will be on track to award more money in recoverable grants than charitable ones next year. "We've seen a greater demand for loans than charitable grants, which may seem counterintuitive, but actually makes sense when you think it through. A basic rule of economics is you need to access capital at specific moments to grow. Sometimes that moment doesn't coincide with grant

cycles, so a bridge loan can cover the gap and allow an organization to seize the moment. Moreover, a recoverable grant allows grantees to build their credit history, which serves them much better in the long term."

In addition to its charitable and recoverable grants, Open Road Alliance launched The Unexpected Fund, a 1:1 matching fund to encourage other donors to fund unforeseen obstacles during a project's implementation. The goal is for donors to one day include contingency and risk management in grants as standard operating procedure, the way they do monitoring and evaluation.

OUR NETWORK OF FUNDERS STEWARDS MORE THAN

$80 BILLION

AND AWARDS APPROXIMATELY

$4 BILLION *annually.*

For funders and grantees to straight talk about risk, there has to be trust and transparency. Open Road takes a customer-service approach to make the application process one of thoughtful reflection rather than a hurdle to jump. The "application" is largely a conversation to discover what information is missing and determine if a relationship is a good fit for both sides, says Winkelstein.

"One of our grantees, Splash, does clean water sanitation in India and China, and we were talking through a problem they were facing. Because we're generalists—we're not experts in any one focus area or geography—we ask a *lot* of questions. We finally got to a point where the grantee said, 'We need to get off the phone because we can't give you answers.' The conversation forced them to rethink and revise their strategy. That wouldn't have happened with a traditional paper-application process."

With its demand-led model, Open Road serves a range of grantees instead of focusing on a few predetermined issue areas—something that makes the fund stand out in the philanthropic market. Most applicants come through referrals. Winkelstein and her team use an investment lens instead of a charity one to analyze their work and facilitate impact.

"We don't have ideas of how to solve the problems of the world—poverty or cancer or education reform—and, if we did, they probably wouldn't be as good as ideas from people who have spent 20, 30, 40 years on the ground doing that work," says Winkelstein. "What we do have is money. So where is that money needed now?"

QUIXOTE FOUNDATION

Spending Up Now, Not Later

JUNE WILSON

Between now and 2017, Quixote Foundation will give away its entire endowment.

June Wilson will never forget her job interview for director of operations at the foundation, where she is now executive director. It was December 2007, and toward the end of the interview process, the board said—by the way—you have to know that our last grant will go out in 2016 and the foundation will wrap up in 2017.

That might have deterred most people, but not Wilson. "I thought, 'Wow! What a once-in-a-lifetime opportunity to craft an exit and see what can happen over time,'" she says.

It's not about 'spending down' for Quixote Foundation. They call it 'spending up,' because they are putting the money to work in a way that ignites their mission to support free people in fair societies on a healthy planet.

"Spending up focuses on the idea of fulfillment. It's not about a sunset or diminishment mentality," says Wilson. "We know we can have a greater impact by using all our money for

Photo: Quixote Foundation


Photo: Quixote Foundation

catalytic change now instead of doling out modest grants indefinitely."

In 2010, the foundation announced the news to grantees, and asked themwhat they needed. According to Wilson, "We told them we would have the next six years to be with them, and asked: How can we best use our time together so you can achieve your greatest vision?"

Their responses were all over the map, and that led the foundation to customize its funding approach and schedule for each. "Some grantees asked us to frontload grants; others asked to spread the funds out evenly over the six remaining years," says Wilson.

"It has been important for us to not be stuck in any one structure; to be open and flexible and nimble, letting the opportunity and strategy and grantees define the approach," she says. "It would have been so easy to say, 'This is how we'll do it until the end.' That's not what we've done. We've allowed ourselves to be fluid."

The process of spending up at times involved hard decisions. For example, when the foundation first started funding media reform, it gave directly to organizations. At the same time, the foundation participated in incubating a collaborative fund focused on media policy and the digital age. "As Media Democracy Fund began to evolve, we realized we could have more impact growing this pooled fund in a way we couldn't achieve going organization-by-organization as a small funder. We had to shift away from funding grantees directly so we could focus on the larger media policy reform picture."

The foundation also has been able to make change by the simple act of bringing people together.

"We've convened our grantees across issue areas, trying to break the silos between media, reproductive rights, elections, and more," says Wilson. "These are people who wouldn't necessarily have ever met, and now we see them exchanging ideas, learning from one another's expertise, and applying it to their own focus areas."

Having a set timeline has certainly set a fire under the Quixote Foundation.

"Spending up is giving us excitement and energy as we approach the end. Our legacy isn't about us as a foundation. It will live on throughout grantees and the work they do," says Wilson. "It's a new kind of perpetuity—a different way of thinking about perpetuity, and we hope what we leave ahead will be greater than anything we could possibly leave behind."

"Our focus is and always has been on what will happen beyond this time period where we all got to be together and make something happen."

Photos: Rogers Family Foundation

ROGERS FAMILY FOUNDATION

Setting a Strategy and Sticking to It

RHONNEL SOTELO

Rhonnel Sotelo doesn't have a favorite childhood book. He wasn't much of a reader as a child, and only reached third grade reading proficiency in eighth grade. Yet thanks to several caring high school teachers and two UCLA English professors, he was able to turn around his reading capability later in life and pass that love of reading on to his two teenage daughters. Now literacy and public education are his career and personal passion.

As executive director of the Rogers Family Foundation in Oakland, California, Sotelo in partnership with CEO Brian Rogers and team, works to make sure children have opportunities to attend high-quality schools that provide personalized student-centered learning experiences, as well as ensure that students get off to good starts by being able to read on grade level by the end of third grade.

Education, says Sotelo, has always been compelling for the Rogers family. In 2003, after selling the company they owned for 26 years, Dreyers Ice Cream, T. Gary and Kathleen Rogers, along with their four sons, looked at how they could give back to their hometown of Oakland. Certainly there was no shortage of needs: crime, healthcare, housing affordability, and the list goes on. Yet they realized if there was one funding focus that could help all these issues, it was educating children.

In 2009, the foundation developed its first education strategy for supporting Oakland's public schools. Through the combined effort and thinking of its eight-person team, the foundation recently updated that strategy, setting exact goals to reach by the year 2020 at the foundation, partner, and city level. One of these goals is to create 10,000 new quality seats across Oakland's public schools by 2020—serving the students that need them most.

Setting this strategy is not something that happened in a vacuum. "Our team needed to move beyond the traditional,

Photos: Rogers Family Foundation

insular strategic-planning-in-a-black-box exercise, seek input from our partners, and align the foundation's strategy with the city, the school district, local charters, and nonprofits," Sotelo says. This required building time-tested relationships and trust with community partners.

"When I go to meetings," he says, "I'm a listener first, hoping to identify ways we can work with other local or national funders to make change happen. We are one of many voices."

Sotelo also says that setting a timeline has been critical, even if change often happens over generations. "Because we've set a time frame horizon to meeting our goals, we've created a sense of urgency," he says. "That gives our staff a clear purpose in action. At every meeting we ask, 'What have we done these last two weeks to move our work forward? What can we do better?'"

Strategy has been an important step in the foundation's growth, says Sotelo, as it helped board members get clear on exactly the change they wanted to see, and by when. "As a small foundation, it would have been easy to try to become everything to everyone in the local community, but our board challenges us to make tough choices," Sotelo says. "The board saw an education system that needed to change, and they approved a strategy to work toward that change."

When asked to identify one area where the foundation has seen results, Sotelo singled out the foundation's investment in Lighthouse Community Charter School, now growing into a multiple school operator. According to Sotelo, Lighthouse serves a high population of students who are farthest from opportunity, and the school has been lauded as one of the top Bay Area schools for bridging the achievement gap. "Now we see African American and Latino students doing as well or better in terms of their performance across all measures of outcome. They aren't just graduating high school; 955 are going on to four-year colleges, even with the odds stacked against them."

"As a foundation, we aren't necessarily the experts, but we are lifelong learners, looking for partners to make the changes we hope to see."

THE SUDER FOUNDATION

Galvanizing a First-Generation Student Movement

DEBORAH AND ERIC SUDER

Photo: The Suder Foundation

At seven years old, Treven Treece of Morristown, Tennessee, decided he wanted to go to college. He would be the first in his family to do it. With no one to guide him, Treven had no idea how college worked. He applied to the University of Memphis and, as a first-generation college student, won a First Scholars® award that he says changed his life.

The Suder Foundation in Plano, Texas, created the First Scholars program in 2009 with a goal to dramatically increase the graduation rates of first-generation students like Treven—those who were the first in their family to go on to higher education. Entrepreneurs Deborah and Eric Suder had endowed scholarships prior to help mid-range academic, needs-based students get to school. "We naïvely thought that financial aid would assure their success. This was not the case," says Eric. They learned that only 36% of first-generation students nationally were graduating. First-gen students face distinct challenges that many legacy students do not: They are less academically prepared, often more financially strained, and have a harder time transitioning into college.

"When we started First Scholars, there were limited programs geared solely toward first-gen students, and those in existence focused on the freshman year only," says Eric. "We reasoned that if we could address and mitigate, or even eliminate, the challenges common to many first-gen students, then we could bridge the gaps to help them stay in school and graduate."

First Scholars awards incoming cohorts of 20 first-gen students

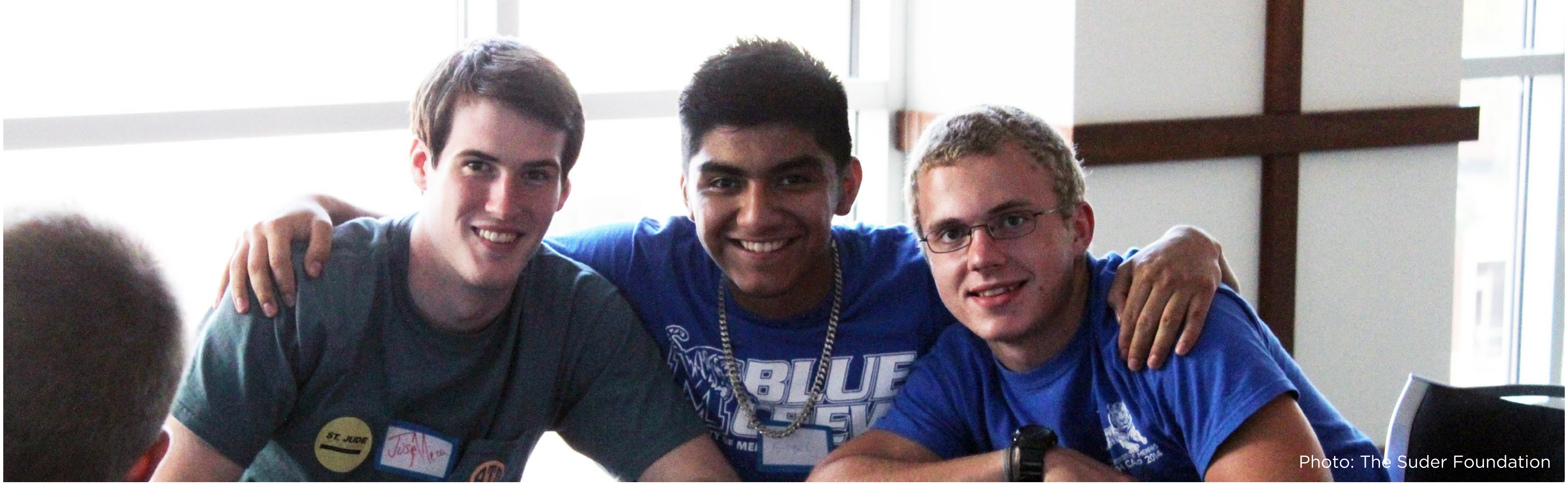


Photo: The Suder Foundation

$20,000 over four years at its six active university partners. Students engage in holistic programming that tends to their academic and financial needs as well as personal, professional, and social needs.

Scholars live in a shared campus dorm for the freshman year with their cohort of first-gen students. Together, they attend retreats, classes, and workshops and engage in campus and community service projects. They receive individualized faculty and peer mentoring, success planning, and guidance. With this high-touch holistic programming, The Suder Foundation has moved graduation rates among First Scholars students to 52% in four years, and 75% in six years.

Yet First Scholars does more than get students to their cap and gown. It has catalyzed change across campuses in how they respond to and support first-gen students. At the Suders' prompting, universities now track, measure, and support all first-gen students (not only First Scholars students)—something campuses weren't doing in the past.

With their business mindset, the Suders originally started First Scholars as a data-driven "franchise" model that would be scalable across 100 major four-year public universities. Their hope was that the foundation would seed it, and universities would eventually take it on and sustain it. Over time and with learning, they have evolved their vision to meet university and funding realities. While maintaining partnerships with their core universities, the foundation is also now repackaging the best components of the First Scholars program as strategic initiatives to serve first-gen students at campuses countrywide.

"We've joined the national conversation on first-gen success and are convening people to build awareness and move policy," says Eric. "We hope to inspire more universities to see that focusing on first-gen students can meet their retention and graduation goals. First-gen success is a powerful return on investment."

The highest ROI? Students like Treven Treece. "First Scholars gave me a shot," says Treven. "It gave me the opportunity to go to college, and surpass everyone in my family who never was able to go. Now my children won't be first-gen students. I can help them, and things will be different. First Scholars has changed the dynamic of my family for generations to come."

YOUTH GIVING PROJECT

PERHAPS AN UNLIKELY PAIR | CREATED BY FOUNDANT TECHNOLOGIES

In 2012, Youth Philanthropy Connect (YPC), a special project of the Frieda C. Fox Family Foundation, hosted its second successful conference, bringing together youth, youth grantmaking /advisory boards, staff, and trustees of seven foundations and eight Los Angeles area nonprofits. That same year, another (some might say unlikely) partnership began to form. Foundant Technologies, Frieda C. Fox Family Foundation's grants management software provider, supported the special project financially and, by the next year, had moved beyond just financial support.

"Youth philanthropy wasn't new," says Mark Larimer, Foundant VP of Marketing and Client Services, "but it was in silos. YPC connected those silos and made it easier for everyone to do what they'd already been doing. We recognized this movement as something special and wanted to be a part of helping it continue."

In 2015, YPC took the show "on the road" and held six regional gatherings across the country, engaging 761 attendees. Sammie Holzwarth, a Foundant intern turned product implementation engineer, youth philanthropy enthusiast, and current Exponent Philanthropy Next Gen Fellow, accompanied Mark across the country providing software support for a grantmaking component of the events and engaging with groups implementing youth giving programs in their regions.

It wasn't long before Mark and Sammie were asking the same questions: Why can't we do this at home? And then share what we learn with everyone else? That fall, Foundant partnered with its local Bozeman Area Community Foundation (BACF) and Bozeman Youth Initiative (BYI) to offer a grantmaking program to local youth ages 13–18. Foundant supported the program financially, BACF offered expertise and community connections, and BYI added the effective youth development element.

"I've realized that the adult role in youth philanthropy is simply to be comfortable stepping back and allowing the youth to take ownership," says Sammie. "This gives them the ability to grow into the role and make the decisions they want to make. Even though they may not do it exactly the way an adult would, I promise they won't let you down."The YPC–Foundant story is just one example of how passion brings together diverse people and organizations.

To learn more about how you can get started with your own youth giving program, visit YouthGiving.org. Involving youth in philanthropy offers lifelong skills and knowledge for how to create community change. Everyone is invited—join us!

Photo: Foundant Technologies

PAUSING FOR A STRATEGIC REVIEW | CREATED BY GLENMEDE

Glenmede recently partnered with a private foundation client to help it through a period of succession planning and implementation as well as a strategic review of its grantmaking. The foundation had over 25 years of experience in grantmaking, and the board of trustees had grown to include approximately 10 family members. The trustees were interested in the impact that their grant process had on applicants as well as the work of these nonprofits in the community.

Over the course of a year, we worked with the foundation to review, assess, and evaluate its grantmaking, including funding guidelines, alignment of funding with foundation mission, reporting requirements, application design, and assessment.

One major pain point for trustees was the rate of declination for applicants. There were several factors influencing this rate, including the foundation's national scope as well as its broad funding guidelines. Over the years, the foundation had become well known, resulting in a significant increase in the rate of applications; due to funding limitations, the foundation had to make a higher and higher number of declines during its annual grant cycle.

Partnering with Exponent Philanthropy, we led the board through a self-assessment and engaged them in dialogues to discuss how the foundation might retain the founder's philanthropic vision while evolving its grantmaking.

One major step for the foundation was notifying its grantee community of the strategic work they were undertaking and letting the community know that the foundation would hold an abbreviated invitation-only grantmaking cycle during the year. This allowed the trustees time to work with us through the impact questions and create a road map for the foundation's next phase.

The invitation-only grant process significantly decreased the volume of applications as well as the rate of declinations during the abbreviated grantmaking year. It also enabled the new executive director to reach out to experts in the field and get direct input on the foundation's future application, best practices, and ways that the funding dollars could have the most impact.

The foundation continues to implement and evaluate the changes in its strategic grantmaking, and some key results so far include: a more efficient, streamlined online application that incorporates a final grant report for organizations invited to apply in consecutive years, a better understanding of the foundation's funding priorities by grantees, and a more narrowly focused invitation list for grantee applicants.

Photo: Glenmede

A SMALL BUT MIGHTY FORCE | CREATED BY MICROEDGE + BLACKBAUD

In central Indiana, residents have been catching glimpses of things that look like tall, slender humanoids. At the same time, local characters are coming together as a force for good, each bringing unique ideas and talents to the table.

Wait a minute: Is this about the Netflix hit Stranger Things, set in a fictional Indiana town? Actually, we're talking about the tremendous work of the very real and not-at-all-strange Community Foundation of Boone County, based in Lebanon, Indiana.

Back to those humanoids we mentioned… These "walking man" statues are a manifestation of a collaborative effort to build a more thriving culture within Boone County, and the unique statues are one small way that the foundation is working with local partners to celebrate what makes the area special and encourage citizens to explore the region. Sure, the Community Foundation of Boone County may be a small organization, but it knows full well that with the right partners (from governmental groups to local businesses to interested citizens), the right technology (in this case, MicroEdge FIMS accounting and endowment management solution), and some big ideas to enhance the vibrancy and improve the health of its community, they can prove that 1 + 1 can equal much more than 2.

The Community Foundation of Boone County looks at partnership as a key component of its ability to act as an agent of outsized impact.

The foundation often takes on a role as a community change catalyst and convener. It partners with nonprofits and other key local organizations to fund big ideas, like the "walking man" statues, or connecting with the Arc of Greater Boone County to invest in programs that expand job opportunities for people across the community. In fact, the foundation is working with the Arc today on a program to help disabled high schoolers transition successfully into adulthood.

With an eye to the future, the Community Foundation of Boone County is also looking at the importance of partnership through the lens of taking a leadership role in the community, and is working with MicroEdge to ensure its technology is positioned for the task. How? In particular, the foundation is using historical data from the MicroEdge system and community partner sources to inform the foundation's decision making and proactive, results-oriented approach to tracking progress and measuring against intended outcomes.

Photo: Community Foundation of Boone County

WHAT TO DO WHEN THE NUMBERS DON’T ADD UP

CREATED BY U.S. TRUST, BANK OF AMERICA PRIVATE WEALTH MANAGEMENT

How can foundations best leverage their knowledge and networks to work with mission-critical grantees, while not putting excessive demands on limited staff time? The following illustrates how a foundation’s turning down a capital grant led to a much deeper opportunity for the nonprofit agency and ultimately supported its long-term sustainability.

A northeast foundation with a moderately large endowment for which U.S. Trust provides grantmaking guidance received an application from a local social services agency. The agency was asking for a contribution to a capital campaign to fund an addition to its historic-residence headquarters. This agency was a critical anchor nonprofit in a high-priority geographic area for this foundation. Almost immediately, U.S. Trust staff realized that, based on the campaign materials and audits submitted with the application, the nonprofit was not in a position, either financially or from a human capital perspective, to launch a full-scale capital campaign. What the organization really needed was support to plan for its future in a much broader way.

The foundation had one part-time program officer, and therefore did not have the capacity to provide direct technical assistance to the nonprofit. Based on suggestions from U.S. Trust, the foundation offered, instead of a capital grant (or simply declining the application), to pay for technical assistance for the nonprofit to receive an in-depth financial analysis and support for business planning; an offer the nonprofit accepted.

For the next six months, the agency underwent a rigorous assessment of the profitability and sustainability of each of its program streams. At the conclusion, the agency realized the following: (a) it was indeed not ready for a capital campaign; (b) one stream of work needed to be phased out as simply unsustainable; and (c) it had the opportunity to fill a fee-for-service niche for adult foster care in the community, though some start-up costs for that service would be incurred.

The agency came back to the foundation, presented the assessment’s findings, and requested a three-year grant to launch the adult foster care program, which now generates an additional $1 million annually for the agency. Benefits to the community include care services for aging adults and in-home care for adults with disabilities.

Foundations with few or new staff cannot always engage directly and deeply with all their grantees. But identifying opportunities for strategic connection to technical assistance resources, as well as taking a bet on new services that are grounded in careful business planning, can lead to large gains for communities, nonprofits, and foundations in achieving their missions.

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