



Grant Report 2018 General Operating Support

Thank you for your financial support in 2018. 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 2018.

YEAR-END REFLECTION

2018 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 2018 accomplishments:

- 200 new members (more than in any year since 2008)
- 800 attendees at our National Conference, featuring nearly 40 sessions designed by funders.
- Over 9,000 publications downloaded or purchased from our Resource Library
- Two new toolkits: Great Funder–Nonprofit Relationships and Ramping Up for High-Impact Philanthropy
- 100 sample documents cataloged online in our new Sample Documents Library
- A new Foundations 101 Virtual Seminar series serving 195 funders across 5 modules
- Media mentions in *The New York Times*, *USA Today*, *The Chronicle of Philanthropy*, and other prominent publications
- A new Trustee Leadership seminar that scored 4.25/5, and an updated Trustee Handbook

- 427 responses to our annual Foundation Operations and Management Survey, some 100 more than in the previous year
- Market research gathered through an online assessment, a board self-assessment, six focus groups and one 2-day strategic planning retreat, which will inform our 2019-2024 Strategic Plan

PRIORITY GOALS & 2018 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 2018 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.

2018 Highlights:

Benchmarking data – In 2018, we engaged an outside consulting firm that specializes in market research in the philanthropy sector to help us streamline our benchmarking study process and improve the quality of the data that we report to our members annually. In Q1 2018, we released and disseminated our 2018 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. Throughout the first half of 2018, we worked with the consultants to make improvements to the survey that was fielded in the summer of 2018. This year’s survey had a total response of 468 members (26%), which was significantly higher than last year’s 330 respondents. We also added additional questions related to diversity, equity, and inclusion (DEI) practices in philanthropy, as well as staff and board demographic information to establish a more accurate baseline of the diversity of our membership and how they incorporate DEI practices into their philanthropy.

Educational Programs Attendance, Revenue, and Evaluations

Exponent Philanthropy’s 2018 educational programs attracted 2309 participants. This represents a 3% increase in participants compared to 2016, our last National Conference year.

- 800 individuals participated in our 2018 National Conference;
- 1197 individuals participated in 15 virtual learning programs;
- 15 individuals participated in our NextGen Fellows Program; and
- 230 individuals attended in-person programs other than our National Conference.

Total program registration revenue was \$812,500, which represents a \$100,000 decrease from 2016 (our last National Conference year). In 2016, we were celebrating our 20th Anniversary and the National Conference was located in Chicago – both contributed to a record number of attendees to the 2016 National Conference.

Evaluation scores indicate that program participants were very satisfied. The average participant overall evaluation score was 4.12 on a scale from 1-5.

Notable Programs in 2018:

- The 2018 National Conference, our largest conference of the year, served approximately 800 donors, trustees, foundation staff, and other philanthropy professionals. The overall conference rating, based on participant evaluations, was a 4.20 (on a scale of 1-5). The most popular sessions were: *Change Up Your Questions: Align Your Grantmaking Process with Your Values and Vision*, *Impact and Succession Planning: They're Related?*, *Investing in Game Changers*, and *Marking a Shift from Transactional to Transformational Grantmaking*. The conference had a net positive impact on our overall 2018 budget due to keeping expenses under budget, and strong foundation and sponsor support.
- The Foundations 101 Virtual Seminar Series was an innovative blend of classic Exponent Philanthropy content repackaged into a new, accessible format. The five-part virtual series ran over three months and was adapted from our popular in-person seminar that covers the basics of running a foundation. The five modules were available for purchase as a complete package or individually. The modules included: Getting Started, Governance Basics, Legal Basics, Investment Management Oversight, and Grantmaking Basics. The series attracted 195 registrants; 86 for the full series, 109 for individual or multiple modules. The overall average evaluation score was 4.0 out of 5. This new program garnered \$29,240 in revenue, with minimal direct expenses other than staff time.
- Peer Learning Cohorts: In 2018, our Next Gen Fellows Program – a six month program attracted 15 participants. It received a 4.25 overall program rating and 100% of the participants were inspired to take action. Through the generous support of the Andrus Family Fund, we were able to make several changes to the program including adding a session that introduced the practices that encourage diversity, equity, and inclusion in philanthropy and the potential impact of such practices.

Virtual Learning

In 2018, we continued to increase attendance for webinars as a result of a more strategic marketing strategy. Our largest webinar, put on in partnership with Foundant, was attended by over 200 people. Webinars without partners easily garnered 50-125 participants, regularly smashing our goal of 50 participants per webinar. The number of live participants represent about half the amount of

individuals who registered for these programs, meaning that the remaining registrants benefited from the recordings.

Assessments: In 2018 we offered three assessments 1) 10 Minute Impact Assessment, 2) Board Self-Assessment (BSA), and 3) Grantee and Applicant & Perception Survey (GAPS). The 10 Minute Impact Assessment is available for anyone to download on our website. In 2018, it was downloaded 186 times. The 10 Minute Impact Assessment continues to be one of our most popular resources. The BSA and GAPS is available for a fee. In 2018, we sold one BSA and one GAPS.

Two New Toolkits: In 2018, we partnered with The Philanthropic Initiative to co-author a new toolkit, “Ramping Up for High Impact Philanthropy”. The toolkit is for seasoned donors, donor advised fund holders, foundation trustees, and staff who are taking steps to significantly ramp up the impact of their giving. The toolkit uses a self-diagnostic to help funders who are no longer content with just “making good grants” or “doing good things for the community,” to take a fresh look at their goals, strategies, and outcomes and provides options and suggestions to do things differently to achieve even more. We published the toolkit in October 2018. It is free to the public and as of 1/10/2019, 368 people had downloaded the toolkit.

Also in 2018, we published the ‘Great Funders-Nonprofit Relationships’ toolkit as a follow up for the work we did in 2016 and 2017 as part of a grant from The Fund For Shared Insight. As of 1/10/2019 541 people downloaded this toolkit.

Publications

Most of our publications and online content are free to members. However, we do sell several publications to non-members. Publication revenue was \$28,759. 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

Exponent Philanthropy staff answered 268 Q&A’s from members in 2018, which is slightly more than 2017 (261).

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.

2018 Highlights:

- In person programming – As mentioned in the previous section, Exponent Philanthropy connected 2,247 funders through its in person programming in 2018. This includes participation at our National Conference, at local programs,

and at our one-day seminars.

- 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 an online member community that allows 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 numbers of subscribers to the online community continues to grow steadily, reaching over 700 in 2018.

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.

2018 Highlights:

- Media efforts – In 2018, Exponent Philanthropy received a capacity building grant from the Hewlett Foundation to enhance its media relations effort. As a result of this grant, we contracted with a new public relations consultant and refreshed our messaging and strategy. This effort resulted in 45 media mentions in 2018. This number is slightly less than the number of media mentions in 2017 but the quality of the outlets we were mentioned in was higher. For example, Henry Berman, Exponent Philanthropy’s CEO, as well as several members were showcased in the New York Times in September of 2018. We also were mentioned in USA Today and several times in The Chronicle of Philanthropy. This is a two year effort and we look forward to building on our success in 2019.
- *Outsized Impact* – We continued to add member and partner stories to the outsizedimpact.org microsite we created in 2017. The online “hub” is now home to nearly 30 examples of how lean funders are having an outsized impact in their communities and priority funding areas. We share the stories throughout the year in email communications to funders and partners, via our social media channels, as well as in our programs.

OTHER KEY INITIATIVES & MEASURES OF SUCCESS

Diversity, Equity & Inclusion in Philanthropy

Exponent Philanthropy was awarded a \$400,000, three year grant, by the Racial Equity in Philanthropy Fund in 2018. This grant allowed Exponent Philanthropy to continue our work infusing diversity, equity, and inclusion practices internal our internal culture and processes as well as incorporate this work into our programs and resources. 2018 Highlights included:

- Holding a 1.5 day long staff training teaching staff how to recognize structural and institutional racism. Our Board went through a ½ day training on the same topic.
- Infused DEI principles into our Next Gen Fellows Program, including an implicit bias training. The fellows also read and discussed *Just Mercy* by Bryan Stevenson.
- We published a new edition of the *Trustee Handbook* to include best practices related to diversity, equity, and inclusion.
- Presenting two successful plenary sessions at our 2018 National Conference featuring Dr. Suzanne Barakat, who spoke on fighting hate, and Anthony Simmons of ABFE, who interviewed two members who have successfully implemented diversity, equity, and inclusion practices at their foundation.
- Began the planning for ½ day regional trainings, which we will present in 2019 and 2020.

Cooperation & Collaboration

Exponent Philanthropy has always prioritized collaboration and 2018 was no exception. Collaboration with other philanthropic support organizations is an important strategy to build awareness and use of our resources and advance the effectiveness of the philanthropic sector. Most notable collaborations included:

- Joining The Philanthropy Forum and developing a partnership menu for other Forum members.
- Continuing or starting partnership agreements (most included joint programming) with Michigan Council of Foundations, Southeast Council of Foundations, NC Grantmakers Network, Southern California Grantmakers, Florida Grantmakers Network, Jewish Funders Network, and Philadelphia Philanthropy Network.

Financial Stability

Exponent Philanthropy ended 2018 with a strong balance sheet, making it the seventh 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, because of a prudent and conservative approach to our budgeting process. This will allow us to make sound investments in our future. 2018 was a financially strong and successful year despite our 2018 National Conference registrations falling short. It was a strong year for fundraising because of a number of general operating grants from large foundations who support philanthropy and strong support for our National Conference. Corporate sponsorships were slightly below budgeted expectations.

It was a very strong year in regards to membership. We hit our goal for membership revenue for the first time in several years. Our retention rate for 2018 was 93% and we brought in 207 new members. This is the most new members acquired since 2008. In our continued effort to reach net positive in regards to membership numbers, we are closer than ever before, because of our 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 have begun the process to make significant progress towards increasing membership revenue in the years ahead.

Our Reach & Key Communication Channels

Our website offers an introduction to our association and serves as a resource library for our members. In Q1 2018, we completed the full website content review that began in 2017—ensuring we offer our members timely and accurate resources. In 2018, our website had 51,507 unique visitors, which represents a 12% decrease compared to 2017. However, that metric does not include visits to our National Conference website (new in 2018) which received 35,539 visitors.

Our website is also home to our blog, one of the most dynamic parts of our site with new posts weekly from members, partners, and colleagues in philanthropy. We published 51 blog posts in 2018, achieving 25,191 unique page views. We repurpose 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 2018, reaching more than 10,000 followers across three channels: 8,613 Twitter followers (11% year-to-year growth), 929 LinkedIn followers (35% growth), and 885 Facebook followers (22% growth).

Email marketing continues to be an important communications channel as well. Our biweekly member email (to 4,801 funders) includes our most popular Q&A's, a highlighted resource, a highlighted blog post, and upcoming events. Our communications calendar also includes dedicated emails about important programs and initiatives as needed. Our non-member email list includes 4,758 funders and 1,892 service providers (e.g., accountants, lawyers, philanthropic consultants).

2019-2024 Strategic Plan:

In 2018, Exponent Philanthropy embarked upon a strategic planning process to help clarify our goals and objectives and set our priorities for the next 3-5 years. This is an effort we do every five years to identify trends, opportunities and to keep our value proposition strong in a constantly changing philanthropic landscape. Early in the year, we engaged Avenue M as a consultant to help us through this process. They are a highly-regarded consulting firm in the membership association community and we worked with them in 2017 on a value/pricing study. The project included several activities to gain information and feedback from our key stakeholders including members, prospective members, past members, key donors, and partners. From June to November, we conducted an online assessment, a governance assessment, six focus groups, and a two-day in person strategic planning retreat. We are currently working to finalize our new strategic plan and gain Board approval of the plan. Key themes that have come out of this effort thus far are:

- The importance of our impact work and continued guidance to lean funders on how to increase their impact;
- Importance and continued emphasis on building community and fostering collaboration among lean funders;
- Accessibility and relevance – the differing needs of various segments within our community and the need to make our offerings easily accessible and relevant based on segment preferences.
- Commitment to continued work on increasing diversity, equity and inclusion in the lean philanthropy community.

CONCLUSION

In summary, 2018 was a successful year for Exponent Philanthropy. We made strides in all aspects of our Association and work to continue to identify and implement ways we can better serve lean funders in the years to come. Thank you again for your support. Without voluntary support from foundations and individuals we cannot maintain the high quality programs and services that our community has come to expect from us and that we take great pride in delivering. Your support allows us to get closer to our ultimate vision of a better world through informed and passionate philanthropy.