

Discoveries

BRIDGING PRINCIPLES & PRACTICE

A companion piece to
EXPLORATIONS: PRINCIPLES FOR COMMUNITY FOUNDATIONS (2nd Edition)
and
THE COMMUNITY FOUNDATION DIFFERENCE: DESCRIBING WHAT MAKES US SPECIAL



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What We Do: The Three Roles of Community Foundations

- Endowment building and flexible, comprehensive donor services
- Broad and effective grantmaking
- Inclusive community leadership

How We Work:

- Accountable, Responsive, Transparent Governance

See *The Community Foundation Difference: Describing What Makes Us Special* for more detail on each of these points.

Guiding Principles for Community Foundations

- PRINCIPLE 1:** Building Community Capacity
- PRINCIPLE 2:** Understanding the Changing Nature of Our Communities
- PRINCIPLE 3:** Creating Opportunities for Dialogue
- PRINCIPLE 4:** Developing Partnerships
- PRINCIPLE 5:** Reflecting Diversity and Fostering Renewal
- PRINCIPLE 6:** Establishing an Effective and Imaginative Grants Program
- PRINCIPLE 7:** Building Community Assets and Facilitating Philanthropy
- PRINCIPLE 8:** Evaluating and Sharing Results
- PRINCIPLE 9:** Implementing Responsive and Accountable Processes
- PRINCIPLE 10:** Balancing Our Resources

See *Explorations: Principles for Community Foundations, 2nd Edition* for more detail on each of these principles.

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Community Foundations of Canada

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A Message from Community Foundations of Canada

As Canadian community foundations continue to explore their roles in endowment building, grant-making and community leadership, they do so with the Principles for Community Foundations as a framework. The challenge is to bridge principles and practice. *Discoveries* provides examples of how a few community foundations in Canada are deepening their understanding of the connection between the principles and their day-to-day practice.

Our Canadian community foundation movement learns from its stories. We relish our colleagues' successes and we share our experiences freely with each other. We borrow ideas, brainstorm problems, and create solutions together. *Discoveries* is a product of that generous spirit of sharing.

I know you will find inspiration—as well as practical suggestions—in *Discoveries*.



Monica Patten
PRESIDENT AND CEO

A Journey of Discovery: *Explorations and The CF Difference*

BACKGROUND

Working with the principles outlined in *Explorations* and the goals defined in *The Community Foundation Difference* is a journey of discovery. For CFC and its members, the journey began in 1998 with the first edition of *Explorations* – a document about community leadership. Since then, the movement has expanded and embraced the document as a set of ten principles to guide all aspects of community foundation work.

Informed by that experience, CFC and its members began a discussion in 2000 about the characteristics that make community foundations special – the "community foundation difference." The process identified three key roles that community foundations share:

1. Endowment building and flexible, comprehensive donor services
2. Broad and effective grantmaking
3. Inclusive community leadership

Along with these, community foundations have a characteristic way of working in all three roles: Accountable, responsive, transparent governance.

These fundamental characteristics of community foundations are described in more detail in CFC's publication *The Community Foundation Difference: Describing What Makes Us Special*. The final version of that document was endorsed by CFC's members in May 2002.

DISCOVERIES

This booklet, a bridge between *Explorations: Principles for Community Foundations* and *The Community Foundation Difference*, looks at the discoveries community foundations are making as they work with the ten principles – accountably, responsively, transparently – in

each of their three roles. It aims to provide examples, tips, lessons, resources and questions to help your community foundation deepen its understanding of how these principles can guide and enhance your work.

A JOURNEY OF DISCOVERY THAT IS UNIQUELY YOURS

Because no two community foundations are identical, or give identical emphasis to the three community foundation roles, each of you will begin (or perhaps continue) your exploration of the Principles for Community Foundations from a different place and chart your own course. For some, the journey will be a rediscovery of what you are already doing – a new understanding of your roles, activities, and potential within the framework of these principles. For others, the discovery may be a vision of how you can bring people together, work with partners, reach out to a broader and more diverse group. It may challenge you to think about the potential of your role beyond grantmaking and fund development. You may discover, in exploring these principles, that your community foundation has a unique opportunity to build not only the financial capital, but also the social capital¹, of your community.

And if no two community foundations begin this journey of discovery in the same place, neither do the individuals involved in your work. Some volunteers and staff may be familiar with these leadership concepts; others may not have the same depth of experience

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¹Social capital is the stock of formal and informal networks, and trust, that links us to others and provides our sense of community. It is the "glue" that holds communities together. Social capital has been linked to many measures of community and individual well-being.

COMMUNITY FOUNDATION ROLES AND PRINCIPLES



PRINCIPLES FOR COMMUNITY FOUNDATIONS

PRINCIPLE 1

Building Community Capacity

We will nurture and build on our community's strengths and assets. Communities are strengthened by initiatives which increase the capacity of organizations and individuals to respond to challenges and opportunities, develop local leadership, promote self-reliance, emphasize prevention and mobilize civic participation and resources.

PRINCIPLE 2

Understanding the Changing Nature of Our Communities

To be strategic in all our activities, we need to know our communities well. This involves spending time in community consultation, making ourselves available for discussion, being active participants in the community, monitoring local and national trends and being aware of the impact of change in our communities.

PRINCIPLE 3

Creating Opportunities for Dialogue

Because of our broad mandate to nurture a vital community, we will bring together people with different ideas and points of view and create opportunities for respectful dialogue on issues of importance to our communities.

PRINCIPLE 4

Developing Partnerships

Since more can be accomplished when we act together, we will form, encourage and support partnerships among individuals, neighbourhood and community groups, service clubs, foundations, professional advisors, businesses, governments, the media and others, based on shared vision and mutual responsibility.

PRINCIPLE 5

Reflecting Diversity and Fostering Renewal

We believe there is strength in diversity and that our communities will be better served when we understand

different points of view and engage the broader community in our deliberations and decision making.

PRINCIPLE 6

Establishing an Effective and Imaginative Grants Program

We will strive to continually improve our skills as grantmakers, making a visible and lasting difference in our communities through a granting program that is balanced, flexible, creative and responsive.

PRINCIPLE 7

Building Community Assets and Facilitating Philanthropy

As we build permanent endowments and other assets for the future of our communities, we will help our donors derive the maximum possible benefit and satisfaction from their giving by learning about their charitable goals, providing them with information about ever changing needs, integrating their goals with community opportunities, and providing flexible giving options. We will champion the values of philanthropy.

PRINCIPLE 8

Evaluating and Sharing Results

We will evaluate our activities to improve our skills and knowledge and we will share key findings with others.

PRINCIPLE 9

Implementing Responsive and Accountable Processes

We will engage in practices that are open and accessible, fair and objective, flexible and timely as we work with grant seekers, donors, volunteers and others in the community. This is essential to our role as credible and reputable stewards of community resources.

PRINCIPLE 10

Balancing Our Resources

Because our fund development, grantmaking and other community leadership activities are inter-dependent, we will commit and balance our human and financial resources among them.

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with them. Some may understand one of the community foundation roles better than the others. Take the time to bring everyone on board. Promote the principle of respectful dialogue in this internal process as you do in your community foundation's external work.

We know that leadership evolves, personnel changes, new people bring new ideas to our work. Understanding the full potential of your community foundation and working with *Explorations* is an ongoing process. Make time to reflect on the principles and your community foundation's three roles at regular intervals, to refresh your understanding, introduce them to new players, and see how they apply to changing realities in your community.

TOOLS AND RESOURCES

Working with the principles is an ongoing task that needs to be managed. As you begin, it is important to identify a process to help direct and record your thoughts and ideas. Assign leadership of this process to one person and decide how you are going to approach your discussions.

This booklet contains a "Guide to Working with *Explorations* and *The CF Difference*" in Section Four, and a list of other resources in Section Five. You will find specific suggestions and ideas on how to use *Explorations* and *The CF Difference* to focus and expand your activities.

LEARNING FROM COLLEAGUES

To inspire your journey, *Discoveries* presents four flagship stories in the next Section that illustrate how your community foundation colleagues have bridged principle and practice in each of the areas that characterize community foundations. Additional examples from across the country are included in Section Five.

"Community foundations have an astonishing opportunity to bring diverse voices together, build social capital and offer leadership to their communities at the same time as they build community assets and make grants.

The Principles for Community Foundations and *The CF Difference* are reflections of how seriously the movement takes all

three of its roles."

Monica Patten
PRESIDENT & CEO

COMMUNITY FOUNDATIONS
OF CANADA

Bridging Principles and Practice: The Principles & the Roles and Characteristics of Community Foundations

After working with the principles outlined in *Explorations* for several years, community foundations in Canada came together to articulate what makes community foundations special – the characteristics that distinguish us from other important players in the philanthropic world. Four common themes emerged and were described in detail in *The Community Foundation Difference: Describing What Makes Us Special*, and endorsed by CFC’s membership. They are:

WHAT WE DO:

The Three Roles of Community Foundations

1. Endowment building and flexible, comprehensive donor services
2. Broad and effective grantmaking
3. Inclusive community leadership

HOW WE WORK:

Accountable, Responsive, Transparent Governance

In this section, we explore how the ten principles outlined in *Explorations: Principles for Community Foundations* have enhanced, and can continue to enhance, what we do (our three roles) and the way we do it.

Each area is illustrated with a flagship story. CFC collected these four stories for *Discoveries*, like snapshots, in the winter of 2001. They picture how one of your community foundation colleagues was working with the Principles for Community Foundations at that time.

Endowment building and flexible, comprehensive donor services

Many of the ten principles guide and enrich our endowment building and donor services activities. As we facilitate philanthropy and help donors to achieve their charitable goals, we have an opportunity to offer them expertise not only about financial issues, but also about changing community needs, solutions and priorities. Our knowledge of the community, along with wise investment and stewardship practices, are assets we can share with them, as they in turn help build the assets and the capacity of the community. Donor service leads to endowment growth. If we develop relationships with our donors grounded in the principle of responsiveness and accountability, community foundation assets will grow, partnerships will develop, and our capacity to serve the community will be vastly increased.

A Flagship Story

The Community Foundation of Ottawa (CFO) recently sharpened its focus on donor service. With \$60 million in assets, the 14-year-old foundation's² funds are mainly donor-advised. CFO has seized that as an opportunity – a chance to learn more about their donors' interests, provide information about philanthropy, community needs and innovative solutions, help donors make the most impact with their gifts, and ultimately to broaden their view of philanthropy. But the first step is to establish trust and spark their imaginations.

CFO adopted a comprehensive program called Holding Our Donors Close. Its purpose: "To ensure all donors derive the maximum possible satisfaction from their philanthropy." Combining personal contact, administrative processes that stress personalized communication, and special events, the program's philosophy mirrors the values of the Principles for Community Foundations.

One element of the program is the Philanthropic Partners Program (PPP) being offered on a two-year pilot basis to a small number of major donors, many of whom are entrepreneurial in business but inexperienced in philanthropy and hungry for information and guidance. To launch the program, CFO rented a mini-van and driver for an afternoon and took donors on site visits of three projects, using the opportunity to talk about the foundation's grantmaking. At a local school in one of the city's low-income neighbourhoods, the principal described the complex issues the children face – like poverty, lack of language skills, and homelessness – and some of the programs the school has designed to deal with them. Then each donor toured the school, escorted by a student. Similar visits were made to a community resource centre and a police youth centre. The donors were "blown away" by what was accomplished by small groups of people with limited resources.

A month later, PPP members were invited to meet with the grants committee to learn about the research, evaluation criteria and decision-making process involved in grantmaking. Four similar activities are planned at regular intervals per year, some of them open to all members of the donors' families.

In evaluations, donors have reported that they have learned a vast amount from the program, even at this early stage. They have been challenged to think about how they can achieve more impact with their funds. They have made supportive connections with other donors. They have brought other family members to meetings. Some have begun to volunteer with the projects they visited.

Ask Yourselfs

"Does our foundation's asset development plan build a partnership with donors?"

²This story reflects CFO's situation in 2001-02

The PPP is led by a key volunteer (a major donor) and CFO senior staff. Although requiring only a small budget, it is time consuming and intensive – and well worth the effort.

CFO describes how the principles underpin this work:

The donor service principle (Principle 7) really captures our philosophy of asset development; we've consciously become a donor service organization. But other principles apply as well: we think about our donors as partners (Principle 4) in building the capacity of community organizations (Principle 1). Our donors tell us that our grantmaking experience (Principle 6) and knowledge of the community (Principle 2) are assets they appreciate. We aim for personalized, responsive, accountable processes in relating to our donors (Principle 9). And one of our main goals is to connect organizations in the community with each other, with resources, with people. Creating opportunities for dialogue (Principle 3) is critical.

CFO SHARES SOME LESSONS:

- If you aim for a 1:2 gift ratio – one gift in hand, two "in the bush" as deferred gifts – you will keep your organization forever focused on the future
- Work with a three-year strategic plan and a five-year financial plan
- Offer donors personal contact, information (articles, conferences etc.) to broaden their view of philanthropy
- Dedicate senior staff/volunteer time specifically for one-on-one contact with donors
- Assign every donor a primary contact person within the foundation
- Especially in high-growth times, make sure fund development staff/volunteers and grantmaking staff/volunteers are exchanging information
- Remember that personal experience of the foundation will be shared with others – make sure it's a good experience
- Facilitate strategic alliances between donors to build the capacity of particular projects

"Donor service is about helping
people make the most impact
with their philanthropy,
and helping them derive
the most satisfaction from it."

Barbara McInnes
CEO

COMMUNITY FOUNDATION
OF OTTAWA

Broad and effective grantmaking

In our role as grantmakers, community foundations have an opportunity to build the capacity and social capital that our communities need to face the challenges of the present and the future. But to do so effectively, we must understand the full diversity of our communities, work to build partnerships, lever other resources and seek out innovators. We will improve our grantmaking ability if we strive to be responsive, flexible, knowledgeable, and accountable. Good grantmaking that is visible and accountable will attract donors and other partners to help us build community assets.

"Addressing root-cause community issues is exciting for our grants committee and our board. We've also found that it helps us attract important community partners, develop a shared vision and, together, make a real impact in the community."

Don Ravis
PAST CHAIRMAN

THE SASKATOON FOUNDATION

A Flagship Story

The Saskatoon Foundation (TSF), with assets of about \$7 million³, is making a real impact – in part because it asked the community how it could be more effective. In a series of five breakfast meetings, the foundation asked community leaders what they thought of the foundation. The conversation wasn't always easy, but the result was the establishment of three priorities for The Saskatoon Foundation's grants: capacity, sustainability and partnership (to lever other dollars).

There are six categories in the foundation's grantmaking: the discretionary fund, a relatively high percentage at 70%; a local church fund which focuses on families; Cameco Corporation's flow-through granting; the Muttart Foundation's flow-through fund for youth; the ArtsSmarts granting program from the J.W. McConnell Family Foundation; and an anonymous donor whose flow-through grants often top up the foundation's discretionary grants. Each program has its own committee and criteria. But what drives the foundation's grantmaking is its leadership role in the community.

"We are committed to raising community issues and root causes," says Ruth Pepin, The Saskatoon Foundation's Executive Director at that time. The foundation has, for example, tackled affordable housing and kids not attending school, two critical issues for the community. In both cases, the foundation convened partnerships, leveraged resources and raised public awareness of the problems and potential responses.

³This story reflects TSF's situation in 2001-02

They invested both money and time in community-wide solutions to these pressing problems – with visible success. They were active participants with the intersectoral leaders who established a 21-point action plan to address the problems of kids at risk; and 90 families (many with incomes of less than \$20,000) now own their own homes through the benefits of a mentoring program the foundation sponsored.

"Our relationship with grantees is as important to us as the money we provide," says Pepin. "We are seen as a resource that is grounded in the community. Groups come to consult with us, not always to request money. We are open to new opportunities. We're willing to take risks and make mistakes, figure out what went wrong, and learn from that."

TSF describes how the principles underpin this work:

Understanding the changing needs and opportunities in the community has become absolutely central to our work (Principle 2). We involve the community as much as we can, and over the last several years we have discovered opportunities to exercise a collaborative leadership role in the community. As grantmakers and as community leaders we have an extraordinary opportunity to bring people together, raise issues and find creative solutions to community problems. We can provide seed money that leverages other support (Principle 6), and we can share our stories broadly (Principle 8). In that way, we encourage philanthropy (Principle 7) and build social capital. Respectful dialogue (Principle 3), partnering (Principle 4), building capacity (Principle 1), acting in a responsive, consistent, transparent manner (Principle 9) – those are all principles that define our approach to grantmaking and leadership.

TSF SHARES SOME LESSONS:

- Strategic planning is critical
- Board and staff need to develop a mindset that is open to opportunities and taking risks
- Bringing the community together around common issues is an investment
- You need both passion and resources
- Managing growth is a huge challenge: you may not always be able to see all the implications of your decisions in advance
- Balance among all your activities is crucial – but difficult
- You must be able to stop and evaluate what you are doing; admit you made a mistake without letting egos get in the way
- Make your grantmaking process and criteria transparent and consistent

Inclusive community leadership

Many community foundations have discovered that their opportunity to offer leadership in the community is as important a role as their grantmaking and asset development. Because of their broad base of support, their knowledge of community needs and strengths, and their many-faceted grantmaking, community foundations are well positioned to bring diverse voices together around issues of common concern. This convening opportunity is key to building social capital and creating the kinds of communities that thrive and offer a rich quality of life to all their members. Many community foundations have also found that community leadership also generates financial capital.

A Flagship Story

The Red Deer & District Community Foundation (RDDCF) serves most of Central Alberta – a population of about 200,000 in over 30 rural and urban communities. The City of Red Deer is the largest at 64,000.

In 1998, the community foundation's Board adopted the Principles for Community Leadership to guide its strategic planning and evaluation. But leadership concepts had already been part of RDDCF's role. Stewardship, partnerships, volunteerism, empowerment and being proactive were already the five stated values of the foundation.

Convening – bringing together diverse people with a wide range of opinions on a specific community issue – is a central activity of RDDCF. Their track record (progress in poverty, a homeless shelter and community leadership training are just a few successes) is so strong that they are now seen as a community "hub" where exchange of information and views is possible in a respectful, inclusive dialogue. Now, whether in a convening role or not, RDDCF is almost always "at the table" on community action.

"We need to help people move
beyond where they are to
appreciate different points of view.
It's all part of embracing diversity;
looking at the value diversity
can bring to a discussion. And by
diversity we mean not just cultural
diversity, but other different
perspectives too – age, gender,
life experience."

Joyce Ganong

BOARD MEMBER, COMMUNITY FOUNDATIONS OF CANADA
AND FORMER EXECUTIVE DIRECTOR, RDDCF

A case in point is Monarch Place, an initiative on transitional, handicapped and affordable housing that involves a coalition of builders, bankers, politicians, the provincial housing authority, local media, the college, community housing organizations like the Native Friendship Centre and the Central Alberta Women's Outreach, and the community foundation. The diverse group is working together to build a 60-unit affordable rental development in Red Deer. It is a collaboration of the public, private and non-profit sectors that has grown from the community itself. RDDCF is supporting it with both grant money and time.

Another initiative resulted in "The Leadership Centre," a community-wide opportunity for Central Alberta residents to develop leadership skills. RDDCF, along with Red Deer College and the Community Information and Referral Society, brought the whole community together to fashion a response to the challenge of identifying, training and renewing leadership at all levels of the community.⁴

Convening has become a way of life for RDDCF. It is inseparable from its role as grantmaker and endowment builder. Convening has become so ingrained in the organizational culture that when grant applications are reviewed, for example, and duplication is noticed between groups, the foundation brings the two groups together.

RDDCF describes how the principles underpin this work:

We see our leadership role as central to our work. We believe we must know community issues (Principle 2) intimately to be good grantmakers. Dialogue (Principle 3), convening, building community capacity (Principle 1) through partnerships (Principle 4) is critical. Hearing diverse voices on issues, evaluating and sharing results (Principle 8), being accountable (Principle 9) are principles we work with constantly. Balancing resources (Principle 10) is always the tricky one.

RDDCF SHARES SOME LESSONS:

- Implementing these principles can be difficult and time consuming
- Not everyone will immediately understand the importance of community leadership – take time to discuss what it means for the community and for the foundation; the conversation is ongoing
- Leadership is a continuing responsibility and privilege; it is important to stay current on the issues and strengthen your skills
- Both board and staff must embrace the notion of leadership
- Being involved in community projects makes the foundation a better grantmaker
- Partnerships help you build community networks and other forms of social capital
- Use the principles and your values as a screen for potential leadership projects
- Keep Explorations on your desk at all times and give it to every Board member in their orientation
- Develop skills in communication, critical thinking, and mediation.

⁴This initiative (along with two others) was profiled in "Case Studies: How Canadian Grantmakers Can Help Leave a Legacy of Enhanced Volunteerism" an International Year of Volunteers 2001 publication from Community Foundations of Canada and United Way of Canada – Centraide Canada.

How We Work: Accountable, Responsive, Transparent Governance

The way we operate is as important as the work we do in each of our three roles. Because community foundations exist to serve the whole community and all its broad interests, their governance structures need to be open, representative and accountable. This means understanding the community in all its diversity and working hard to reflect that breadth. It means being transparent in our dealings with donors, grantees, volunteers and the community at large. It means being fiscally responsible and socially aware.

A Flagship Story

The Community Foundation of Greater Kingston is relatively young – established in 1995 with assets assembled for the community by the Martello Tower Society – but it has experienced rapid growth. Now⁵ with assets of \$4.5 million, it has moved to take a structured look at its decision-making processes and operations. With help from a group from Queen's University and other volunteers with organizational development expertise, CFGK began to review its strategic plan. A key element emerging from that board planning session was to "create a strong succession plan to ensure strong future boards."

To support this priority, the Executive Director examined the current situation and provided an overview of current thinking on governance trends for non-profit boards. Some of the key questions:

- What are some of the considerations we should be thinking of in deciding the composition of our board?
- What should be the length of a board member's term?
- How do boards in the non-profit sector select their members?
- How are the officers of the board selected?

- How does the nominating process work in community foundations?
- What is the role of the nominating committee?

But the succession planning issue also sparked discussion about how all governance decisions are made. At a retreat involving the planning committee, board, and executive, participants focused on planning for the future of the organization and the board established strategic priorities in key areas. Supporting and driving the process is one of the stated goals of the Executive Director.

Ask Yourselfs

"Is the community involved in determining our grantmaking priorities and processes?"

"You can't be a leader if you look like a closed shop."

Monica Stewart
EXECUTIVE DIRECTOR

COMMUNITY FOUNDATION
OF GREATER KINGSTON

⁵This story reflects CFGK's situation in 2001-02

As they look at their internal processes, the current board, a relatively homogeneous group, is hoping to broaden its representation. The founding members, the "movers and shakers" in the community, have done an extraordinary job of using their networks and knowledge to bring the foundation to life. They now recognize that the foundation must evolve to better reflect the composition of the community at large.

As part of this "coming of age," the community foundation's board is moving from day-to-day administrators to strategic thinkers. A vision for change is spreading throughout the organization, fed by diverging opinions and healthy discussion. Evidence: committee reports are less about daily details and more about policy questions; committees are recruiting members from the community; a decision was made to focus 2001 grantmaking on volunteerism, to celebrate the International Year of Volunteers.

By concentrating on its governance issues, the community foundation feels it has strengthened its leadership potential in the community.

CFGK describes how the principles underpin this work:

We use the principles very consciously in our work. (In fact, we list them on the side of all our meeting agendas.) In this review of our board and governance processes, (Principles 2, 6, and 9) – understanding the community, effective grantmaking, and accountability – are critical. And we're building our own internal capacity, building a strong infrastructure, so that we can achieve our goals and build capacity in the community (Principle 1).

CFGK shares some lessons:

- Strategic planning and governance discussions always take longer than you think they will; allow lots of time
- Make sure it is in someone's job description to keep the process moving
- Get help from the experts: use CFC resources or volunteers in your community who have organizational expertise
- Use the governance material that's available, but decide what you need first and then compare your needs to existing models
- Recruit people into your governance structure who truly want to contribute
- Understand that the process is ongoing – just as you revisit your mission periodically, you should revisit your governance structure

Ask Yourself

"How open are we about our decision-making processes?"

More Examples of Bridging Principles and Practice

The process of developing a new mission statement and values for **Vancouver Foundation** turned out to be an intense experience for staff and board members. Instead of taking five minutes on a crowded agenda, development of the new mission statement became a significant issue, spanning several months. Each word and its meaning was passionately debated and carefully chosen. "The process was as important as the end product," says Richard Mulcaster, President & CEO. "Now, when we talk about 'strengthening community capacity' and 'acting as a catalyst' we really understand what we mean. Our mission statement is alive – we use it in all our decision making."

As the **Niagara Community Foundation** was created, it adopted the Principles for Community Foundations to guide its growth and development.

One community foundation used *Explorations* as they began searching for a new Executive Director. The Board's strategic planning committee talked about each principle and the leadership functions and style that would help develop the foundation's potential in each area. Those qualities and skills formed the basis of the new job description. Short-listed candidates were then given several case studies based on

Ask Yourself

"Are we creating opportunities to build capacity in the community?"

"Are we responsive to the needs and interests of our communities?"

"Are we reaching out to the whole community for leaders of our community foundation?"

Explorations. One candidate was head and shoulders above the others in responding to the case studies, and they hired him – **Winnipeg Foundation's** E.D., Rick Frost.

Vancouver Foundation plans several small forums and roundtables for donors each year. (The first was on early childhood literacy, an issue that emerged from their youth and families program committee.) In addition, a newsletter is sent to donors after each funding cycle, highlighting grants approved, in a continuing effort to link donors with these projects.

"Touch the Future," a **Toronto Community Foundation** initiative funded by a three-year Trillium grant, resulted in a model that helps TCF understand the key role donor advisors play in asset development. As a result, the foundation now invites professional advisors to grantmaking seminars, offers other learning opportunities and treats them like major prospects.

In partnership with the United Way, the **Greater Saint John Community Foundation** (GSJCF) organized a workshop called "Perfecting the Grant Application Process." Representatives from organizations that regularly seek grants were invited and the place was packed. A panel of presenters (from HRDC, Enterprise Saint John, United Way,

Easter Seals/March of Dimes, Training & Employment Development New Brunswick and other funders) presented information from the grantmaker's perspective. There was lots of opportunity for questions and networking.

What is now the **Community Foundation of the South Okanagan (CFSO)** began in 1991 as the more narrowly-focused Penticton & District Foundation. However, gradually realizing that they had a responsibility to a wider base of potential donors and charitable organizations, the board restructured the organization in 1998 to encompass an entire region and renamed the foundation to reflect its broader focus. Communities within the district were given the opportunity to participate by developing their own community fund and forming an advisory committee. The chair of each community committee is appointed to the CFSO board and additional representatives are appointed to the grants and marketing committees, ensuring broad regional representation and helping others to understand the particular needs of their community. Recent funding from Vancouver Foundation allowed CFSO to make capacity-building grants evenly throughout the region; they were particularly appreciated during a time when newer community funds were under development.

To build the capacity of local organizations, a group of funders (including the **Hamilton Community Foundation**), the volunteer centre and the daily newspaper

Ask Yourself

"Do we keep fund holders fully informed about their funds?"

"Are we using the community foundation's grantmaking expertise to engage donors?"

"Are we creating partnerships with donors and professional advisors?"

developed a monthly workshop series for local non-profit organizations. Topics included: how to write a successful proposal; how to read financial statements; how to build successful partnerships; evaluation basics and others. They call it the Survivor Series.

Community foundations across Canada are bringing young people into philanthropy by creating Youth Advisory Councils (YACs). At the **Prince George Community Foundation**, the YAC makes grants from its own youth endowment fund. In addition, all youth-oriented proposals that come into the regular grants program are referred to the YAC for their evaluation and recommendations.

When **Fundy Community Foundation** turns down a grant application, they invite the agency to meet with staff to discuss the reasons for the decision. Agencies take away a better understanding of how to prepare an application and are encouraged to apply again.

Winnipeg Foundation's report to agency endowment fund holders includes a detailed fund activity statement, and consolidated information such as asset mix and five-year investment returns. It also includes the foundation's investment policies.

A Guide to Working with *Explorations* and *The CF Difference*

Preparing for the Journey

The process of working with the principles will be an ongoing task that needs to be managed. As you begin:

- Identify a process to help direct and record your thoughts and ideas
- Assign leadership for this process to one person
- Decide how you are going to approach your discussions

Here are some ideas to help you get started:

- Plan a special retreat
- Discuss one principle at the beginning of each board meeting
- Include a review of the principles as part of your regular strategic planning process
- Encourage each of your committees to consider how these guiding principles might affect their decisions and processes
- Post copies of the principles around your office and refer to them when facing a challenging or difficult decision
- Consider using an outside facilitator or a CFC regional coordinator or consultant to help guide your discussions
- Use CFC's *Reflections* tool (see Section Five) to help you further assess the strengths and opportunities of your foundation and begin strategic planning

Taking Stock of your Current Situation

Use *Explorations* as a framework to look at the work you are already doing. You may well discover that you already practice many of the principles. As you discuss each principle, ask yourselves:

- How are we practicing this principle already?
- Is this principle relevant to our community foundation at this time?
- How would we implement this principle within our community foundation?
- What changes do we need to make within our foundation to reflect this principle?
- What resources will our foundation need, to help implement this principle?
- What impact would our foundation's implementation of this principle have on the community?

Remember that the ten principles are inter-related. (Broad and effective grantmaking, for example, will be much easier if we truly understand the changing nature of our communities.)

You may wish to consider how to integrate the principles more fully into your foundation. Some possibilities:

- Formally adopt the principles
- Consider what structural changes you might make to incorporate the principles into your everyday work (use *Explorations* in staff and board orientation, for example)
- Ask the community how these principles could add value to community life

Ask Yourself:

"How long has it been since we stepped back to look at the principles and values that guide our work?"

Ask Yourself:

"Do our foundation's mission statement and strategic plan encompass the community foundation's three roles and convey a commitment to the principles for community foundations?"

Adjust Your Organizational Focus

To apply these principles throughout your organization, it is important to see them reflected in the goals and plans that guide your organization. Revisit your mission statement, strategic plan and operational plan in light of the principles. The process will deepen your board and staff's understanding of the principles and how they relate to your mission, goals and operations.

- Involve everyone who has a stake in the community foundation. This will begin with board and staff and branch out to committee members. You may also want to engage other key stakeholders like donors, community leaders, grant recipients
- Make *Explorations* and *The Community Foundation Difference* required reading for everyone involved

Critical Resources

- **Time:** plan board retreats, planning sessions; set aside time at board and staff meetings
- **Leaders:** find a champion (board member or staff) willing to push the principles to the forefront of discussion and demonstrate the principles in action within the foundation
- **Knowledge:** learn from other community foundations, from publications, from CFC resources such as CF-LINKS and your regional coordinator⁶
- **Understanding:** learn about your community, its diversity and its priorities
- **Skills:** crucial skills like facilitation and convening may already exist within the foundation – identify them or recruit them from the community

As you increase your understanding of the roles and principles, revisit your mission, and adjust your strategic plan, you may discover that some internal changes are necessary.

- Consider whether Board and committee structures need revision, or whether you need to adjust priorities for your staff or committees
- Use the principles as a filter when making major decisions
- Seize opportunities when a project fits within your mission – even if it's a little risky
- Share your stories within your foundation and in the community (make it part of your culture; report on the "principles work" and leadership as you do on grantmaking or on fund development)
- Step back periodically and take a look at what you are doing: build on your successes and learn from your mistakes

⁶CFC has developed an assessment tool to help community foundations examine their current practice, flag areas that need improvement, begin strategic planning, and identify professional development needs and opportunities for staff and volunteers. See Section Five for details on *Reflections: Assessing Community Foundation Practice*.

Reflecting and Renewing

Working with the principles is a continuing process. As new people join your foundation and conditions change in the community, expect to revisit *Explorations* and *The CF Difference*.

- Review the principles and roles regularly
- Take time to reflect on your work and how the principles add value to it
- Discuss how your experience with the principles maps a future course for grantmaking, asset development and community leadership

Ask Yourselfs

"Is our governance structure open, accountable and representative of the community?"

"Through a special magic akin to alchemy, community foundations use their social connections and networks and commitment to the community – their social capital – to attract gifts from donors. In other words, they take social capital and turn it into financial capital. Then, they take that financial capital and turn it into even more social capital through their grantmaking, by building and strengthening the organizations and relationships that connect people to the community."

Lewis M. Feldstein

PRESIDENT, NEW HAMPSHIRE CHARITABLE FOUNDATION
CO-CHAIR, HARVARD UNIVERSITY/KENNEDY SCHOOL
EXECUTIVE SEMINAR CIVIC ENGAGEMENT IN AMERICA

Conclusion and Additional Resources

Conclusion

Community foundations have virtually unlimited opportunity to build community capacity, facilitate philanthropy and strengthen social capital. The Principles for Community Foundations outlined in *Explorations* are guidelines to assist and inspire your foundation to reach the full potential described in *The Community Foundation Difference*. We hope this booklet and its stories help you explore how the principles can enrich your daily work in asset development, grantmaking, community leadership and governance.

As your community foundation deepens its understanding of the principles, be sure to share your stories – within your foundation, with your community and with the community foundation movement.

A New Resource for Assessing Community Foundation Practice

Discoveries may well spark your community foundation to make a full assessment of your practices or revisit your strategic plan. CFC has developed a comprehensive resource to assist that process. *Reflections: Assessing Community Foundation Practice* is available from CFC. Contact the CF-LINKS Director or your CFC regional coordinator for more details.

Additional Resources:

All the resources listed here are available through CFC. Regional meetings, national conferences and peer gatherings are also rich opportunities to learn from others in the community foundation network. Draw on them to support your work.

- *Explorations: Principles for Community Foundations, 2nd Edition*
- *The Community Foundation Difference: Describing What Makes Us Special*
- *Reflections: Assessing Community Foundation Practice*
- CF-LINKS. CFC's comprehensive professional development program
- Regional coordinators and CFC consultants
- *CFC Governance and Management Manual*
- *CFC Fund Development Program Manual*
- *CFC Grantmaking Tool Kit*
- *CFC Marketing and Communications Manual*
- *CFC Start up Manual*
- *CFC Administration Handbook*
- *CFC Legal Aspects of Charitable Gifts*
- *Bulletin and Tips and Tools*
- CFC's Web site: www.community-fdn.ca

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