WINGS
WORLDWIDE INITIATIVES FOR GRANTMAKER SUPPORT

Community Foundations: Building Development Capacity
A gathering of WINGS Commmunity Foundations (WINGS-CF)
Bangkok, Thailand – 15 November 2006

Worldwide Initiatives for Grantmaker Support (WINGS) is a global network of more than 135 membership associations and support organisations serving grantmakers.

McLean Budden has generously sponsored the preparation and dissemination of the WINGS*Forum* 2006 reports.

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WINGS – COMMUNITY FOUNDATIONS 2006

Introduction

WINGS*Forum* 2006 brought together participants from grantmaker associations and support organisations from Europe, the Americas, Asia Pacific and Africa. For a full report of WINGS*Forum*, visit: http://www.wingsweb.org/programmes/forum06.cfm

This satellite meeting held on 15 November 2006 was the latest in a series of biennial meetings of this constituency of WINGS which focuses on the promotion, development and support of community foundations. A joint dinner was held after the meeting to provide an opportunity for participants to meet those people who had attended the simultaneous gathering on the development of corporate giving – WINGS-CI.

Presentations can be found on the WINGS website and the full agenda for the day, including the names and organisations of all speakers and session moderators, can be found at the end of this report.

Opening Plenary

Donnell Mersereau of the **Council of Michigan Foundations** opened the WINGS-CF meeting by extending a warm welcome to everyone and by introducing members of the WINGS-CF Advisory Committee.

She said that the 71 participants from 27 countries present in the room represented the tremendous growth in community philanthropy since the first meeting of organizations supporting community foundations, held in Miami in 1998. Since then, the WINGS-CF network has grown into a community itself, meeting every other year (Ottawa in 2000, Sydney in 2002 and as a satellite meeting at the community foundation symposium[1] held in Berlin in 2004).

Since the network was established, WINGS-CF has sponsored research and produced publications on community foundation development around the world; it has sponsored one-to-one exchanges between the associations and networks from different parts of the world and its website is the main global repository for information on the support of community foundations.

WINGS-CF has nurtured community foundation growth globally: community foundations now exist in over 40 countries and its most recent achievement has been to incubate a new resource for community foundation growth, the **Global Fund for Community Foundations[2]** , an initiative of the World Bank, the funding for which is being matched by major philanthropy infrastructure funders worldwide. Grants are now available to community foundations and the organizations which promote and support them in World Bank client countries for organizational development, endowment building, administrative support, peer exchanges, resource development and travel scholarships.

Perhaps the most important opportunity that WINGS-CF provides, said Ms. Mersereau, is networking – nurturing long-lasting relationships that live on and grow beyond the brief time that meetings such as this provide. Relationships begun at this meeting would develop to become lifelines of support for professional development and creative problem solving, as well as emotional support. As one-to-one interaction with peers has always been something that network participants have valued highly about

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[1] Community Foundations: Symposium on a global movement – details found on the WINGS website at http://www.wingsweb.org/programmes/wings-cf_symposium.cfm
[2] http://www.wings-globalfund.org

WINGS-CF, she invited participants to spend some time at their individual tables to introduce themselves and the work of their organizations and to talk about success stories, challenges and lessons learned.

Concurrent Workshops

There were two opportunities during the day for the gathering to split into three smaller groups for detailed review and discussion on specific topics.

IT and Community Foundations

This session looked at the role that technology plays in community foundation sustainability and growth.

Software such as PRODAR in Mexico and DIGITS in the United Kingdom provide individual community foundations with a tool that can satisfy both management and communications needs while in Italy, a centralized system has been developed which is now being used by 15 community foundations. The **Forum of Regional Associations of Grantmakers** embarked on a project to develop a Common Technology System and an Association Management System because they believed their website needed significant change to meet the needs of their members, while members themselves were interested in having a cost-efficient system that allowed them to work effectively and share resources among themselves.

Reflecting on lessons learned, panellists commented that such collaborative systems can offer a compelling value proposition but it was important that those involved were able to put the greater good before individual interests at the development stage and that that sometimes meant compromise. There was also a discussion around the issue of ownership: Bernadino Casadei of **Fondazione Cariplo** spoke in favour of building partnerships with software houses as a way of ensuring collaboration and to allow for future evolution of the software to adapt to changing needs, while others had positive experiences when outsourcing development completely to commercial vendors. Whatever the chosen strategy, there was an acceptance of the need for an agreement (such as a memorandum of understanding) which defined ownership and the relationships among all the partners.

In discussion, the point was made that in contexts where the philanthropic sector is still emerging, effective computer-based community foundation management software could have an important role to play in demonstrating the transparency and accountability of local philanthropic organizations and that in turn could have a positive influence on developing legislation currently.

Developing Local Leadership

The session examined the role of support organisations in developing local community foundation leadership and looked at experiences from Thailand, Indonesia and Mexico.

In Thailand, the spirit of volunteering has been weakened by the influence of poor governance practices within government and this presents a challenge when it comes to identifying local leaders who can champion the community foundation idea, who are widely-respected in the community and who can bridge differences between different interest groups. Elmer Lighid described the "community foundation readiness index" that his organisation **International Council on Management of Population Programmes** (ICOMP) has developed in which local leadership ranks highly among the criteria. In most communities, certain individuals stood out as natural leaders: they were likely to be from well-known, established families, perceived as representing the local "elite" and relatively well off. Finding people who were able to transcend a parochial view of the world and think in terms of the bigger picture, however, posed a challenge; similarly, the greatest visionaries were not always the best managers.

Shannon St John described some of the lessons that had been learned from the work of the **Synergos Institute** in supporting community foundation development processes in Thailand. Among these was the importance of identifying a board chair willing to share power and visibility, a board that represented different segments of a community and whose members could all commit time, and a CEO who had the necessary "sparkle" to drive the process forward.

There was a general consensus that support organisations had an important role to play in developing local leadership of community foundations, by providing exposure to new ideas (study tours, etc), support and guidance on management and legal issues and generally promoting the concept of community foundations to different audiences. A word of caution was expressed about the need for support and development organisations to maintain the fine balance between letting processes evolve organically and being overly interventionist and "dictatorial". Finally, the most effective support to community foundation development would be that which was available over the long-term and, ideally, was based locally (at least in the same country or region).

Getting the Support They Deserve

This session explored some of the critical issues surrounding the role of community foundation support. The number of grantmaker associations, community foundation networks and similar organisations has increased markedly in recent years and resulted in an increasingly complex philanthropic landscape.

It was acknowledged that the role of support organisations inevitably varies according to the level of community foundation development in a particular country or region. Where the community foundation concept is new or emerging, the bodies involved in promotion and development can play an important role in catalysing new ideas, convening potential partners and raising awareness among corporate and business sectors. Where there is a more developed community foundation sector, support organisations (especially associations) can play a critical role in setting standards, strengthening capacities and ensuring best practice as well as promoting cooperation at the national or international level. On the question of community foundation standards, one participant expressed the concern that they threatened to hamper innovative thinking – particularly if introduced too early in a sector's development.

Occasionally, competing interests can complicate relationships, such as when a grantmaker association takes on a re-granting role, or when there is more than one support organisation providing the same kinds of services. Concerns were raised about the significant role played by external donors which fund support organisations, particularly in developing and emerging countries, since that raises questions about who is pushing the agenda (and whether that agenda is appropriate for a specific local context), as well as about long-term sustainability. It was suggested that the recent proliferation of associations and networks would probably settle down to a more sustainable level over time.

Finally, the idea of lobbying the United Nations to hold a "Year of Giving" or a "Year of Philanthropy" was proposed, with WINGS taking a leading role in taking the idea forward.

Rural Philanthropy and Community Development

The session looked at the different ways that community foundations in Kenya and Nebraska, USA were engaging rural development issues.

The first community foundation in East Africa, **Kenya Community Development Foundation** (KCDF), has now built up a credible track record as grantmaker with strong links to rural communities. Although it is still largely dependent on international donors for its grantmaking funds, KCDF has also developed an innovative approach to help communities to build local assets (from the

contributions of local and urban-based community members as well as business and local government funds) and to take a role in their own development by taking responsibility for the allocation of income earned on these assets. For such community funds to develop effectively, it has proved essential that there is good and accountable leadership at the local level, a strong and representative grassroots organization with which to partner, and full community participation. Where this has not been the case, said Janet Mawiyoo, KCDF has had to make a considerable investment in building local capacity.

In Nebraska, which has experienced a big drain of both human and financial capital from its rural communities in recent years, said Jeff Yost of **Nebraska Community Foundation**, a big part of the community foundation's message has been to stress people's connection to the land as a way in which to "energize hope in a sense of place". The community foundation has attracted over seven thousand gifts to its Community Affiliated Funds, by developing a message, which helps donors to feel that they can contribute to positive change in Nebraska and the delegation of decision-making to the most local level further strengthens the connection with the specific place.

Much of the foundation's work around intergenerational transfer of wealth in the context of endowment-building has also built on the idea of place and the idea that, in the end, people will want to maintain a connection with "home". On the grantmaking side of its work, the community foundation has put a particular focus on strategic grants which bring about substantive, human changes in the fabric of a community (such as non-traditional scholarships and childcare programmes).

The issue of how a community foundation handles local autonomy when it delegates decision-making to the community level arose in discussion. While some parochial problems will always arise, in Nebraska the key had been to develop a clear social compact with a clear delegation of responsibility. "Understand the true nature of constituency," said Jeff Yost, "and grow it like the rings of a tree."

Cooperation Between Community Foundations and the Public Sector

This session examined issues around the legal and tax environment for community foundations in different countries.

Vadim Samorodov of **Charities Aid Foundation - Russia** gave an overview of the Russian context for community foundations. Enormous private wealth exists among a minority of Russians, but as donors they are poorly informed as to which organisations and projects to support. At the same time, there is huge corruption in the state system, and the government is becoming increasingly interested in the resources and potential influence of the philanthropic / non-profit sector. In this context, community foundations have an important role to play in "cleaning up" or strengthening some of the relationships between different sectors, both by functioning effectively and transparently themselves (ie demonstrating to government and donors that this approach works), and by acting as a focal point around which to bring together the common interests of a particular community.

In Australia, said Andrew Lawson of **Philanthropy Australia**, government has generally been supportive of philanthropy development (by providing grant funding to Philanthropy Australia, for example, and funding feasibility studies for foundation building). The challenge facing community foundations and their support organisations has been rather to secure alternative funding sources to avoid an overdependence on government.

In the United States, however, said Ken Strmiska of the **Council on Foundations**, government funding is much less of an issue because community foundations have tended to rely almost entirely on private sources; in Russia, it is more a question of ensuring that government is supportive of and engaged with community foundations rather than acting as a source of financial support.

The importance of non-financial cooperation with government was agreed upon by all, whether it was the offer of office space or technical support, sharing information resources, or participating in consultative committees.

Leadership Through Diversity

Jane Humphries opened the session by emphasising the role of organisations such as **Community Foundations of Canada** in sensitising community foundations to diversity issues in their boards and grantmaking.

As the mission of community foundations is to serve the whole community, said Winsome Hawkins of the **Association of Caribbean Community Foundations**, the question of ensuring diversity is a very important one if the foundation is to remain relevant. However, the process of changing policies and practices can also be an uncomfortable and difficult one if it is undertaken seriously and in depth. Organisations which support community foundations have a very valuable role to play in processes such as creating peer support groups to address specific challenges and create a "safe place" for sharing frustrations and challenges.

A question was raised about when in a community foundation sector's development it was appropriate to start to engage seriously with issues of diversity. It was suggested that if it happened too early on in a context where community foundations are still vulnerable and trying to establish themselves as new players on the philanthropic scene, it might have the effect of pushing new donors away. At the same time, flow-through funding could serve to constrain a community foundation's ability to represent diversity and inclusion, by being too responsive to single donor interests.

The discussion moved on to types of diversity beyond culture and race and the challenges involved in addressing "invisible" forms of exclusion. The question of values was also discussed and in particular, whether community philanthropic organisations can survive fundamental conflicts of values.

Plenary Session - Mapping of Community Foundation Success Factors

This plenary session explored the question of whether and how a logical dimension could be applied to the support of new community foundations.

Catherine Brown, an independent consultant, presented the results of research conducted in Australia, which had explored the correlation between socio-economic indicators and successful community foundations. The research had been prompted by a very practical problem: only a limited amount of resources was available for community foundation development in Australia and the **Foundation for Rural and Regional Renewal** wanted to target any investment of seed funding in places where there would be a greater chance of success. The results of the research appeared to demonstrate that a community foundation would be more likely to take root and develop successfully in a community with a stable, educated population, and with both relatively high population density and proportion of over-65s. What it also suggested was that income level was not a key factor.

Coming from a different angle, respondent Clare Brooks of **Community Foundation Network** presented data on two of the UK's more established community foundations. She examined how both local context and strategies adopted by foundations themselves had contributed to differing levels of success in terms of the size and speed of growth of their endowment.

The first foundation, she said, was felt by many to have low levels of need for support, since in part it was a wealthy commuter area near London; this community foundation had relied quite a lot on corporate support and traditional types of fundraising, such as events; furthermore, not all of its board

members were donors. The second foundation, however, operated in a community with many more social needs: it had built up a very diverse donor base (a mixture of government, individual and corporate donors and others). A key source of growth for this foundation, Clare said, was its trustees' networks, one-to-one donor relations, and a real focus on giving donors the experience they want.

There was a mixed response to the Australian research, as well as suggestions as to how to strengthen it by expanding it further (e.g. by adding social capital indicators). Some expressed scepticism about the overly "scientific" nature of the approach. Among the positive reactions was the view that the results made intuitive sense, "adding science to a gut reaction approach". It was also felt that such an approach allowed one to balance one's bets, particularly when financial resources were scarce.

Wrap-up and Conclusions

The final session at the 2006 WINGS-CF meeting provided an opportunity for participants to spend time in small groups discussing what they considered to be the main themes and issues that had emerged during the course of the day.

There was enthusiasm in several areas to promote greater **collaboration and sharing** among organisations supporting community foundations, especially in the field of information technology. One proposal was the creation of a common platform for information sharing about IT and perhaps the collection of common data around the world; another was around greater systematisation of shared learning (such as through more and better documentation).

Support organisations have a crucial role to play in **creating systemic change**, particularly around **legal and fiscal issues**, and there was some discussion about the role of WINGS in determining variables and success factors to facilitate some of this work. It was suggested that WINGS should consider lobbying the United Nations to announce a "Year of Giving" or "Year of Philanthropy", which would raise the profile of philanthropy worldwide. Another important role that was identified for organisations supporting community foundations was in taking the lead on difficult conversations (such as around diversity and inclusion).

The question of **support organisation sustainability** was discussed. Building a diverse funding base and ensuring that the organiation's work remains relevant and responsive to the needs of community foundations were both considered essential. It was also acknowledged that the current rate of rapid growth of the support organisation / grantmaker association sector would at some point tail off and that there would most likely be some shrinkage or consolidation.

The question of **context** recurred throughout the WINGS-CF meeting, and the tensions that exist around working towards universal and replicable concepts and approaches while acknowledging uniqueness and difference at the local level, of pushing for change from outside and allowing change to evolve, of the emergence of greater trans-national linkages on the one hand and on the other the value of promoting philanthropy at the local level.

Similarly, there was some discussion around the complications that can arise over the distinctions between **community foundations and community philanthropy.** Language and terminology should remain constantly under review and common understanding of the same terms should not be taken for granted, particularly at the international level. And finally, there was a call not to forget the roots of philanthropy as the "love of human kind".

Social Evening

On the same day there was a joint dinner for participants in the two satellite meetings for WINGS-CF and WINGS-CI. The highlight was probably the journey to Bussaracum Restaurant when a parade of tuk-tuks carried participants, masked against diesel fumes, two by two through the city. Despite all fears about Bangkok's heavy traffic, and perhaps thanks to a discreet Police escort, the tuk-tuks proved a fast and efficient method of transport.

Acknowledgements

The WINGS-CF day was planned and guided by:

Ruth Jones, formerly of **Community Foundations of Canada** (now of Social Venture Partners International)
Clare Brooks, **Community Foundation Network**, United Kingdom
Jane Humphries, **Community Foundations of Canada**
Norman (Oman) Joseph Jiao, **Association of Foundations,** Philippines
Jana Kunická, **European Foundation Centre**, Belgium
Janet Naumi Mawiyoo, **Kenya Community Development Foundation**
Donnell S Mersereau, **Council of Michigan Foundations**, United States
Lourdes Sanz, **Mexican Center for Philanthropy** (CEMEFI)
Pushpa Sundar, formerly of **Sampradaan - Indian Centre for Philanthropy**

WINGS-CF Meeting Agenda and Presenters

IT and Community Foundations

This sessions looks at the essential and innovative role that technology plays in community foundation sustainability and growth, as well as the particular role support organisations can play in developing timely and cost-effective IT solutions for members. Through case studies the presenters will explore their response to community foundation needs and the lessons learned, as well as discuss how associations might work collaboratively to build technology solutions.

Moderator: Denise Shephard, Collaborative Standards, USA
Presenters: Bernardino Casadei, Fondazione Cariplo, Italy; Ellen Barclay, Forum of Regional Associations of Grantmakers, USA; Clare Brooks, Community Foundation Network, UK; Efrain Orozco, Centro Mexicano para la Filantropía, Mexico

Developing Local Leadership

Support organisations are integral in the development of community foundations around the world. This session will expound on the various roles, responsibilities and strategic interventions support organizations do in the identification and development of local leaders in community foundations. Presenters will also share reflections on too much hand-holding and when and how to let go.

Moderator: Fely Rixhon, Association of Foundations, Philippines
Presenters: Pareena Prayukvong, Friendship to Community Foundation, Thailand; Lourdes Sanz, Centro Mexicano para la Filantropía; Elmer Lighid, International Council on Management of Population Programmes, Malaysia; Shannon St John, Synergos Institute, USA

Community Foundations: Getting the Support They Deserve

The session will look at complexity and ambiguity of support for community foundatdions in different countries, especially those where multiple organisations are offering support. Specific topics to be covered will include:

- different ways in which support can be offered to CFs on a national level;
- differences and motivation behind different types of support organisations and their complementarity;
- examining benefits and costs of different structures;
- if it is essential to have support organisations run both by and for CFs.

Moderator: Shannon Lawder, Charles Stewart Mott Foundation
Presenters: Martin Lehfeldt, Southeastern Council of Foundations, USA; Monika Pisankaneva, Trust for Civil Society in Central and Eastern Europe; Yulia Trifonova, Community Foundation Partnership, Russia

Rural Philanthropy and Community Development

The session will assist participants in understanding the Nebraska model and how they are using philanthropy as a community economic development tool, as well as the Kenya model for developing core assets and mobilising communities to grow local resources. Nebraska has built a decentralised structure, attempting to maximise local control and decision-making while still performing all key fiduciary roles. Kenya has promoted an infrastructure at KCDF for growth of community funds nationally, emphasising local decision making and decentralised power structures at the local level which ensures sustainable capacity development.

Moderator: Donnell S. Mersereau, Council of Michigan Foundations, USA
Presenters: Janet Mawiyoo, Kenya Community Development Foundation; Jeff Yost, Nebraska Community Foundation, USA

Cooperation Between Community Foundations and the Public Sector

This session will consider issues surrounding the legal and fiscal environment for community foundations (eg legislation or tax policy affecting operations, relationships with donors, establishing foundations, etc), and engaging government (eg collaboration in financial and non-financial ways, other forms of support). We will also discuss issues as diverse as improving public policy, promoting standards and building constituencies, and pay special attention to public funding.

Moderator: Jana Kunická, European Foundation Centre, Belgium
Presenters: Andrew Lawson, Philanthropy Australia; Vadim Samorodov, Charities Aid Foundation Russia

Diversity and Inclusion in Our Communities: What is Our Leadership Role?

If community foundations are to broadly represent the needs and aspirations of the community, they must be inclusive and reflect the diversity of the community they represent, in all activities and in their governance structure. This session will demonstrate how support organisations can work with their membership constituency to respond to the changing nature of their communities, and increase their relevance and sustainability. The presenters will illustrate, through personal and organisational experiences, various approaches to diversity and inclusion such as: promoting inclusive behaviour; lobbying for changes to the legal and fiscal framework; connecting community foundations to international learning; engaging in regional collaborations; and understanding our moral and ethical responsibilities.

Moderator: Jane Humphries, Community Foundations of Canada
Presenters: Boris Strecanský, Center for Philanthropy, Slovak Republic; Winsome Y. Hawkins, Association of Caribbean Community Foundations

Plenary Session: Mapping Community Foundation Success Factors

How can we apply a logical dimension to the support of new community foundations? Using statistical analysis of population density, population stability, education levels and population age, Catherine Brown's research identifies four significant factors present in community foundations in Australia that had achieved financial success. The methodology can be replicated elsewhere and offers important insights for funders and communities funding or establishing new community foundations.

Moderator: Ruth Jones, Social Venture Partners International, USA
Presenter: Catherine Brown, Philanthropy Consultant, Australia
Respondent: Clare Brooks, Community Foundation Network, UK

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