

# CONNECTING WITH *the* LARGER WORLD OF PHILANTHROPY

*By Joseph Foote and Claude O. Norcott*

SOME DONORS ARE JUST NOT JOINERS. The director of one medium-sized California family foundation, established by a high-tech entrepreneur, describes how the donor “never attends meetings, never participates in anything else smacking of organized philanthropy. He is, however, a voracious reader on the subject and is probably as well-informed as anybody you will ever meet in the field of philanthropy.” This donor, incidentally, supports his foundation’s membership in both national and regional associations of grantmakers—it’s just that he doesn’t participate himself.

Yet the larger world of philanthropy beckons to some. An expansion of philanthropy and surge in the importance of the nonprofit sector in recent years has given rise to a variety of membership organizations and networks for family foundations. Today, scores of organizations—some that serve regional interests and memberships, and others that serve a particular issue area of interest—are available to assist in the philanthropic endeavors of family foundations. These organizations can put donors and trustees in touch with peer organizations with similar interests. They can also help members to become more effective decisionmakers and to employ their resources more effectively.

Membership in and support of these organizations also builds capacity in the philanthropic sector by encouraging the formation of new foundations and other giving vehicles, advocating sound public policy on issues that affect philanthropy and the nonprofit sector, improving cooperation and communication between grantmakers and grantseekers, and linking members to potential collaborations and new approaches to solving community problems.

Trustees face questions of the cost of joining an organization—costs expressed in dollars, time, and energy. The decision to join depends on variables such as the type and location of the organization and the family foundation’s philanthropic goals.

This chapter focuses on how families and individuals can locate the resources that will connect them with the larger world of philanthropy and the nonprofit sector. The common themes involve connections that establish a flow of useful ideas and information to family foundation donors, trustees, and staff.





### The J.M. Kaplan Fund Finds Memberships Are a Two-Way Street

For many years, The J.M. Kaplan Fund belonged to several organizations providing infrastructure support to foundations and other nonprofit organizations. When the Fund entered a period of transition in 1993, it discontinued these memberships. Discussions with trustees led to the renewal of a number of memberships in 1997, when staff proposed that memberships support key infrastructure institutions that advance, represent, and protect the nonprofit sector, its grantees, and the philanthropic community as a whole.

Today, The J.M. Kaplan Fund maintains memberships in the Foundation Center, the Nonprofit Coordinating Committee of New York, the Council on Foundations, and the New York Regional Association of Grantmakers. The Council, NYRAG, and the Foundation Center have all played a significant role in protecting the foundation world from serious legislative encroachment. "The total fees for membership in these organizations are miniscule when compared with the Fund's annual grantmaking budget," says foundation Director Charles Hamilton. "These dues can be viewed both as a manifestation of philanthropic citizenship and as membership in trade associations." Moreover, beyond the citizenship and self-interest for the sector, the Fund makes use of the services of all of these organizations, Hamilton says. The Fund gains from these memberships in several immediate and practical ways:

- *Advice, publications, and information.* The legal, grantmaking, and administrative advice provided by these organizations is invaluable to the trustees, staff, and grantees of the Fund.
- *Comparative analysis.* Many of these organizations survey administrative expenses, investment policies, salary levels, and the like. These surveys provide useful benchmarks for ongoing assessments of Fund administration.
- *Meetings and networking.* The people met—grantees, foundation staff and trustees, and experts of various sorts—are useful sources of information and advice.
- *Professional development.* These memberships provide ongoing opportunities for high-level professional development of board and staff.

Hamilton notes that, "In the end, membership in these organizations has improved the effectiveness of the Fund's business and the effectiveness of the nonprofit sector as well. The organizations provide the kind of professional development, information, and opportunities that add significant value. Staff has found membership and involvement in these organizations to be enormously helpful. Just as important, we have also benefited from lending our skills to these groups and have acquired new skills that are applied to the Fund."

## REGIONAL ASSOCIATIONS OF GRANTMAKERS

Regional associations of grantmakers—often referred to as RAGs—are nonprofit membership organizations that bring grantmakers from a specific geographical region—a city, a state, or even a multi-state region—together to promote and improve philanthropy in their area. Since the first RAG was established in the late 1940s, approximately fifty have sprouted up nationwide. These organizations now count among their membership over 3,300 grantmakers from the private, independent, community, and corporate foundation worlds, as well as financial advisor firms and nonprofit grant-seeking groups. They are increasingly attractive as mechanisms for professional development, for exchanging information, and for forming collaborations on a regional basis.

Because RAGs are created to serve their member organizations, each is unique to its constituency. Individual RAGs are products of their leadership, the public context in which they operate, their audiences, the types of philanthropy in their area of service, and their members. The largest twenty-six RAGs in the United States are shown in the table to the right.

Brief profiles of several RAGs follow, focusing on the kinds of services that each offers family foundations. Often, family foundation trustees are the ones who initially persuade

Regional Associations of Grantmakers	Date Organized*	Total Members*	Family Foundations*
Associated Grantmakers of Massachusetts*	1969	105	16
Association of Baltimore Area Grantmakers	1983	69	26
Clearinghouse of Midcontinental Foundations	1975	41	9
Conference of Southwest Foundations	1948	185	137
Coordinating Council on Foundations	1969	76	14
Council of Michigan Foundations	1973	413	158
Council of New Jersey Grantmakers	1980	82	37
Delaware Valley Grantmakers	1988	135	40
Donors Forum of Chicago	1973	166	61
The Donors Forum (Miami)	1988	80	23
Donors Forum of Ohio	1974	128	23
Donors Forum of Wisconsin	1976	86	30
Grantmaker Forum (Cleveland)	1985	141	42
Grantmakers of Western Pennsylvania	1984	73	8
Indiana Donors Alliance	1983	123	26
Metropolitan Association for Philanthropy	1970	51	8
Minnesota Council on Foundations	1969	157	56
New York Regional Association of Grantmakers	1979	220	67
Northern California Grantmakers	1965	139	58
Northern New Mexico Grantmakers	1991	38	21
Pacific Northwest Grantmakers Forum	1973	137	56
Rochester Grantmakers Forum	1974	68	12
San Diego Grantmakers	1976	24	9
Southeastern Council of Foundations	1973	330	117
Southern California Association for Philanthropy	1973	130	48
Washington Regional Association of Grantmakers	1991	105	25

\*Membership figures are as of December 1998.





WHAT I ACTUALLY  
FOUND WAS A  
*group* OF PEOPLE,  
OF ALL AGES, WITH  
*similar* INTERESTS  
AND ISSUES.

RAGs to recognize family foundations as distinct entities and form subgroups for family foundations within the RAGs. Full contact information for each of the RAGs listed above can be found in Chapter V.

#### New York Regional Association of Grantmakers

Founded in 1979, the New York Regional Association of Grantmakers is a nonprofit membership association of donors in the tristate area of New York, New Jersey, and Connecticut. NYRAG's mission is to promote and support effective philanthropy and concerted action for the public good. Led by a 21-member board, the organization has a staff of eight and a membership of more than 220. It is perhaps best known for its ongoing series of educational programs developed by and for funders.

Over the years, NYRAG has held occasional programs and informal member breakfasts for trustees in its region. Following one such program, entitled "Energizing Values in Family Philanthropy," Sally Klingenstein, executive director of The Klingenstein Third Generation Foundation, and several trustees of other family foundations indicated a desire to continue the discussion and to make an ongoing effort to meet and learn from one another.

In response, NYRAG created the Family Foundation Trustee Peer Network. The group held its first meeting in April 1995 and has continued to meet four times a year ever since. Meetings are conducted as brown-bag luncheons, in borrowed boardrooms or office space. Attendance varies from about thirty to fifty. Each event begins with time to socialize, includes discussion on a planned topic—such as board retreats, foundation finances and investments, discretionary grantmaking, or donor intent—and concludes with presentations by one or two foundations on their mission and areas of grantmaking.

Klingenstein reports that the network is a great success. "I was twenty-eight, new to family foundation dynamics, and just starting The Klingenstein Third Generation Foundation when I became involved with NYRAG and the peer network. What I hoped to find were peers in my age group with whom I could share experiences. What I actually found was a group of people, of all ages, with similar interests and issues. What's more, my father, who is president of the Esther A. and Joseph Klingenstein Fund and doesn't normally do this kind of networking, really likes going to these luncheons. Prior to the formation of this network, he really went to events only in his specific areas of grantmaking. We both enjoy hearing other perspectives."

NYRAG's Family Foundation Peer Network now has about seventy-five members. Any NYRAG member who is a member of a family philanthropy may join the Peer Network simply by asking to be placed on its mailing list. Individuals associated with a family philanthropy in another capacity—as a staff member or consultant, for instance—may also attend at the invitation of network members. Although NYRAG membership is encouraged, it is not mandatory.



NYRAG's Peer Network is only one of the services it provides to members. Each month, the RAG offers an assortment of large and small gatherings for grantmakers. These meetings provide opportunities for professional development and skill-building, interaction with government officials, information on grant areas and foundation management issues, and the opportunity to develop both professional and personal relationships with other family funders in the area. NYRAG also develops publications, provides information for grantseekers, and keeps an updated list of job openings in the field.

#### **Family Foundation Board Members Help Keep NYRAG "Family-Friendly"**

"NYRAG is definitely family-friendly," says Emily Tow Jackson, executive director and board member of the Tow Foundation and also a NYRAG board member. "NYRAG's membership is almost one-third family foundations. In 1998, twenty-eight new members joined NYRAG, and fourteen of them were family foundations. They are really paying attention to families now."

"Family foundation trustees will feel very comfortable at meetings," Jackson says. "But remember, trustees can benefit from attending meetings where staff from big foundations are present. They have so much more experience and resources, and they can provide information it would take forever to gather on your own."

"Associated with NYRAG is the New York City Youth Funders Network," she says. "If you're interested in funding after-school programs, you can join this network. You don't have to be funding in Manhattan to get good ideas. You don't have to be funding like the biggies, although bear in mind that many large foundations also make lots of small grants in amounts of, say, \$25,000. Trustees will have a lot more in common with big foundations than they may think."

#### **Donors Forum of Chicago**

The Donors Forum of Chicago is an association of grantmakers dedicated to encouraging philanthropy that is guided by the values of openness, accessibility, ethical conduct, and sensitivity to the diverse population of the community. Membership is open to the full breadth of grantmakers who wish to enhance their grantmaking activities. Of the Donors Forum's 166 members, 60 are family foundations. In fact, family foundations are the fastest growing, most active membership category of the Donors Forum.

One reason why family foundations turn to this organization is that many on its thirteen-member staff are working hard to provide resources that are specifically geared to helping family foundations establish guidelines, set program priorities, and attend to other aspects in foundation administration and grantmaking. Foundations can attend one of the more than 60 educational programs the Forum offers each





year, conduct research at its extensive library during regular week-day business hours, obtain assistance from staff, or obtain referrals to persons at other foundations who can help with a particular issue.

In addition, the Forum offers members a variety of publications, including a members and forum partners directory, which presents demographic information on the Forum's grantmaking members and nonprofit forum partners; a directory of Illinois foundations, which provides detailed information on 400 private foundations and corporate grantmakers in Illinois and selected information on an additional 1,900 Illinois foundations; a bi-annual survey of nonprofit organizations that are conducting capital and endowment fundraising campaigns; and a newsletter with regional news and information about grantmaking. The Donors Forum maintains a philanthropic database of its members' grantmaking activity coded into a wide range of fields. Members frequently use this resource to determine who else is funding in a specific category and to what organizations those grants are being made. Members can also keep up with what's going on at the Forum through its website.

The Donors Forum's Family Foundation Committee sponsors events such as small breakfasts, peer network discussion on collaborations, or more formal half day workshops. These group meetings give family foundation donors and trustees the opportunity to come together and talk about what one another is doing, including the challenges and successes of a particular type of venture. One recent event, hosted by the Seabury Foundation, involved an in-depth discussion of the Seabury Scholars Program. Other events have covered topics such as family dynamics, generational succession, challenges and opportunities for leveraging impact, site visits, and adding trustees from outside the family. Member issues groups on AIDs, the arts, education, immigrants and refugees, health care, poverty, youth development, and gay and lesbian issues have also been formed over the years.

Donors Forum Vice President Doris Salomon says that because of the number of family foundations that are being established, the RAG is spending more and more time trying to address their needs. "The individuals that come to us because they are about to establish a new foundation are very interested in professionalizing, being strategic, and ensuring that the program areas they fund will make an impact. These individuals are becoming more sophisticated in their grantmaking. They are aware of the challenges faced by society and they want to help. Our job is to give them the tools, contacts, and opportunities to maximize their philanthropy."

#### **Northern New Mexico Grantmakers**

Santa Fe is a town where many people come to vacation in the summer or ski in the winter. Within the community, located in a nineteenth-century hacienda, is Northern New Mexico Grantmakers, a small but growing organization with big ideas.

NNMG came into being because its founder, Jillian Sandrock—who had spent sixteen years as a program officer for a foundation and been an active participant in Northern California Grantmakers—was transplanted to a New Mexico philanthropic community that lacked a RAG. In 1991, she created the informal network that was incorporated as NNMG in November 1996. Today, this RAG serves a special function, both for grantmakers headquartered in the state and for foundation donors and trustees who are headquartered elsewhere but spend part of their year in New Mexico.

NNMG now has a membership of forty, twenty-one of which are family foundations (fifteen of which are staffed by family members). Currently, Jan Brooks is the RAG's executive director and only staff. Membership is open to most types of grantmaking institutions, with one caveat: Every member foundation is encouraged to make some grants in New Mexico. Members have access to:

- *A Family Foundation Affinity Group.* This group meets every six weeks for a roundtable discussion on subjects of grantmaking such as the environment, public schools, or social services. Participants share grantmaking experiences, review opportunities for collaboration, compare grantmaking criteria, and develop mentoring relationships where family foundation members with more experience work with recently established family foundations.
- *Opportunities for professional development.* In 1998, the RAG hosted twenty-five programs, four of which were full day seminars. Programs are developed in response to surveys of member interests. The RAG recently conducted a program on the uses of technology to encourage foundations to learn how to use the Internet and to realize the potential of creating websites that include grant application information or the posting of form 990s. Discussion included how the Internet can be employed to streamline operations and cut down on phone calls and paperwork. The program included an afternoon of hands-on experience in a computer lab. NNMG also hosts a regular topical lunch series and one purely social event per year.
- *A value-neutral resource center.* Within the organization's library are files with models for grant guidelines, management policies, governance documents, grantmaking evaluation materials, and other related materials. Families interested in establishing family foundations also use these materials.

## PARTICIPANTS

*share* GRANTMAKING  
EXPERIENCES,  
*review* OPPORTUNITIES  
FOR COLLABORATION,  
AND *develop*  
MENTORING  
RELATIONSHIPS



Because a growing number of families with foundations come to Santa Fe on a seasonal basis, the RAG provides a private setting to meet peers and discuss issues in grantmaking. Moreover, it offers an opportunity to learn about and participate in the betterment of the local community and New Mexico as a whole.

### **Council of Michigan Foundations**

In the final minutes of the 1998 annual conference of the Council of Michigan Foundations, attendees were riveted by the Reverend Desmond Tutu's recounting of experiences in the reconciliation of South Africa. Where many conferences end quietly, the last session of CMF's event is always a blockbuster, whether it's Isaac Stern speaking about the importance of philanthropy in the arts, or actor Paul Newman recounting his experiences in giving, or Cabinet Secretary Donna Shalala expressing her views on children, youth, and families.

CMF is a nonprofit membership association comprising 435 private foundations, corporate giving programs and foundations, community foundations, affiliates and donor-advised funds, and public foundations. The 170 family foundation members account for nearly 40 percent of its membership. Although membership is generally limited to philanthropic organizations and representatives of programs that are headquartered in Michigan, out-of-state organizations may join if they make grants in the State of Michigan and already belong to the RAG in their state. CMF is the largest RAG in the United States.

CMF works with families at all stages of the philanthropic spectrum, from those who are considering developing a philanthropic mission to those that are facing the challenges of welcoming the fourth and fifth generations to the family's foundation board. Family Philanthropy Service Director Susan Howbert says: "Our mission includes helping individuals who establish family foundations and their families with their philanthropic endeavors by facilitating the development of peer networks, providing trustees with opportunities to learn how better to manage their organization and its grantmaking activities, and helping trustees address family and succession issues."

The annual conference is the cornerstone of CMF activities, but CMF also offers a variety of other family foundation-specific activities. For instance, member-hosted "Conversation About Family Philanthropy" dinners are held in the home of the donor or a family-member of a family foundation.

Every other year, CMF also offers members the opportunity to participate in the "Family Foundation Getaway"—a two-day retreat focusing on a specific topic. The RAG encourages foundations to send representatives from at least two generations of their family to the retreat. Forty individuals, from about fifteen foundations, attended CMF's 1998 retreat—a gathering held in a wooded retreat center in western Michigan with a focus on the blessing and challenges of family money.

CMF is also developing a program that will foster a family trustee peer network through periodic luncheons that provide trustees with an opportunity to meet,

share questions and answers, and talk about issues relevant to family foundations. The subject for the first of these meetings is how to deal with friends when they ask for donations.

In addition to events, CMF offers family foundations use of its extensive library—located in Grand Haven—as well as the opportunity to purchase a variety of publications. A newsletter, *The Family Philanthropist*, features philanthropic stories of individuals and families, provides answers to frequently asked questions, and reviews books.

Family foundations can also call CMF and receive personal assistance. In addition to answering questions and providing referrals, Howbert says that the Council has helped families in such areas as establishing grantmaking guidelines and planning retreats.

#### **Entrepreneurs Appreciate the Value of Networking**

"The family that started our foundation is a very entrepreneurial family and doesn't need to be told about the value of networking," says the executive director of a family foundation in Kentucky. "They know well the value of collegiality, of talking with peers on subjects each care about, know about, and are interested in knowing more about."

The family established their foundation to supplement their personal giving and the corporate giving of the public corporation founded by the family. Until the trustees hired the foundation's first paid executive director, they had not joined any philanthropic organizations.

"Then we started locally, with the Donors Forum of Greater Louisville," the executive director recounts, an informal no-dues group convened by the director of the Louisville Community Foundation. "Then we moved to the national level, and joined the Council on Foundations. We haven't yet looked at the regional association."

"In both groups, the trustees like the collegiality, the encounters with complementary expertise," the executive director says.

#### **AFFINITY GROUPS OFFER PROGRAM SUPPORT**

Affinity groups are independent coalitions of grantmaking institutions that facilitate the sharing of information and provide professional development and networking opportunities for individual grantmakers with a common interest in a particular subject or funding area. For family foundations, they can be one of the best sources of up-to-date grantmaking information in specific fields of interest. Some emphasize networking and information-exchange among members, while others advocate issues or causes within philanthropy and beyond.

On the following two pages is a partial list of affinity groups, along with their purposes, in the United States.



**AFFINITY GROUP . . . . PURPOSE**

**Affinity Group on Japanese Philanthropy...**To strengthen and connect Japanese foundations in the United States.

**Asian Americans/Pacific Islanders in Philanthropy...**To inform the philanthropic community about critical and emerging issues in the Asian Pacific Islander community.

**Association of Black Foundation Executives...**To encourage grantmaking that addresses issues and problems facing African Americans.

**Association of Small Foundations...**To serve the administrative needs of foundations with few or no staff.

**The Communications Network...**To promote communications as an essential and integral part of grantmaking.

**Disability Funders Network...**To share information on grantmaking opportunities and current developments related to people with disabilities.

**Environmental Grantmakers Association...**To facilitate communication, foster cooperation, and develop collaboration among its members.

**Forum on Religion, Philanthropy and Public Life...**To understand relationships and increase alliances among foundations and organized philanthropy.

**Funders' Committee for Citizen Participation...**To encourage more attention and support of the broad issues of citizen engagement, both electorally and in society.

**Funders Concerned About AIDs...**To mobilize philanthropic leadership and resources, domestic and international, to eradicate the HIV/AIDs pandemic.

**Grantmakers in Aging...**To promote and strengthen grantmaking for an aging society.

**Grantmakers in the Arts...**To strengthen arts philanthropy and its role in contributing to a supportive environment for the arts nationwide.

**Grantmakers for Children, Youth & Families...**To promote awareness and action around children, youth, and family issues.

**Grantmakers Concerned with Care at the End of Life...**To heighten awareness of issues surrounding the experience of dying.

**Grantmakers Concerned with Immigrants and Refugees...**To promote awareness and understanding among funders about incoming newcomers, immigration, refugee trends, and public policy.

**Grantmakers for Education...**To support education from early childhood through K-12 and higher education.

**Grantmakers for Effective Organizations...**To help funders increase the effective management and governance of nonprofits.



#### **AFFINITY GROUP . . . . PURPOSE**

**Grantmakers Evaluation Network...**To promote development and growth of evaluation in philanthropy.

**Grantmakers in Film, Television and Video...**To promote awareness and understanding of the ways "motion media" can enhance effective grantmaking.

**Grantmaker Forum on Community and National Service...**To build awareness of the power of volunteering and service as strategies for community problem-solving.

**Grantmakers in Health...**To enhance the health and well-being of all people.

**Grantmakers Income Security Task Force...**To promote understanding of income security issues among funders.

**Grants Managers Network...**To provide a forum to exchange information about grants management and its relevance to efficient and effective grantmaking.

**Hispanics in Philanthropy...**To advocate for increased philanthropic support of Latino communities.

**Jewish Funders Network...**To advance the growth and quality of Jewish philanthropy through more effective grantmaking to both Jewish and secular causes.

**National Network of Grantmakers...**To maintain a network of grantmakers who support social change issues and to advocate for change inside and outside the philanthropic community.

**Native Americans in Philanthropy...**To increase understanding and the presence of organized philanthropy in native communities.

**Neighborhood Funders Group...**To strengthen the capacity of organized philanthropy to understand and support community-based efforts to organize and improve the economic and social fabric of low-income urban neighborhoods and rural communities.

**Southern Africa Grantmakers...**To facilitate communication and collaboration among grantmakers with interest in southern Africa.

**Women and Philanthropy...**To mobilize the resources of the philanthropic community to achieve equity for women and girls.

**Women's Funding Network...**To support the development and growth of women's funds that empower women and girls.

**Working Group on Funding Lesbian and Gay Issues...**To increase knowledge, understanding, and awareness of critical funding needs in gay, lesbian, and bisexual communities.







A CRITICAL  
QUESTION  
*for* FAMILY  
FOUNDATIONS  
INVOLVES *the*  
LEVEL OF  
ATTENTION THAT  
AFFINITY GROUPS  
*pay* TO THEM.

Although some affinity groups include grantee organizations as members, most serve only the grantmaking community. The typical group is an informal network managed by volunteers, but a growing number are becoming nonprofit organizations—fully established with offices and professional staff—in their own right.

The variety of these organizations can provide a rich resource for family foundations. Many family foundations become members of more than one affinity group. Still, many affinity groups do not have programs specifically for family foundation trustees, because they focus exclusively on issues, rather than grantmaking groups (as RAGs often do).

#### **Affinity Groups Offer Ways to Learn Issues, Meet Collaborators**

Affinity groups offer family foundation trustees a shortcut in two key areas, says Susan M. Kuhn, founding consultant for Grantmakers for Education. "First, they inform trustees about the grantmaking issues in their field of interest," she says. "As a grantmaker, you can gain security in your own decisionmaking by learning what other people are doing, what's happening on the cutting edge. You can learn a lot, which will help you determine whether you want to get involved."

"Second, it is a great place to meet representatives of national foundations and other potential collaborators," Kuhn adds. "The big, national foundations love to hear from small, on-the-ground family foundation grantmakers. And they may want to include you as a local funding partner."

Affinity groups appeal to those who wish to specialize in supporting health, education, and other areas, and who may want to collaborate with other foundations.

Affinity groups offer both the strengths and weaknesses of single-issue organizations. They are strong on their issue of interest because they are knowledgeable, well-connected, and capable of rallying a constituency.

A critical question for family foundations involves the level of attention that affinity groups pay to them. Generally speaking, affinity groups do not offer customized services for particular constituencies, such as family foundations. Before joining an affinity group, a family foundation should ask about what the group does for family foundations. Is it family foundation-friendly? Is it so focused on staff development and staff policy interests that it may not be relevant for trustees? Several affinity groups have recently made it a priority to be receptive to family foundation trustees.

Following are brief profiles of four affinity groups.

#### **Grantmakers for Children, Youth & Families**

When the A.L. Mailman Family Foundation of White Plains, New York, needed a focus for grantmaking, it chose young children—a subject that would pull together the collective expertise of the family members who serve on the foundation's board. When the foundation wanted to increase the strategic impact of its grantmaking, it executive director, Luba Lynch, joined other funders to found Grantmakers for Children, Youth & Families.



Established in Washington, DC, in 1985, GCYF is a 200-plus member organization with more than 400 family, private, corporate, and community foundations involved in its activities. Interests of its membership range from large-scale systems reform and the development of public policies that benefit children to specific program areas, such as early childhood, youth development, and family support. The organization offers three types of learning and networking opportunities:

- *Learning circles*—groups of grantmakers who wish to have sustained interaction with colleagues on particular topics over the course of a year or more. Grantmakers who sign up for these groups receive information on the topic, and participate in teleconferences and special forums. Recent learning circles have focused on foundation responses to devolution, building constituencies for children, and the use of evaluation;
- *Colleague clusters*—small groups of grantmakers who convene to discuss a topic on a conference call. Clusters have formed around topics such as grantmaking and infant/toddler development; and
- *An annual conference*—brings together funders around a theme of broad appeal.

These networking opportunities are intended to help members reach specific resources, colleagues, and information they need in their work in these areas. Mailman Foundation Chair Betty Bardige says they are doing just that, and more:

*GCYF is our place for connecting. First, it provides a forum that enables us to keep up with developments in the field, learn what other foundations are doing, and see which efforts are working and which are not. Second, it extends our reach, allowing us to get to know others organizations with similar interests. Third, it helps us to find collaborators. Most family foundations do not have the financial wherewithal to fund large projects. By collaborating with other foundations, resources can be pooled and the collaborative can do things that none of its members could finance on their own. Finally, the affinity group offers the potential for advocacy through breakfast roundtables at conferences and conference calls with others who share concerns.*

*Early in our foundation's life, we especially needed the kind of process information and support that larger grantmaking organizations provide. We still find these resources valuable, but we tend to spend more time with GCYF, where we receive content as well as process support and can network with colleagues from organizations whose missions are similar to ours.*

Each month, members receive a fax bulletin, *Just the Fax*, that contains updates on activities sponsored by GCYF, its members, and sister affinity groups. Members also receive a newsletter and other printed products.



Bardige and her foundation are active participants in GCYF. In addition to attending conferences, staff and trustees have served on committees, joined learning circles, and convened colleague clusters and roundtables.

### **Grantmakers for Education**

Since it was established in 1995, Grantmakers for Education has brought more than 100 member organizations together to use strategic, responsible philanthropy to improve education in this country. GFE members are working to improve education at all levels—primary, secondary, and postsecondary. The group attracts grantmakers from foundations large and small, public and private. Members come with a variety of backgrounds—some are professional educators, some come from other fields, some are generalists, and some represent companies or industries with commitments to education reform.

For its part, GFE provides a forum for distilling significant grantmaking lessons from education reforms and members' own grantmaking activities. GFE offers opportunities for small groups of grantmakers to meet around shared interests. It holds meetings at major education conferences, hosts a national conference, and offers meetings in conjunction with such organizations as the National Science Foundation. A special grant from NSF enabled thirty members of GFE to participate in a Web Board—an online chat where one individual raises questions and others respond.

Members of GFE receive occasional reports pertinent to education grantmaking, a newsletter, and a directory of education grantmakers. These media enable GFE staff and board members to relay important information to education grantmakers on a timely basis. The group maintains a database of more than 700 education grantmakers representing more than 300 organizations. GFE frequently acts as a clearinghouse, connecting education grantmakers with the resources and contacts they seek.

The J.A. and Kathryn Albertson Foundation is a member of GFE. Founded in 1966 by the owner of Albertson Grocery Stores, one of the largest chains in the country, the foundation in November 1998 was worth about \$1.2 billion. It gives only to education and only in Idaho. "GFE provides a service for people like me who were new to philanthropy and needed help getting started," says Executive Director Sharron Jarvis. "I just called them up, told them what I needed, and in an instant had good information on the technicalities and the process. I also received information about things others had researched and I hadn't gotten to."

"Putting out \$80 million per year with a small staff, we need to attend meetings that are quite focused. GFE's meetings fit our needs," Jarvis adds. "It is a remarkable group. You would be hard pressed to find people more knowledgeable than some of their foundation members."

### **Grantmakers in Aging**

Concerns involving the elderly in American society are growing in importance as the population grows older. Family foundations have an obvious interest in this subject,

which is reflected in their strong representation in the members of Grantmakers in Aging. More than half of this affinity group's fifty-two members are family foundations, and their trustees make a strong presence in the group's activities and meetings.

"Many aging issues are local in nature," says GIA Executive Director Barbara Greenberg, "and many family foundations aim their grantmaking programs at local issues. GIA is a good fit for many family foundations."

Aware that smaller family foundations try hard to limit administrative costs, GIA helps members reduce travel costs by holding meetings around the country. It is also decentralized to make use of members' resources and contain its own overhead: an email Listserv is operated by one member, a semi-annual newsletter is published by another, and a directory is issued by Greenberg's office in New York City.

#### Grantmakers Evaluation Network

Until the past decade or so, most foundations—including family foundations—seldom evaluated grants through formal monitoring or outcome review processes. Because of the expense, the lack of accepted techniques, and the time required, evaluation was the province of only the largest of foundations. Those days are gone. In recognition of the importance of evaluation in effective grantmaking, family foundations and others are finding new and innovative ways to assess the activities of grantees.

Some of the strongest supporters of evaluation are among the founders of the Grantmakers Evaluation Network. Created in 1992, GEN seeks to expand and diversify the sources of philanthropic dollars for evaluation and to build the capacity of members and others in this pursuit. Membership in the organization is open to anyone working in the field of philanthropy with an interest in evaluation. There are no dues.

GEN now has more than 400 members, 98 percent of whom are program staff and grants administrators of foundations and have an interest in but are not necessarily experts in evaluation. GEN's annual meeting is conducted in conjunction with the annual conference of the Council on Foundations. Every two to three years, the group conducts a two-day evaluation workshop. In addition, all members receive a newsletter and can call members of the executive committee for information on evaluation.

Speaking about the organization, GEN Vice Chair Ralph Culler, the associate director of the Hogg Foundation for Mental Health in Austin, reports that:

*All the people who are really involved with the group have become much more active in evaluation. Many people walk away from our sessions with new concepts, ideas, and ways of doing things. In addition, they meet others who are resources. Through the network, I have been exposed to what other organizations are doing and have taken away a lot of ideas that can be used at home. The most recent trend is self-evaluation—finding out how well the foundation is meeting its objectives and what grantees think. Being a part of this group keeps me on the cutting edge.*

#### INFORMAL NETWORKS

*offer* COUNTLESS

OPPORTUNITIES TO

LEARN *from* AND

WORK WITH OTHER

FAMILIES AND

INDIVIDUALS *in*

PHILANTHROPY.





## INFORMAL NETWORKS

Informal networks offer countless opportunities to learn from and work with other families and individuals in philanthropy. These networks may develop from long-standing friendships or from a chance meeting where a mutual need or concern arises in the normal course of conversation.

In Fairfield, Connecticut, for instance, some fifty family foundations are members of the Family Foundation Network of Southern Connecticut. This network was formed several years ago by Emily Tow Jackson, a board member and executive director of her family's foundation, the Tow Foundation, along with a group of family foundation trustees and representatives from the community foundation. "We have a mailing list of fifty and we always have twenty-five to thirty people at meetings," she says. The group meets four or five times a year for brown bag lunches, and anyone in philanthropy is welcome, including representatives from the Fairfield County Foundation and even consultants and other professionals, "as long as they aren't selling their services," she says.

"It's mostly just for people to get to know each other and exchange ideas," Jackson says. "Most of these people are working in a vacuum. They don't know anybody. I also like to invite individuals who are thinking about starting a foundation, so they can hear wonderful stories about what a great thing it can be for a family. My mission in starting this was to spread the word, to encourage more philanthropy in Fairfield County. We have such great wealth here, and so little giving."

In the mid-section of the country, the Charles & Lynn Schusterman Foundation has been instrumental in establishing a local RAG—Grantmakers of Oklahoma—which began as an informal network. "There was no organization three or four years ago, and most foundations in the state did not even belong to a national association such as the Council on Foundations or Independent Sector," says Sandy Cardin, executive director of the Schusterman Foundation.

Members of Grantmakers of Oklahoma now pay dues of \$500 annually. The primary focus of the group is to sponsor an institute for nonprofit management, a three-day, residential program for the executive directors and board chairs of selected nonprofit organizations. Grantmakers of Oklahoma is now looking into improving its ability to serve as an information network of grantmakers throughout the state. It also is beginning to convene daylong "graduate courses" for those nonprofit groups that have participated in one of its institutes.

"The association currently has almost twenty members, primarily private foundations and charitable trusts," Cardin says. "While Grantmakers has chosen not to include public charities as members up to this point, it nevertheless has stimulated much greater communication among funders of all types. For example, our foundation and a few other Tulsa-based members of Grantmakers also belong to a local group—the Funders Roundtable—comprised predominantly of representatives of corporations and public charities."



## NATIONAL ASSOCIATIONS

Associations can extend activities on a national basis. The Council on Foundations and Independent Sector are two organizations that offer comprehensive resources in many key areas. Brief descriptions of these two associations follow.

### Council on Foundations

For half a century, the Washington, D.C.-based Council on Foundations has been assisting foundation donors, trustees, and staff in developing their philanthropic organizations and grantmaking activities. The Council promotes responsible, effective philanthropy.

The more than 1,700 organizations that comprise the Council include family, private, public, operating, community, and corporate foundations and giving programs. Council goals are to:

- Address the changing needs of members and inspire, provide, and develop leadership to promote responsible and effective philanthropy;
- Develop and support public policy and create a public environment that promotes philanthropy;
- Promote the growth of responsible and effective philanthropy; and
- Develop communications, intersections, and collaborations that serve the field, inform the public, and support inclusiveness.

Representing 32 percent of total Council membership, family foundations are the largest group in the association. To serve this membership, the Council established a separate Family Foundation Services department in 1994. This department offers:

- One-on-one technical assistance and “same-day” response to questions of governance, management, and grantmaking, as well as advice and consultation on legal, regulatory, and legislative matters;
- Issue-specific publications for family foundations; and
- Networking and educational opportunities, including the Family Foundations Conference, the Council’s Annual Conference, the Next Generation Retreat, and other national and regional events.

These services can be enormously helpful to a family foundation, particularly in its formative years. For instance, when Cardin first joined the Schusterman Foundation, he came as an attorney with legal and fundraising experience, but no background in foundation management or grantmaking. Still, he was charged by the Schustermans with bringing discipline to both areas. “One of the first places we turned to for advice was the Council on Foundations,” he recalls. “The Council staff was tremendously helpful both in terms of the materials they provided and their willingness to talk with me about my specific situation. Membership in the Council was invaluable at the beginning phase of our work.”



Since those early years, the Schusterman Foundation has continued to support the family foundation initiatives of the Council. According to Cardin:

*Recognizing that the number of family foundations had increased dramatically during the '80s and early '90s, we wanted to support the Council's efforts to develop and implement programs for this burgeoning field. We felt that helping the Council address the issues unique to family foundations would be beneficial for others as well as for ourselves.*

*What was totally unexpected, however, was the extent to which the Council welcomed our participation. The Council makes it very easy to join in its processes and activities. Very few national organizations are as open and willing to ask relative newcomers to assume leadership positions so quickly.*

Still, Cardin reports, membership in the Council is expensive and "at some juncture in the development of a family foundation, trustees may begin to feel that the cost of belonging to the Council exceeds the direct benefits received. While the Council is extremely helpful in the early states of development of a family foundation, it can become less so as the foundation grows and matures."

To this day, however, the Schusterman Foundation continues its membership in the Council for two reasons. First, receiving periodic mailings and other materials helps to keep the trustees and staff of the foundation informed about those trends and events that directly impact foundations on a regional, national, and international basis. Second, "we view our support of the Council as a contribution to the philanthropic world at large," Cardin says. "Our trustees believe that the Council on Foundations is a valuable institution. If we all simply used the Council during our formative years and then moved away, it would lack the resources necessary to provide such important services as helping emerging foundations, communicating the important role foundations play in our society, and promoting the virtues of philanthropy in general."

### Independent Sector

Founded in 1980, Independent Sector is a national leadership forum that works to encourage philanthropy, volunteering, not-for-profit initiatives, and citizen action. It is located in Washington, DC, and comprises 800 voluntary organizations, foundations, and corporate giving programs.

The activities of Independent Sector fall into four categories:

- *The Leadership Program* provides information and education on issues related to ethics, accountability, leadership and organizational effectiveness, and evaluation.
- *The Government Relations Program* addresses legislative, policy, and tax issues that affect the nonprofit sector by cultivating working relations with members of Congress and their staff, and by mobilizing charitable organizations to advocate.





- *The Research Program* promotes the understanding of the charitable sector by collecting and analyzing data on the size, scope, roles, and contributions of the nonprofit sector in society, and by conducting surveys that assess trends in individual giving and volunteering behavior; and
- *The Communications Program* serves to increase the visibility and recognition of both Independent Sector organization and the independent sector itself.

Independent Sector's name celebrates the vast number of charities, religious groups, and social welfare organizations working together to improve the lives of people across America. These groups are collectively referred to as the independent sector to emphasize their independence from the pressures that shape the other two sectors—business and government.

In a unique coalition, Independent Sector members, including national voluntary organizations, corporate giving programs, community foundations, and more than 100 family foundations, have the opportunity to:

- Participate in national debates on issues that affect the independent sector.
- Build a community network with diverse philanthropic leaders who benefit from the cross-sectoral learning and cooperation offered by regional forums and the annual meeting.
- Stay current on the most recent developments and trends affecting the nonprofit sector through Independent Sector research, publications, periodicals, and peer networking.

"We welcome the lively discussion on the changing role of the nonprofit sector," said Sara E. Meléndez, president of Independent Sector. "We firmly believe that the nonprofit sector, with its hundreds of thousands of foundations and cause-oriented voluntary organizations, continues to be a vital and essential sector in our society and our lives, and that this will continue to be true in the fast approaching 21st century."

#### Other National Associations and Organizations

Established in 1956, the Foundation Center is an independent, nonprofit information clearinghouse that collects, organizes, analyzes, and disseminates information about foundations, corporate giving, and related subjects to foster public understanding of the foundation field. Free access to Center publications is available at its five professionally staffed libraries, located in New York City, Atlanta, Cleveland, San Francisco, and Washington, DC. In addition to being the primary resource for grantees in search of funding, The Foundation Center's research, publications, and homepage also provide valuable information to family foundations and other funders on trends in giving, and on finding collaborators for their work.

EVERY DAY, MORE AND  
MORE *information*  
ABOUT PHILANTHROPY,  
THE *organizations*  
THAT OPERATE WITHIN  
THE PHILANTHROPIC  
COMMUNITY, AND THE  
WORK THAT THEY ARE  
DOING BECOMES  
*available* ON THE  
INTERNET.

Located in the nation's capital, the National Center for Nonprofit Boards focuses on strengthening and enhancing the governing boards of nonprofit organizations through the exchange of ideas, information, resources, and consulting services. NCNB holds occasional conferences and seminars, and produces a wide array of publications and newsletters for boards of nonprofit organizations, including family foundations.

The National Charities Information Bureau services family foundations and others involved in philanthropic endeavors in a somewhat different capacity. For more than 80 years, NCIB has been helping donors to give wisely by providing accurate information about the organizations that seek support. To accomplish its mission, NCIB has developed specific standards for evaluating charities. To meet those standards, a charity must, at a minimum, have an active and responsible governing body, a clear statement of purpose; a program that is consistent with its purpose; reasonable expenses; ethical publicity, fundraising and promotion; and public accountability.

Headquartered in Washington, DC, the Philanthropy Roundtable is a national association whose governing philosophy is that voluntary private action offers the best means of addressing many of society's needs, and that a vibrant private sector is critical to creating the wealth that makes philanthropy possible. This organization offers members direct assistance, a subscription to *Philanthropy* magazine, conferences, seminars, small meetings, and research. The Roundtable takes a particular interest in the issues surrounding donor intent, and stresses the importance of honoring and following the intent of the original donor to a family or private foundation.

Contact information for each of these organizations, along with a wide array of other organizations providing support to the field, can be found in the following chapter.

## CONCLUSION

Starting a family foundation, launching a new grantmaking program, or bringing the focus of an existing program up-to-date can and should be one of the most interesting and exciting experiences in philanthropy. With the explosion of new organizations the resources and one-on-one services now available to family foundations are nearly boundless.

Every day, more and more information about philanthropy, the organizations that operate within the philanthropic community, and the work that they are doing becomes available on the Internet. (See Chapter V for information on resources.) These connections are still in their infancy, but are growing rapidly as family foundations establish websites and begin to communicate with each other online. Online connections can never replace face-to-face meetings, but when used to their full advantage can be invaluable to family foundations looking to streamline operations, inform grantmaking, and build collaborations.

Yet trustees of family foundations raise important questions about the prospect of joining the larger world of philanthropy. They want practical evidence that joining an organization benefits their foundation.



Trustees raise questions about size and responsiveness. Finding the right fit in a RAG, affinity group, or other association takes research. A critical question involves the level of attention that organizations pay to family foundations. For example, some affinity groups may be so staff-dominated that they simply don't include family foundation trustees. Before joining such an organization, family foundation trustees might ask about what the group does for family foundations. Is it family-foundation friendly?

In the final analysis, successful and effective philanthropy is built on personal, face-to-face meetings and working relationships. Seeking out, joining, and becoming an active participant in a RAG, affinity group, or other philanthropic association is a first step toward developing those relationships.

