

Sabbatical Programs for Nonprofit Leaders: A How-to Guide for Funders

Introduction

The Durfee Foundation has received many requests for information about how the Foundation operates its Sabbatical Program. Many of these inquiries have come from funders around the country who are interested in starting a sabbatical program in their own region, and who want to understand the logistics, costs and time commitment involved. Several foundations, including The California Wellness Foundation and the Rasmuson Foundation, have gone on to create their own sabbatical programs. In the interest of sharing information and encouraging further development of a proven program, the Durfee Foundation has prepared this How-to Guide for other interested funders.

Background

The Durfee Foundation has long focused on extraordinary individuals –thinkers, mavericks, artists and social entrepreneurs. This focus led the Foundation to the exceptional leaders in the nonprofit sector, who perform innovative work while balancing a complex array of duties. The Durfee Sabbatical Program recognizes that creative leaders need time to think and reflect if they are to maintain their pace and keep their organizations ahead of the curve. But the enormous demands of their jobs, often combined with the financial pressure of working in an underfinanced field, can prevent them from taking time off for much-needed rejuvenation. The risk of burnout is high. Without support, the greatest resource of the nonprofit sector -- its extraordinary human capital – can be squandered.

Since 1997, the Durfee Foundation has operated its Sabbatical Program, which makes grants to six Los Angeles County nonprofit organizations each year to allow their principal leaders to take an extended leave from the organization, most commonly for three months, in order to rest and rejuvenate. Recipients typically travel, spend time with friends and family, develop or renew hobbies and interests, read, exercise and simply enjoy unscheduled time. They are discouraged from engaging in work-related activities, or even activities that have specific goals, so as to take advantage of this unique opportunity to disconnect from their fast-paced, goal-oriented lives.

In addition to the \$30,000 awarded to recipient organizations to cover the cost of the sabbatical, the organizations also receive \$5,000 to create or augment a budget line item for staff professional development, with the expectation that this item will remain in the budget and be replenished each year by the organization. Smaller organizations have the option of requesting a smaller amount of professional development funding. Up to

\$2,500, or 50% of the first year fund, is awarded for a second year to organizations that can demonstrate matching funds.

The benefits of the Sabbatical Program for Los Angeles County nonprofit leadership have been substantial. In the nine-year history of the program, more than 50 leaders have been able to take a break from work and return to its challenges with renewed vigor. Equally important, their organizations have had the experience of preparing for their leader's temporary departure, often jumpstarting or solidifying thoughtful succession planning, secondary leadership development and other organizational planning. The staff at these organizations have also experienced new or increased access to professional development opportunities.

Another benefit of the program has been the creation of an informal nonprofit leadership learning circle. Over the history of the program, the Durfee Foundation has brought together the Sabbatical recipients for semiannual lunches and periodic retreats. These events provide a combination of fellowship and information sharing by focusing on issues that affect the leaders, such as board development or staff retention. Since the group represents a variety of sectors – from domestic violence to youth development to community theater -- the leaders transcend issue-based discussions and focus on what they have in common as nonprofit leaders. Invariably, their discussions are rich and purposeful. Several organizational partnerships and many more informal, supportive relationships between leaders have developed as a result of this peer network.

The How-To Guide

Legalities

The Durfee Foundation makes its grant payment for the Sabbatical to the recipient's 501(c)(3) organization, rather than to the leader directly. Since the grant is earmarked to benefit an individual, however, it is wise to seek approval from the IRS before starting a sabbatical program. Durfee sought and received approval for its program from the IRS with very little trouble. Funders are advised to seek legal advice on this matter.

The Application

Durfee has developed an application, available at www.durfee.org/sabbatical that seeks to strike the right balance between providing information without being overly burdensome. Eligibility criteria and answers to Frequently Asked Questions are also posted on the web site.

Publicity

Durfee prints brochures and applications for the program, and mails them to nonprofit organizations in Los Angeles County. Comprehensive information about the program, including guidelines, applications, biographies and links to program alumni, is posted on Durfee's web site. In addition, Durfee holds an informational open house

approximately one month prior to the application deadline. During this open house, Durfee's Executive Director describes the program and the application process, and two program alumni speak about their experiences. All are available to answer questions. The Foundation also relies on word of mouth recommendations from program alumni and foundation colleagues for high quality applicants, and sends out a reminder e-mail with links to Durfee's web site when the application process opens at the first of the year.

The Dangers of Recruitment

While Durfee seeks to publicize the program as much as possible to ensure that strong candidates are aware of it, the foundation has learned that it is best not to recruit applicants directly. If the foundation solicits an application from a prospective candidate, expectations are raised about the likelihood of an award.

Unlike other grant programs for operational or program support, and for which declines are disappointing but not usually devastating, the letdown of a decline from the Sabbatical Program can be significant. An applicant to the Sabbatical Program is not simply asking for money for the organization, he or she is seeking support primarily for personal benefit. When writing the application, the applicant must face up to feelings of job stress and possible burnout, may reveal how personal factors such as illness or family troubles have increased this stress, and will undoubtedly develop raised hopes by envisioning a sabbatical. Consequently, a decline from the program can be hard to handle. A decline that comes after solicitation of an application can lead to feelings of betrayal. If there is a candidate the foundation would like to see apply, foundation staff may ask a program alum or other third party to suggest the program to the candidate.

The Selection Process

Each year, Durfee assembles a Selection Panel that consists of Durfee staff and trustees, and three sabbatical program alumni. (In the first year of the program when no alumni were available, Durfee asked three nonprofit leaders to sit on the panel.) About three weeks prior to the first panel meeting, the Foundation sends each panel member a notebook with copies of the applications. For reasons Durfee has never been able to discern, the applicant pool in Los Angeles hovers between 30 and 40 every year. Most applicants are highly qualified.

The purpose of the panel's first meeting is to narrow the pool to twelve finalists. The panel looks at which candidates most closely match the eligibility criteria, and also considers which candidates would benefit the most from a sabbatical in that year. The panel also seeks a diverse group of finalists in terms of race, ethnicity, gender, sexual orientation, age, type and size of organization represented, and geographic location. Once the finalists have been identified, Durfee schedules site visits and interviews.

Foundation staff then check the references of the finalists by telephone, and go on site visits to each of the twelve finalists' organizations. Durfee has found that the site visits are extremely important to the decision process, especially because it is the only

opportunity to meet the other staff at the applicant organizations and assess whether they will be able to handle the interim duties.

Finally, the Selection Panel meets for two full days of interviews, where each finalist is interviewed for approximately 45 minutes and the Panel is apprised of the information learned from the reference calls and site visits. After the last interview, each panelist is asked to submit his or her list of six awardees. Durfee has found that there is usually a great deal of overlap between the panelists' lists, and at least three, and sometimes as many as five, receive unanimous votes. The remaining names in contention are then discussed, and consensus on the final six is reached.

The six awardees are notified of their success by phone two days after the final interview. Those declined are notified by letter, usually sent within 24 hours of the conclusion of the interviews. We attempt to time the notifications so all twelve finalists are informed of the outcome on the same day.

We have found that it is kinder to inform a candidate of a decline by mail, rather than by phone. This allows the candidate to process disappointment before calling the foundation for feedback, should he or she choose to do so. We encourage all declined finalists to call, and most do. Because the process is so personal, it is helpful to bring closure through a conversation. It also provides an opportunity to advise the candidate whether he or she should apply again, and if so, how to better frame the application in another round.

Why would a strong candidate be declined? The Selection Panel learns many things in the application process that affect the award choices: combined household income may be sufficiently high that the candidate does not have as strong a need as others for foundation support to provide a break; the organization may be so well supported or endowed that it should be able to underwrite the candidate's sabbatical; the secondary leadership at the organization may not be able to maintain operations during the candidate's absence; the candidate's organization may be embarking on a major capital campaign or other project during which it would not be advisable for the candidate to be absent during the projected time period

Who Will Mind the Shop?

The Durfee Foundation has a clear bias in favor of organizations that propose an interim organizational plan that relies on current staff. We do not select applicants who propose to hire an Interim Executive Director, or to use board members or former E.D.'s to step in to take over the majority of the sabbatical recipient's duties. One of the purposes of the Sabbatical Program is to give the organization the opportunity to bolster secondary leadership. Applicants are encouraged to present management plans that promote senior managers to the interim leadership position, or create a management team to take on the duties of the sabbatical recipient. This way, the organization and its staff have a "dry run" at managing the organization, and may broach discussion of an eventual succession plan. Staff typically develop new muscles and management expertise. Some

discover they have potential for high level leadership; others discover that they are better suited to program work (and better to learn this in a three-month trial than after assuming the position of Executive Director.) As a small token of appreciation, Durfee offers \$1,000 to the organization for the interim leader (or to be divided among a management team) to compensate them for their extra work.

Professional Development Fund

The Professional Development Fund is a one-time contribution of up to \$5,000 from the Durfee Foundation to the organizations of sabbatical recipients. Up to \$2,500, or 50% of the first year fund, is awarded for a second year to recipient organizations that can demonstrate matching funds. The Fund is designed to provide professional development opportunities for staff at these organizations, such as workshop fees, travel or continuing education. Applicants to the Sabbatical Program must submit a plan for how the organization will operate the Professional Development Fund; for example, what it is to be used for, who will decide how the funds are to be distributed, and who is eligible for the funds. The Foundation requires submission of the plan prior to release of the funds. Organizations are asked to report on the use of the funds for two years subsequently.

The Professional Development Fund is expected to remain as a permanent line item in the organization's budget, and be replaced on a yearly basis as it is spent down. Organizations that do not anticipate being able to spend or replenish the full \$5,000 can request a smaller amount.

Orientation

Once the Sabbatical recipients have been selected, the Durfee Foundation holds an informal orientation meeting at its office. Recipients meet one another, share their plans for their sabbaticals, and learn more about the how the program works. In particular, recipients are advised to seek further counsel about the tax consequences of their awards, and to work out a plan to minimize the personal tax impact. During the meeting, the recipients are introduced to a project consultant who will be available to offer up to five hours of technical assistance to each organization, as needed, during the leave.

A second orientation meeting is held at a later date for those who will assume the interim leadership of the organizations.

Deadlines

Sabbatical recipients must start their sabbaticals one year after notification of the award, i.e., if the notification is June 30, they must start no later than July 1 of the following year. Durfee is very strict with recipients about this deadline, and insists that the award will be forfeited if the deadline passes. Extensions have been granted in rare circumstances relating to health, but otherwise they are not allowed. The fact is that there is no truly convenient time to take a sabbatical – there will always be unexpected grant

deadlines, staff emergencies and funding crises – but the recipient and the organization must commit to making the sabbatical happen. A firm deadline facilitates that commitment. Throughout the history of Durfee’s program, no one has forfeited a sabbatical.

Awards Ceremony

Durfee produces an awards ceremony for the sabbatical recipients biannually, recognizing two years of recipients. We have chosen the biennial, rather than an annual, recognition ceremony to achieve a critical mass of audience and awardees. Durfee finds that the event provides the recipients with needed recognition for their achievements, and a chance to share them with staff, board, family and friends. Durfee awards ceremonies typically take place at one of the sabbatical recipients’ organizations, and awardees are encouraged to invite guests to the ceremony and reception. Durfee also provides a more intimate dinner for the awardees and immediate family or significant others after the awards ceremony at a nearby location.

During the Sabbatical

Recipients are instructed to cease all contact with their office when they are on sabbatical. The object of the program is for participants to disengage from work, and this cannot happen if the participant checks e-mail or receives phone calls from the office. Recipients tell Durfee that it is easier for them to instruct the office not to contact them when the mandate comes from the funder.

In case of a true emergency, for example, the death of a staff member or sudden eviction from office premises, the organization is permitted to contact the recipient. One organization adopted the rule that the Acting Executive Director and the Board Chair had to agree that the issue required contact during the sabbatical. This enabled the team to defuse and decentralize crisis, and to work collaboratively to solve problems effectively without need for contact with the Sabbatical recipient.

A few weeks before the Sabbatical is over,, Durfee’s Executive Director takes the Acting Director or management team out to lunch. This offers an opportunity to express the Foundation’s gratitude to the staff for shouldering the extra workload, and also provides an immediate report on what the experience has been like for the organization..

Returning from Sabbatical

Durfee warns recipients that re-entry may be difficult. Some recipients have found that “everyone moves too fast” after slowing their own pace during sabbatical. Others might find resentment from colleagues who carried their workload in addition to their normal duties, or may simply feel out of the information loop when they rejoin their staff. Most find that things were not done quite as they would have done them, but respect the hard work and different approaches of their colleagues.

Often, the return from sabbatical marks an important turning point for the recipient and the organization. Many take a fresh look at their operations, and find room for improvement, particularly with regard to their own duties. It is very common for leaders to come to the realization that there are many tasks they can permanently delegate

to other capable staff, thus freeing valuable time for strategic planning, policy and other mission-related work.

About six weeks after the Sabbatical recipient has returned to work, Durfee's Executive Director takes him or her out to lunch to debrief the experience and the re-entry.

Reporting

Sabbatical recipients are required to submit a short, informal report about their sabbatical. Many have sent photos, poetry or journal entries.

The recipient organizations are asked to report on the financial expenditures of the grant. It is expected that the recipient will have been paid his or her full salary and benefits during the sabbatical, and that the balance of the funds have been allocated to the recipient to pay for travel and other expenses as far as the grant budget stretches.

Evaluation

The Durfee Foundation was fortunate to receive many hundreds of hours of evaluation from Dr. Ronald Stewart, who used his research for his doctoral dissertation. An Executive Summary of Dr. Stewart's report is accessible at www.durfee.org/programs/sabbatical/evaluation.html.

In addition, Durfee has instituted pre- and post-sabbatical surveys for both sabbatical recipients and interim leaders. Data are not yet available.

The sabbatical is a tremendously personal experience for the recipients, and much of the evaluation information the Foundation obtains is anecdotal. Recipients often recount how the sabbatical enabled them to get a second wind and avoid burnout. They discover that they had been setting an unrealistic and unsustainable example at their organizations of working too hard and postponing vacations, and vow to set a better example for staff. They learn how to reconnect with the aspects of their work that got them into the field in the first place, and delegate other duties they find less stimulating. Most sabbatical recipients feel renewed, reconnected to their work and reinvigorated. And for years after the sabbatical experience, they seek inspiration and support from the peer learning network. In some cases, relationships developed through the network have resulted in cross-sector collaborations. Outcomes such as these are not easily measurable through evaluation, but we believe them to be at the core of the program's success.

Peer Learning and Support

As previously noted, one of the great benefits of Durfee's Sabbatical Program has been the establishment of a peer network of nonprofit leaders in Los Angeles County. Twice a year, Durfee brings together the sabbatical alumni for half-day gatherings over lunch. These luncheons started out at neighborhood restaurants, but as the group has grown, the meetings have rotated among the recipients' organizations.

The agenda for the meetings is loose. The first hour is usually spent socializing, and then the group moves on to discussion of a designated topic. Durfee solicits ideas for discussion topics by e-mail in the weeks before the lunch, and decides on a topic and a moderator (often the person who suggested the topic) in advance. Previous discussion topics include board development, staff retention, fundraising in a down economy and how to incorporate the lessons of the sabbatical experience into their everyday lives.

Retreats

Durfee has hosted three retreats for the sabbatical alumni, and the Durfee board has recently committed to making the sabbatical retreats biannual. Our most successful retreats have involved train travel to a not-very-distant location (most recently Ventura, on the coast north of L.A.) We meet at the train station, provide box lunches and train tickets, and the retreat begins on the train as people socialize and eat their lunches. One of the great advantages of group travel is that the disruption of late arrivals and early departures from the retreat are minimized. It also allows for a true feeling of escape that is reminiscent of the sabbatical experience.

The retreat agenda is similar to that of the semiannual lunches, with the group deciding on the discussion topics. Durfee has offered to bring in outside speakers, and the suggestion has been soundly rejected. This group seems to enjoy learning from one another and enjoys the trust and camaraderie that have built over the years.

Long-Term Commitment

When Durfee started the Sabbatical Program in 1997, the initial plan was to run the program for two years, then put it on a biannual schedule. Rather naively, we thought that there might not be a strong enough pool of applicants to make six awards annually for several years running. After the first two years of an extremely strong applicant pool, we realized that we had only scratched the surface, and a shortage of qualified applicants has never been a problem. The program has run annually since its inception, and the applicant pool remains consistently strong.

Durfee's long-term commitment to the Sabbatical Program has enriched the program considerably. We feel we have deepened our own understanding about the needs of nonprofit leaders since we have had the opportunity to work with so many of them. Our lunches and retreats are richer and more comfortable with each passing year, as longtime alumni reconnect and newcomers are welcomed. The program has developed a solid reputation in Los Angeles and beyond, and the ever-growing roster of distinguished alumni nurtures that reputation.

Budget

Direct Program Costs:

Sabbatical Awards	\$30,000 x 6 = \$180,000
Stipends for Interim Directors	\$1,000 x 6 = \$6,000
Prof. Dev. Fund, year one	\$5,000 x 6 = \$30,000
Prof. Dev. Fund, year two	\$2,500 x 6 = \$15,000

Other costs:

Foundation staff time	one person, part-time
Marketing, PR, printing, web, panel review	\$17,500
Awards Ceremony	\$10,000 (every other year)
Retreat & luncheons	\$10,000 - \$12,000

Work Plan and Hours

Jan.	Web site development, print design for application, creation of mail and e-mail databases for promotion, assemble selection panel	80 hrs
Feb.	Hold informational open houses for prospective applicants	32 hrs
Mar.	Provide telephone assistance to applicants	20 hrs
Apr.	Process applications, bring selection panel together to select 12 finalists	60 hrs
May	Perform site visits to each of 12 finalist organizations, make calls to finalists' references	80 hrs
Jun.	Selection panel interviews finalists over a 2-day period, makes award decisions, follow up with declines and awards	40 hrs
Jul.	Prepare for and hold orientation meeting for awardees; on call for questions; perform baseline evaluation	20 hrs
Aug.	Prepare for and hold orientation meeting for interim directors who will take over for sabbatical awardees; on call for questions	20 hrs
Sep.	On call for questions	10 hrs
Oct.	On call	10 hrs
Nov.	On call	10 hrs
Dec.	On call; begin preparation for next year's program	32 hrs

TOTAL: 414 Hours

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