Working With Community Foundations

A Guide for Small Foundations

PRIMER SERIES

BRIEF PAPERS ON KEY TOPICS

exponent philanthropy

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I. Introduction

Despite their varied backgrounds and experiences, donors establish foundations for certain fundamental reasons. They want to do something good for the community. They want to share what they have with those in need, further a cause, or solve a problem. They want to make a difference.

For the most part, donors want to accomplish these things right in their own hometown.

According to Exponent Philanthropy's *2016 Foundation Operations and Management Report*, members targeted 67% of grant dollars to their local communities, representing an estimated $2.48 billion.

Founders and boards of small foundations—including family foundations—feel strong ties to their home states, cities, and towns—even if board members eventually move away. With so much interest in giving to their communities, it makes sense that many small foundations work with local community foundations to achieve their charitable goals.

This primer describes how your small foundation can work with a community foundation to fulfill your mission and goals. It describes how community foundations can help you:

- Expand your knowledge of local needs and nonprofits;
- Fulfill your program goals;
- Administer your foundation;
- Involve the next generation; and
- Build local philanthropy.

You will also learn how to access these benefits by giving to a community foundation, including how to establish a variety of special-purpose giving funds.

II. About Community Foundations

First things first: What is a community foundation?

Community foundations are independent, tax-exempt organizations created by and for the people in a local area. They allow donors with a wide range of interests and means to support the issues they care about, creating long-term assets to help and sustain citizens.

Here's how they work. Community foundations design different types of giving plans to meet donors' varied needs, preferences, and styles. Individuals, businesses, private foundations, and government agencies all make gifts; assets are invested; and the community foundation makes grants to address current and long-term needs. Gifts to a community foundation may be in the form of cash, stocks, bonds, real estate, and other assets that can be converted to cash.

Unlike foundations that give in a broad geographic area, community foundations make grants in one defined region—typically a city or county. Also, because community foundations receive gifts from a variety of sources, the Internal Revenue Service defines them as *public charities*, allowing them to offer donors a higher tax deduction for gifts.

Community foundations take on multiple roles. Like private foundations, they make grants, but they also raise money. They evaluate issues and problems in communities and help coordinate services, so that charitable gifts are used effectively to address critical needs. In this way, community foundations often act as community leaders, convenors, catalysts, and promoters of philanthropy.

Community foundations serve as community leaders and catalysts by recruiting board members who bring insight into a broad array of local needs and opportunities. Many also hire staff with different kinds of program expertise. The experience and skills of their board and staff, and their exclusive focus on the local region, enable community foundations to gather data about local issues, make connections, initiate programs, and organize citizens.

Note: While most community foundations operate under similar national standards, they can in some ways be as different from each other as the communities they serve. All, however, share the common goals of serving donors and nonprofit organizations, and benefiting the community as a whole.

For a brief history of community foundations, see the Appendices.

Definition of a U.S. Community Foundation

An independent, tax-exempt, publicly supported nonprofit philanthropic institution with a long-term goal of building permanent, "named" funds established by many separate donors. A community foundation seeks to benefit the residents of a defined geographic area, typically no larger than a state.

III. How Community Foundations Can Help Small Foundations

Many small foundations have discovered that working with a community foundation helps them achieve their mission and goals, and do so more efficiently and effectively. Some take advantage of the community foundation's program knowledge and experience. Others rely on the community foundation to fulfill administrative or grantmaking work that they don't have the capacity to accomplish.

Community foundations can help small foundations in the following ways (among others):

1. Expand and deepen knowledge of community needs and nonprofits;
2. Leverage grantmaking dollars;
3. Give anonymously;
4. Honor a family member or someone important to the foundation;
5. Give in the founder's original community;
6. Focus the foundation's giving on its mission;
7. Fulfill the distribution requirement while starting up, ramping up, or gearing up;
8. Network with other funders;
9. Support and enhance foundation operations;
10. Train the next generation; and
11. Support the community at large.

Each of these benefits is described in this primer.

A. ELEVEN WAYS COMMUNITY FOUNDATIONS CAN HELP SMALL FOUNDATIONS

1. Expand and deepen knowledge of community needs and nonprofits.

As community leaders, convenors, and catalysts, community foundations gather a tremendous amount of information about the local region. Establishing a fund at a community foundation gives you access to this wealth of knowledge and experience. If your board members have limited time, they can rely on the community foundation to keep them in touch with local needs and to recommend grantees. Sometimes a community foundation acts as a liaison between a funder and grantee, matching foundations with the causes that are most meaningful to them.

> ***"The Fairfield County Community Foundation provides us with valuable information about the pressing needs in our communities and the organizations that are addressing those needs. We appreciate the opportunity to partner on grants and share information for more effective grantmaking."***
>
> ***– Emily Tow Jackson, Executive Director, Tow Foundation, Wilton, Connecticut.***

__Example:__ For the past eight years, the Dorrance Family Foundation of Scottsdale, Arizona, has run its scholarship program through the Arizona Community Foundation. The foundation pays the salary of two fulltime employees at the community foundation to administer the program. "In the beginning of the program, they gave us intellectual support and expertise on everything from the application process to panel selection, and the ability to network with 500- plus high schools," says Carolyn Polson O'Malley, former executive director. "They gave us the context and the resources we needed to publicize our scholarship program in the community."

2. Leverage grantmaking dollars.

A small foundation's dollars, pooled with dollars from other local foundations and donors, can have a larger impact on priority needs. Donors to some community foundations establish funds for specific purposes—for example, to build playgrounds in the community or clean up trash. If your foundation is interested in a specific goal shared by other donors, contributing to the fund can be a good way to leverage your dollars.

3. Give anonymously.

By setting up a fund at a community foundation, you can achieve anonymous giving if that is preferred. Some foundations also use community foundations to give outside their mission—anonymously or not.

4. Honor a family member or someone important to the foundation.

A private foundation can establish a named fund at a community foundation that honors a particular family member or friend, and even a cause that is important to the individual. For example, a fund could be named "The John A. & Margaret T. Smith Early Education Fund."

5. Give in the founder's original community.

In family foundations, board members often move away from the community where the foundation was established, leaving no one left to keep up with local needs and nonprofits. If the board wants to continue grantmaking in that community—either because of a particular charitable need, or to fulfill the founder's wishes, or both—the local community foundation can offer its knowledge and experience to make effective local grants. In this way, family members can stay connected with their hometown, or the hometown of a parent or grandparent.

6. Focus the foundation's giving on its mission.

If your board members have diverse charitable interests, you might encourage them to establish a personal fund at a community foundation. Some foundations even establish matching grant programs at a community foundation, where the foundation matches board members' personal donations to the community foundation *(see example below under "Train the Next Generation").* In this way, the foundation can encourage and support board members' own charitable interests, while keeping the foundation focused on its mission.

"Forming funding partnerships with community foundations gives small foundations some of the benefit of full-time grantmaking staff."

– John Zell, Vice President of Donor Services, The Community Foundation in Jacksonville, Jacksonville, Florida.

7. Fulfill the distribution requirement while starting up, ramping up, or gearing up.

When your foundation is just starting up, or still defining its mission and goals, giving to a community foundation can be an easy way to support your local community. It can also be a helpful option when you are preparing for a major increase in assets, or when getting ready to begin a new grantmaking initiative. Gifts to community foundations offer a safe, efficient, and effective way to continue supporting your region's nonprofits while you are in transition.

8. Network with other funders.

Small foundations can be isolated, not only from nonprofit organizations, but also from other donors. Many community foundations offer training and networking opportunities for small foundations, giving them a chance to meet, share ideas, and create a community among grantmakers. These new relationships can lead to collaboration on projects, leveraging funds, or convening others in the community around a particular issue.

Example: *The Battle Creek Community Foundation in Michigan runs a Funders Group that meets quarterly. At the meetings, "private and family foundations share information on grants, new initiatives, and the latest research on a particular area," said President & CEO Brenda Hunt. "It's good philanthropic planning for the entire community."*

9. Support and enhance foundation operations.

Many community foundations offer grantmaking, administrative, and other types of support on a fee-for-service basis. Services include providing help clarifying values and mission, developing grantmaking strategies, identifying and evaluating grantees, managing the grantmaking program, and taking care of administrative duties.

Example: *Beginning in 1989, the Kelsey Trust in Middlebury, Vermont, retained the Vermont Community Foundation (VCF) on a contract basis to assist them with their administrative and grantmaking work. "VCF serves as our mailbox, and to some extent, our eyes and ears in our geographic area," says Steve Johnson, managing trustee at the Kelsey Trust. "They screen organizations seeking Kelsey support, and are a valuable source of information and insight into community needs."*

10. Train the next generation.

You can establish a fund at a community foundation to train the next generation of board members about grantmaking—*before* they join the board.

Example: *A family foundation created a fund at the Community Foundation in Jacksonville, in Jacksonville, Florida, and designed a matching grant program to encourage more giving among fourth-generation family members. "The foundation will match any $5,000 grant that an individual family member gives to the community foundation," says John Zell, vice president of donor services. "It helps the younger generation see a grantmaking program from beginning to end. It's a good training ground to move them into working for the family foundation."*

11. Support the community at large.

Some small foundations value community foundations for their leadership and catalyzing role, and they want to support this work. General and unrestricted grants help the community foundation build a permanent source of community capital, which it can use to evaluate needs in the community; spotlight problems; convene experts, leaders, and donors; coordinate services; and respond to ever-changing needs.

Example: *According to Linda Shoemaker of the Brett Family Foundation in Boulder, Colorado, establishing a sizeable unrestricted fund at the Community Foundation Serving Boulder County was a statement of support for the community foundation and its mission. "It encourages others to establish funds there. It also allows the staff [at the community foundation] to take part in projects of their choosing, " she says.*

Examples of ways in which community foundations have initiated projects and demonstrated leadership to benefit their communities are in the Appendices.

B. HOW COMMUNITY FOUNDATIONS CAN HELP FAMILY FOUNDATIONS

A growing number of community foundations have developed ways to engage family donors and family foundations. Some larger community foundations have launched programs aimed at helping families achieve their philanthropic goals—they conduct research about family philanthropy and offer assistance in the areas of family dynamics, geographic dispersion, and succession.

For example, one community foundation established a Center on Family Philanthropy, which offers services to families who have established sizeable funds. Families who are members can take advantage of the following services:

- Strategy sessions to define values and mission;
- Guidance in developing a statement of donor intent, long-term grantmaking strategies, and an application process;
- Advice in conducting site visits;
- Facilitation of family meetings;
- Access to a planned giving specialist;
- Assistance involving and training next generations; and
- Succession planning.

According to Barrett Coker, philanthropic advisor at the Community Foundation for Greater Atlanta (Georgia), the community foundation offers a full range of services that model "having a full-time staff at a private foundation."

Community Foundations Serving Families

Many community foundations are developing services for family donors. Here are some examples:

- The Community Foundation for Greater Atlanta established the Center on Family Philanthropy, which advises family members (who have established funds of $250,000 or higher) in fulfilling their giving goals.
- The California Community Foundation offers a Charitable Family Individual Retirement Account, which seeks to reduce donors' taxes, provide an income for their children, and create permanent charitable legacies for their families.
- The Oregon Community Foundation has published a *Guide to Family Philanthropy*, describing the benefits of establishing a family fund, what it takes to establish such a fund, how to talk to your family about philanthropy, the benefits of an endowed fund, and the community foundation's mission.

IV. Giving to a Community Foundation

A. WAYS TO GIVE

Most of the benefits community foundations offer small foundations are made possible by establishing a fund at a community foundation, or supporting it in some way. Donors can give in three main ways:

1. Give to a general, unrestricted, or administrative fund to support the community foundation and its work;
2. Give to an existing fund set up by another donor. Some funds are established to support a particular cause, such as early childhood education, planting trees, or building a homeless shelter; and
3. Set up your own fund. *See below for guidance about how to do this.*

Note: Some community foundations also offer assistance setting up a supporting organization, a nonprofit corporation with its own board, investment strategy, and grant priorities. Check with your community foundation for more information.

B. ESTABLISHING A FUND AT A COMMUNITY FOUNDATION

Here are the basic steps for establishing a fund:

1. **Your foundation makes a gift** to the community foundation, in the form of cash, appreciated stocks, bonds, real estate, or other assets.
2. **The community foundation** sets up the fund, and you can name it as you choose—for your family, business, or foundation, or in honor of a person or organization and their cause.
3. **Your foundation can count the gift** toward its 5% annual distribution requirement in the year the gift is made.
4. **Based on the type of fund you establish,** you may be able to stay involved in the grantmaking aspects of the fund. You can recommend a program area or organization to support, or rely on the community foundation's staff to determine and address the areas of greatest need in your community.
5. **The community foundation board** makes grants in the name of the fund you establish (or if you prefer, makes the grants anonymously).
6. **The community foundation handles** the administrative details (fees for this service vary).

Source: www.communityfoundations.net.

Important: Before establishing a fund, become familiar with the community foundation's policies for the fund, often outlined in a fund agreement. Each community foundation establishes its own policies. Tips for reviewing a fund agreement are in the Appendices.

About the Timing of Community Foundation Grants

If your private foundation has established a fund that offers some discretion over grantmaking, such as a designated, field-of-interest, or donor advised fund (these funds are described below), you may request that a grant be made within a certain time period. The community foundation will do its best to honor that timing request. Community foundations have final approval of grant decisions, however, including when grants are made to organizations in the community. Since the community foundation does its own due diligence, and since its board must approve all grants, donors must take into account the community foundation's own grant cycle.

C. TYPES OF FUNDS AVAILABLE

Community foundations offer a variety of funds to meet donors' needs and preferences. Donors can choose from:

- A *designated fund* to identify one or more specific organizations they want to support;
- A *field-of-interest fund* to specify a program area such as education or healthcare; the donor relies on the community foundation to select individual grantees;
- A *donor advised fund* to recommend grants to organizations of your choice; these recommendations are subject to final approval by the community foundation;

- A *scholarship fund* to support individuals who are pursuing training or education;and
- An *unrestricted fund* to give general gifts of support to the community foundation, which can also carry the donor's name or the name of someone the donor wishes to honor.

Find your local community foundation, at www.cflocate.org.

You may establish several types of funds simultaneously. *An example of the types of funds offered by a community foundation is in the Appendices.*

Funds Vary at Different Community Foundations

It's important to note that the above is a general list of funds, and that community foundations offer different funds. Minimum investment levels and administrative fees vary from fund to fund and at different community foundations. Check with your local community foundation for information on the types of funds it offers, administrative fees, and the grant options available for each fund.

You can find your local community foundation by visiting www.cflocate.org.

Exponent Philanthropy thanks the following members for their advice in drafting this section: Kim B. Jones, President, Community Foundation of West Georgia, Inc., Carrollton, Georgia; and Janis Heckel, Executive Director, Yorba Linda Community Foundation, Yorba Linda, California.

D. A LOOK AT DONOR ADVISED FUNDS

Donor advised funds are one of the most commonly used vehicles for giving, as they offer both convenience and involvement. You may choose a one-time donation or contribute to the fund over time. You may set up the fund as an endowment or as a nonpermanent fund, and name it in honor of your foundation's original donor, the foundation's name, or another name you choose. You may also establish an anonymous fund.

As a fund holder, you recommend grants to organizations of your choice. The community foundation verifies that the grantee is eligible and conducts its own due diligence. Although the community foundation has final approval of grant decisions, including when grants are made, it will work to fulfill your preferences to the best of its ability.

According to Brenda Hunt, president & CEO of the Battle Creek Community Foundation in Michigan, donor advised funds appeal to private foundations because they are fast and easy. "It has to do with flexibility," says Hunt. "Small foundations use donor advised funds because they can be smaller gifts, and they are less expensive to get out the door."

Here's an example of how your foundation might use a donor advised fund:

Let's say your great-grandfather established a foundation to fund early education in his hometown, but family members no longer live in that area and have developed grantmaking interests in other regions. Your foundation might set up a donor advised fund at the community foundation in or near your great grandfather's hometown, and make annual grants to the fund.

In doing so, your foundation can pursue the founder's original mission, as well as the charitable goals of current and future trustees. Each annual grant to the donor advised fund counts toward your foundation's annual distribution requirement. And your foundation can take advantage of the community foundation's knowledge of early education in the local region. Your foundation may recommend that the dollars, or a portion, be distributed to early education organizations each year. The community foundation will work to meet your request, as long as it falls within its grant cycle and approval process.

Thinking About a Donor Advised Fund?

Consider these advantages...

- They're quick and easy to establish;
- The fund can be established with a large or small gift, in one lump sum, or in periodic payments over time;
- You can decide how involved you want to be in grantmaking;
- You can get advice on potential grantees from the community foundation;
- You can establish a fund in honor of an individual or a cause you wish to recognize; and
- You can give anonymously; and
- You can give outside your mission.

Some limitations...

- You don't have full control of the money; although you can recommend grantees, the community foundation has final approval of grants;
- You have little or no involvement in governance and management of the fund; and
- The fund's duration can be limited, rather than remaining in perpetuity—check your community foundation's policy.

For more on donor advised funds, see the Exponent Philanthropy primer *"Strategic Uses of Donor Advised Funds"* at www.exponentphilanthropy.org.

V. Transferring Assets to a Community Foundation

Although most private foundations are established to exist in perpetuity, some decide to terminate or change their structure. Over time, there may be no family members left in the community where the founder(s) established the foundation. Or perhaps the family has grown too large to maintain the same charitable interest. Or the foundation may have fulfilled its specific mission, and the board may feel that its job is done.

Other reasons why a foundation may decide to change its structure include:

- The costs associated with running a private foundation; and
- Lack of desire or time to handle ongoing foundation tasks.

Small foundations looking to restructure have a number of options. One of the most common is to transfer the foundation's assets to a public charity, such as a community foundation. This allows board members to remain charitably active while freeing them from the responsibilities of running a foundation. Trustees and/or family members may specify in advance that their gift to the community foundation be used only for specific purposes, or for the benefit of a specific charity.

"Most of the small foundations we work with have transferred their assets to an advised fund at the community foundation. We help these donors with their charitable giving goals, and connect them with nonprofits that meet their interest areas."

– Laura Winter, Vice President for Advised Funds
The Oregon Community Foundation, Portland, Oregon.

Community foundations can professionally manage and invest the foundation's assets, and offer a commitment to pursue the private foundation's mission and goals over time.

Why Transfer Assets to a Community Foundation?

If you are considering terminating your foundation, either today or down the road, transferring assets to a community foundation may be a good option. Here's why:

- Makes funds available as a permanent asset in the community;
- Offers a cost-efficient way to manage investments and grantmaking;
- Allows for a fund to be named for the donor, to honor his or her legacy;
- Gives the board and/or family access to community foundation expertise and grantee recommendations; and
- Allows the family to stay involved in grantmaking, if they wish to do so.

VI. Conclusion

This primer describes ways community foundations can help small foundations. Still, is linking up with your local community foundation right for you? We asked your colleagues for advice. Here is what they said:

Identify Your Needs and Abilities

> *"Foundations first need to assess their needs and their capabilities. They then need to determine the capacity of their local community foundation. It's important to structure a relationship that creates the optimal fit between both organizations' needs and abilities. Don't be afraid to suggest unique arrangements that break new ground in the services the community foundation has historically provided."*
>
> *– Steve Johnson, Managing Trustee, The Kelsey Trust, Middlebury, Vermont.*

Determine What You Want to Achieve

> *"Should you work with your community foundation? It depends on what you want to achieve. If a small foundation is looking to involve the next generation or become more of a player in the community—or if they are interested in learning where to invest their philanthropic dollars to make the most change—a community foundation can be their best bet."*
>
> *– Barrett Coker, Philanthropic Advisor, Community Foundation of Greater Atlanta, Atlanta, Georgia.*

Examine the Relationship

> *"I value a good working relationship. My advice to those considering working with their community foundation is that it has to be a 50/50 relationship. You are the donor, and the community foundation has the intellectual expertise. Just make sure there is a good fit."*
>
> *– Carolyn Polson O'Malley, Former Executive Director, Dorrance Family Foundation, Scottsdale, Arizona.*

VII. Resources

Community Foundation Locator. Council on Foundations and Community Foundations of America. www.cof.org/community-foundation-locator.

The Practice of Family Philanthropy in Community Foundations. Helmer Ekstrom, Ekstrom & Associates. National Center for Family Philanthropy, 2002. www.ncfp.org.

VI. Appendices

APPENDIX A

A Brief History of Community Foundations

In 1914, Frederick Harris Goff founded America's first community foundation in Cleveland as an alternative to the bank-held charitable funds of the time. Goff's plan was to keep the investment responsibilities in the hands of those who knew them best—the bankers—and to transfer the responsibilities of dispersing funds to civic and community leaders who were more familiar with local needs.

Goff took his "Cleveland Plan" around the country, and in 1915 alone eight new community foundations were created. Community foundations spread throughout the Midwest and the Northeast. The number of community foundations grew dramatically after the Tax Reform Act of 1969, which gave community foundations the preferred tax status of public charities.

With new regulations in 1969 and 1976, community foundations attracted many donors, primarily because they could deduct a greater percentage of their gifts to community foundations than to private foundations. From 1976 to 1986, communities formed more than 300 community foundations, and by 1990, community foundations had become one of the fastest growing forms of philanthropy.

Today, there are more than 700 in existence. Community foundations in the United States hold approximately $39 billion in assets and are located throughout the country. In 2005, community foundations gave $3.2 billion to a wide variety of nonprofit activities, including urban affairs, the arts, education, environmental projects, health, and disaster relief. Community foundations have spread internationally as well, with more than 1,175 in 46 countries.

Source: *The Community Foundation Handbook*, Council on Foundations, 2006.

Example of the Types of Funds

Here is a sample of funds offered by one community foundation. Check with your local community foundation to find out what types of funds it offers.

TYPE OF FUND	BENEFITS TO DONORS	BENEFITS TO GRANT RECIPIENTS
Unrestricted	Supports a wide spectrum of the community in perpetuity; casts donors as charitable visionaries; allows support to change as communities change.	Addresses issues that may not be supported by restricted funds; provides for changing community needs; enables strategic grantmaking initiatives; funds innovative ideas; offers maximum flexibility.
Field-of-Interest	Matches grantmaking with donor interest; recognizes donors for their interest; allows flexibility to provide grants for new organizations and programs in the future.	Provides more resources for a particular field; narrows competition for grants from other fields; funds a variety of organizations; focuses community attention.
Donor advised	Attractive alternative to private foundations; offers flexibility; actively involves donors and successors in grantmaking; teaches younger generations; builds relationship with the foundation.	Provides support for select nonprofits; actively involves interested donors with specific nonprofits.
Designated	Allows control during and after lifetime; gives donors an identity with nonprofits.	Provides ongoing support, financial security, and non-competitive funds; connects donors and nonprofits forever.
Organization Fund	Smaller funds enjoy professional management at low fees; exposure and flexibility in the community.	Provides operating support, financial security and non-competitive funds for an organization.
Scholarships	Allows donors to recognize outstanding students; can establish a memorial to young ones; sets example for younger generations.	Provides needed funds for education; recognizes recipients and the institution; exposes recipient to philanthropy.

Source: *Endowment Options*, The Winston-Salem Foundation, Winston-Salem, North Carolina.

APPENDIX C

Tips for Reviewing a Fund Agreement

Before establishing a fund at a community foundation, consider asking the following questions.

- What rules does the community foundation have with regard to succession?
- What minimum set-up amounts and management fees are associated with the fund?
- Does the community foundation place limits on grantmaking, including the types of grants and the location of grantees?
- What kind of financial reports are provided, and at what intervals?
- Will the community foundation provide assistance in locating and vetting prospective grantees?
- Does the community foundation have any requirements concerning who serves as an advisor to the fund?
- What steps does the community foundation take to ensure anonymity—if requested—or publicity for the donor?

Source: *Practices in Family Philanthropy: Family Philanthropy & Donor Advised Funds*, Joseph Foote. National Center for Family Philanthropy, 2000.

APPENDIX D

Examples of Community Foundation Leadership Initiatives

As local centers of philanthropy, community foundations evaluate and spotlight issues, convene, coordinate, and catalyze. Here are some examples of community foundation leadership initiatives. (Note: The language is taken directly from community foundations' materials.)

San Francisco Foundation (California)
Disaster Emergency Fund
The San Francisco Foundation established a $7 million emergency fund in 1989 to help put the Bay Area back together after devastating floods and mudslides.

Seattle Foundation (Washington)
A Healthy Community: What You Need to Know to Give Strategically
Created to help donors target their giving in the greater Seattle area, *A Healthy Community* is organized around the foundation's seven *Healthy Community* elements, which are basic needs, health and wellness, education, economy, arts and culture, neighborhoods and communities, and the environment. It provides an overview of challenges facing the community, data to highlight needs, promising strategies, and examples of local programs that donors can fund. The report also shows how issues are affected by education, income, race, age, gender, and sexual orientation, and how the greater Seattle area stacks up against countywide averages. The foundation spent two years compiling the report with input from more than 2,000 community leaders, nonprofits, and community groups.

Community Foundation of South Wood County (Wisconsin)
Community Progress Initiative
After the wood processing industry declined in South Wood County, the Community Foundation of South Wood County and the town of Rome partnered to develop a Community Progress Initiative to revitalize the region. To assist local residents in creating their own future, the community foundation created an endowment fund for each of the seven local communities. Each fund supports unique community development opportunities as identified by the residents of that area. Local citizens, serving on community fund committees, are responsible for fundraising, setting grant guidelines, accepting grant applications, and making grants to improve their own community.

Greater Cincinnati Community Foundation (Ohio)
The Social Capital Survey
Communities with high social capital are likely to have higher educational achievement, better performing governmental institutions, faster economic growth, and less crime and violence. To this end, the Greater Cincinnati Foundation sponsored a study of its region's social capital—the connectedness and civic engagement in its community. The survey consisted of a representative sample of 1,000 respondents, covering the eight-county region. The survey was the largest scientific investigation of civic engagement ever conducted in America. It took the temperature of Cincinnati's civic vitality, gauging social barometers such as participation in neighborhood groups, club membership, public affairs activities, and volunteerism, and has become a model that can be used on a national level.

Community Foundation for Southeastern Michigan
Great Outdoors Leadership Grants Program
In 2003, The Community Foundation awarded more than $2 million in Great Outdoors Leadership Grants to 12 nonprofit organizations and government agencies for outdoor, out-of-school learning programs for children. For the next two years, these Great Outdoors Leadership Grantees tested new strategies and innovative approaches for using the out-of-doors to improve children's learning, health, and general well being, and for strengthening family and community support for children.

El Paso Foundation (Texas)
Revolving Loan Fund—Lower Valley Water District
In the 1980s, approximately 65,000 low-income residents of the Lower Valley of El Paso lacked a potable water supply, prompting the El Paso Community Foundation to initiate efforts to establish a loan fund that would provide capital and the needed administrative system to supply small loans for water connections. The loan fund provided low-interest loans ranging from $950 to $2,500 to more than 722 families. The residents paid back the loans on their water bills.

Exponent Philanthropy is the country's largest association of funders and the only one dedicated to serving foundations with few or no staff, philanthropic families, and individual donors. Our vibrant network has in common lean operations and a style of philanthropy motivated by personal passion, community needs, and the strong desire for better outcomes. We provide high-quality and cost-effective programs, resources, and connections that maximize our members' dollars and time for the benefit of diverse communities and causes.

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