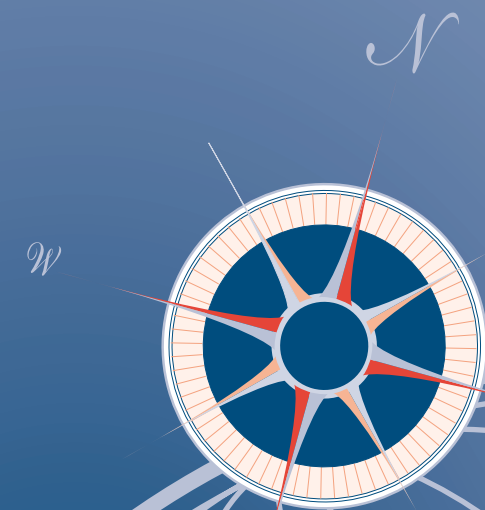


EXPLORATIONS



Principles for Community Foundations

2nd Edition

Community Foundations of Canada



Community
Foundations of
Canada
Fondations
communautaires
du Canada

Community Foundations of Canada
75 Albert Street, Suite 301
Ottawa, Ontario
K1P 5E7
ph (613) 236-2664
fax (613) 236-1621
e-mail: info@community-fdn.ca
Web site: www.community-fdn.ca

A message from Community Foundations of Canada

It is a great pleasure to introduce this 2nd Edition of *Explorations: Principles for Community Foundations*.

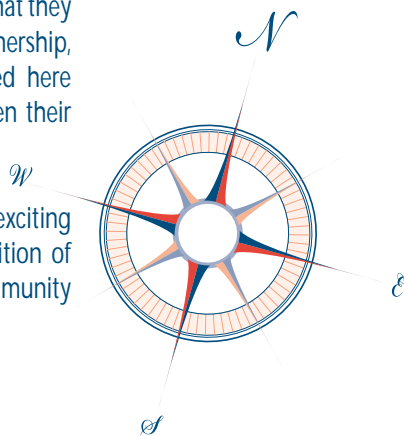
Community foundations are one of the fastest growing and most dynamic networks in the voluntary sector in Canada, across North America and around the world. We have an extraordinary opportunity to influence the capacity of our communities to face present and future challenges – not only in our role of building financial assets and creative grantmaking, but also by offering leadership and building bridges between the diverse groups that give our communities life.

In 1996, Community Foundations of Canada (CFC) and its members began an exploration of the role community foundations could play in bringing together diverse people and groups – community members who might not otherwise connect with each other – to tackle local concerns and issues. That work generated a group of Principles for Community Leadership, which we set out in the first edition of *Explorations* in 1998. As community foundations continued to explore the power of those principles, we soon realized that they apply not just to our leadership activities, but to all the work we do. Partnership, accountability, dialogue, diversity – these and the six other principles outlined here represent the heart and soul of how community foundations strive to strengthen their communities.

Fulfilling the potential that these principles represent is an ongoing, challenging, exciting journey for all our members across Canada and for CFC. We hope this 2nd Edition of *Explorations*, now expanded and more accurately subtitled Principles for Community Foundations, inspires and informs your own journey.



Monica Patten
President & CEO
Community Foundations of Canada
November 2001



Contents

| | Page |
|---|------|
| Introduction | 3 |
| Guiding Principles for Community Foundations | 4 |
| PRINCIPLE 1 Building Community Capacity | 6 |
| PRINCIPLE 2 Understanding the Changing Nature of Our Communities | 10 |
| PRINCIPLE 3 Creating Opportunities for Dialogue | 12 |
| PRINCIPLE 4 Developing Partnerships | 14 |
| PRINCIPLE 5 Reflecting Diversity and Fostering Renewal | 16 |
| PRINCIPLE 6 Establishing an Effective and Imaginative Grants Program | 18 |
| PRINCIPLE 7 Building Community Assets and Facilitating Philanthropy | 22 |
| PRINCIPLE 8 Evaluating and Sharing Results | 26 |
| PRINCIPLE 9 Implementing Responsive and Accountable Processes | 28 |
| PRINCIPLE 10 Balancing Our Resources | 30 |
| Acknowledgements | 32 |



Introduction

The dramatic growth of community foundations in Canada over the last decade has been both exhilarating and infinitely challenging. Highlighting our potential to help donors reach their charitable goals, many generous “dot-com” donors chose community foundations for their philanthropy. Along with this extraordinary growth in the movement’s assets and opportunities, Community Foundations of Canada and its members welcomed the new millennium by leading a massive groundswell of community action called *Our Millennium*. The 18-month celebration sparked the participation of more than 4.6 million Canadians in special projects to benefit their communities.

Our Millennium, combined with our core activities of grantmaking, asset development, donor service and community leadership, deepened our understanding of how crucial a role community foundations can play in building bridges within our communities. Broad-based and situated at the hub of our communities, community foundations have tremendous potential to bring diverse parts of the community together. We can seek out voices from all corners of our community, bring them to the table together, promote dialogue, build partnerships. We can stimulate and nurture the relationships that link us to others (community activities, clubs, neighbourhood associations and other less formal networks) and that create our sense of belonging to a community. Social scientists call these vital connections “social capital” and have found that they are linked to many measures of community and individual well-being. Community foundations, experts in building financial capital for their communities, also have a leadership role in building social capital – the glue that holds communities together. Working on both fronts, we can help ensure that our communities have the capacity they need to meet current and future challenges.

This 2nd Edition of *Explorations* describes ten principles to guide the work of community foundations. Along with many familiar practices, it describes some very challenging ideas that will cause us to stretch, change and grow. We hope this publication encourages community foundations across Canada to explore the roles they can play in facilitating philanthropy, engaging their communities and building community capacity.

How this booklet is organized

Explorations is designed to help board members, staff and other volunteers explore new ideas and directions. It was developed for community foundations – but we have heard that other grantmakers and organizations involved in community leadership also find it useful.

Following this Introduction, all ten principles are presented in brief. Then each principle is discussed more fully within its own section of the booklet, exploring why the principle is important and outlining a number of ways community foundations can apply the principle. Stories of the principles in action, gathered from community foundations across Canada, illustrate each section.

"I like the work you are doing with the principles. They are better than anything I've seen to describe the intentions and values of community foundations."

Steven E. Mayer, author of "Building Community Capacity: The Potential of Community Foundations"

Principles for Community Foundations

PRINCIPLE 1

Building Community Capacity

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

PRINCIPLE 2

Understanding the Changing Nature of Our Communities

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

PRINCIPLE 5

Reflecting Diversity and Fostering Renewal

We believe there is strength in diversity and that our communities will be better served when we understand different points of view and engage the broader community in our deliberations and decision making.

PRINCIPLE 3

Creating Opportunities for Dialogue

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

PRINCIPLE 4

Developing Partnerships

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

PRINCIPLE 6**Establishing an Effective and Imaginative Grants Program**

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

PRINCIPLE 8**Evaluating and Sharing Results**

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

PRINCIPLE 7**Building Community Assets and Facilitating Philanthropy**

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

PRINCIPLE 9**Implementing Responsive and Accountable Processes**

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

PRINCIPLE 10**Balancing Our Resources**

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

“No community has ever been built on the needs and problems of its people. It has always been built on their gifts and capacities, and the use of the assets that are there.”

John L. McKnight,
Director of
Community Studies,
Northwestern
University, Chicago

PRINCIPLE 1

Building Community Capacity

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

What does building community capacity mean?

It is a concept based on the belief that within any community there are individuals, groups and organizations with the abilities, skills and resources to respond creatively and effectively to local problems and challenges. It means looking at a community – even a seemingly distressed one – not as a place that needs services to fix all its problems but as a place with many skills, talents and other assets that can be nurtured and mobilized.

The idea of building community capacity was first championed by John McKnight and Jody Kretzmann at Northwestern University in Chicago. Their work has helped change the way North American communities look at solving their problems. By focusing on their assets and capacities rather than on their needs and shortcomings, communities begin to see themselves as healthier and more vibrant; they become more self-reliant; local leadership develops; financial resources are mobilized and community partnerships flourish.

A host of formal and informal networks also help to strengthen a community. The stronger these connections are, and the better they link diverse parts of the community, the more we trust each other – and the healthier our community is. Social scientists have named those relationships “social capital.” It is the glue that holds communities together.

In everything we do as community foundations, whether it's fund development, donor service, grantmaking or leadership, we are building financial capital, social capital and community capacity.

Why is this principle important?

The challenges facing our communities today are enormous. Resources we once depended on have been dramatically reduced or have disappeared. Social problems are complex and progress in addressing these issues is slow. The role of government continues to change and there is a need for local leadership. Our communities need fresh thinking, full participation from all parts of the community, and new partnerships. Community foundations can help their communities capitalize on their strengths, uncover hidden assets and mobilize their resources in new ways.

What can you do to build community capacity?

Build your own organizational capacity

- ensure your mission statement reflects the principle of building community capacity
- inform volunteers and staff about community issues
- budget for equipping and updating your organization
- support training and development opportunities for staff and volunteers 4

Build a healthy endowment fund for your community

- develop and actively implement a fund development plan
- identify and nurture relationships with potential donors
- provide flexible and creative giving options 4

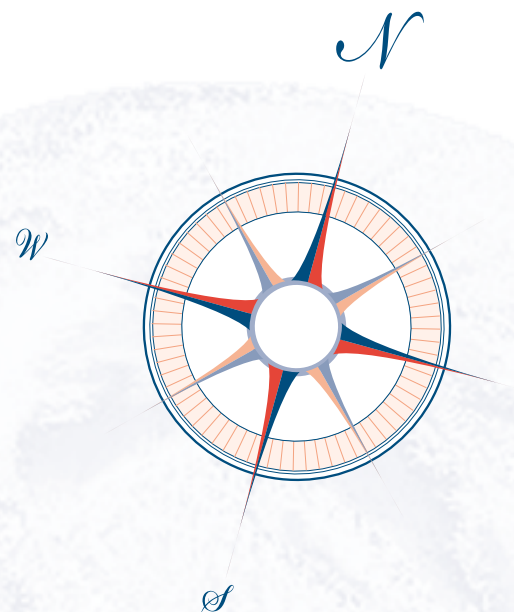
Make capacity-building grants

- build on existing community strengths and resources
- interact with grant applicants to help them strengthen their proposals
- seek out people with innovative ideas
- tell your capacity-building grant stories 4

Through CF-LINKS (its professional development and training program) **Community Foundations of Canada (CFC)** provides resources on how to start a community foundation, fund development and donor services, grantmaking, governance, management, marketing and communications. CFC also provides support through regional meetings, workshops on all aspects of a foundation's work, and a biennial national conference.

To help build its endowment fund, the **Community Foundation of Greater Kingston** partnered with Alcan, a local corporation with a 58-year history of giving. Alcan helped create the foundation's first corporate fund with a substantial donation and challenged its employees, retirees, business partners and associates to join in the initiative.

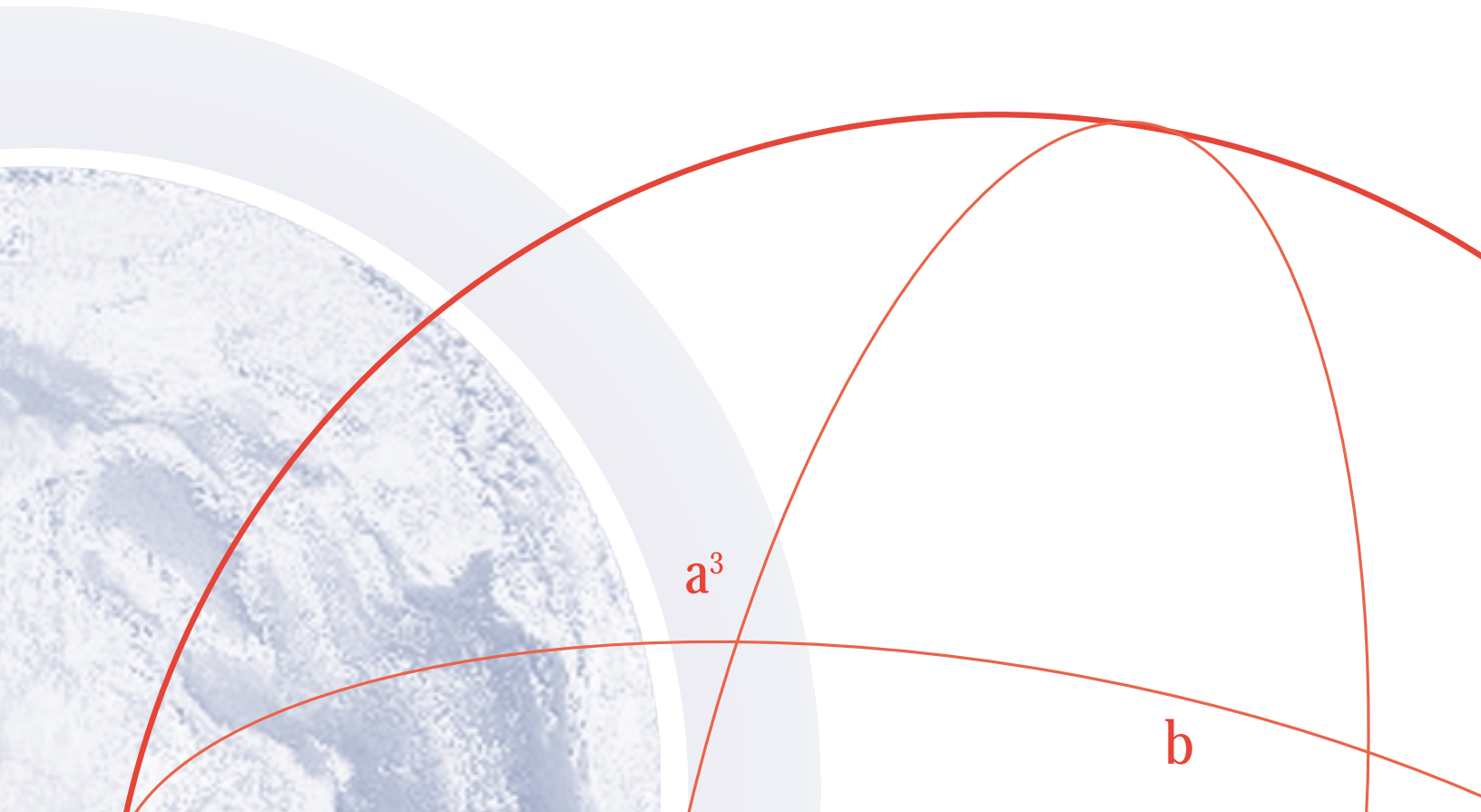
A residential treatment centre for young women received a grant from **The Winnipeg Foundation** for a new gym floor. The floor became a symbol of self-worth and pride for the young women and their caregivers, and a decision was made to open the facility to the community for dances, training seminars and other events. This "bricks and mortar" grant was really an investment in people, going beyond the centre's walls, increasing the assets of the entire community.



Offer leadership in community problem solving

- be willing to speak out about issues in your community
- facilitate discussion among concerned individuals and groups
- actively participate in community discussions
- take advantage of special opportunities (like *Our Millennium* or the International Year of Volunteers 2001) to build bridges and strengthen community networks⁴

Concerned with the impact of funding cuts to local cultural organizations, **Hamilton Community Foundation** offered to arrange a meeting of CEOs and board chairs of the major arts groups to facilitate information sharing and joint problem solving. The foundation then brought some key arts funders into the discussion. Ultimately, the group approached the foundation to lead an arts stabilization initiative. The Bay Area Arts & Heritage Stabilization Program, which is time-limited, will provide technical assistance and working capital grants to participating organizations. The foundation played a critical role as catalyst, drawing together the partners to identify the issues and develop a strategy that meets local needs.



CFC's *Our Millennium* program was a national example of strengthening the connections that give us a sense of belonging to a community – what social scientists have called “social capital.” Through 1999 and 2000, 4.6 million Canadians worked in small groups to plan and implement an astonishing diversity of local community projects to mark the new millennium. Citizens in Pictou, NS built an exact replica of the ship that brought their first settlers from Scotland in 1773; the Farmers Circle of Quebec in Sainte Monique les Saules made hats, mittens and scarves for local school children in need; three students in Port Elgin, ON created a suicide awareness program for their school; an environmental group in Toronto produced a guide to natural control of garden pests and diseases; the Edmonton Community Foundation, the United Way and the Edmonton Journal partnered to create a permanent endowment for children; 45 volunteers in Surrey, BC formed a community safety patrol. In all, 6558 community gifts were registered on *Our Millennium's* Web site. Recognizing these stories as a unique national treasure, the National Archives of Canada has made ourmillennium.ca the first Web site in its permanent collection. The new relationships and new levels of trust that *Our Millennium* fostered are as lasting a legacy as the gifts and projects created.

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

Lewis M. Feldstein
New Hampshire
Charitable Foundation
& Harvard
University/Kennedy
School Executive
Seminar Civic
Engagement
in America

PRINCIPLE 2

Understanding the Changing Nature of Our Communities

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

Why is this principle important?

Changes in demographics, needs, funding sources and opportunities can occur rapidly. With knowledge and information, we can be more effective organizations. By reaching out and staying informed, we understand our communities better. We know, first-hand, our community's strengths and weaknesses and can make informed decisions and better use of our resources.

"In Canadian communities from sea, to sea, to sea, the challenges are diverse and becoming more complex.. There are no quick or easy solutions anywhere - successful prescriptions for sustainable, healthy communities rely on local leadership."

Christine Lee,
Walter & Duncan
Gordon Foundation

What can you do to understand the changing nature of your community?

Learn about your community

- read and discuss reports from social policy planners, local organizations and government agencies
- invite community experts to speak at your board and committee meetings
- conduct focus groups and community consultations
- clip newspaper stories on local issues and circulate to staff and volunteers
- develop an advisory network of local experts 4

More and more, community foundations are at the centre of efforts to assess the needs and strengths of their communities.

Vancouver Foundation is collaborating in a public dialogue series on civil society. **The Calgary Foundation** is a key player in a community-wide partnership to measure "Sense of Community." Toronto's "Vital Signs" initiative to develop social indicators (in employment, housing, transportation, health care, environment, and learning) has become a signature project for the **Toronto Community Foundation**. Other community foundations across the country are providing leadership in similar efforts to measure and strengthen social capital and other community assets.

Get out into the community

- make it a priority for staff and Board members to get out of the office regularly
- attend agency annual meetings and community events
- participate in community forums
- visit grant recipients to present cheques or to see agency programs at work 4

Established in 1996, the **Comox Valley Community Foundation** has experienced rapid growth – due in no small part to its volunteers' philosophy of getting out into the community to raise the foundation's visibility. Presenting grant cheques in person, hosting a gala community dinner and participating in a variety of local events are regular activities.

Look at the bigger picture

- keep up to date with local, provincial and national trends
- try to anticipate the impact of these changes on your community 4

Community Foundations of Canada keeps foundations across the country connected to the bigger picture. Regular information bulletins and "Tips and Tools" sheets cover topics such as changes in tax laws, federal budget implications, national award programs, voluntary sector round tables. These and other CFC publications share the experience of community foundations across Canada. Discuss these bulletins with all board members, staff and appropriate committees. It's a great way to stay informed!

By creating environments in which people can share information and opinions respectfully, community foundations can help people find joint solutions to local issues.

PRINCIPLE 3

Creating Opportunities for Dialogue

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

Why is this principle important?

We live in a world where public discourse has been reduced to 10-second sound bites and opinion polls that force people to take sides. There are very few opportunities for people to come together in communities to talk about things that matter to them collectively. Community foundations are in a unique position to play a role in organizing and convening these kinds of local discussions. By creating environments in which people can share information and opinions respectfully, community foundations can help people find joint solutions to local issues.

What can you do to create opportunities for dialogue?

Be a convener

- offer to act as a convener for meetings, forums or conferences on issues that are important in your community
- commit adequate time and resources to convening processes
- invite donors and prospective donors to join in community discussions⁴

Building on its grantmaking experience in scholarships and its commitment to education, **The Winnipeg Foundation** facilitated a unique partnership between the City's Economic Development Agency, the Chamber of Commerce and the Winnipeg Free Press to generate greater community appreciation for the importance of post secondary education. The partnership raises awareness of the fact that education underlies a successful economy and recognizes those businesses that take best advantage of post secondary educational opportunities. It also includes a significant commitment of new grants to local universities and colleges.

Develop skills and knowledge

- recognize that convening requires special skills and training
- seek opportunities to build your convening skills
- recruit volunteers and staff with facilitation and presentation skills
- begin by working with small groups to gain experience
- share your experiences with other community foundation colleagues and learn from each other⁴

The Saskatoon Foundation convened a symposium on quality of life issues with 40 young people from 11 schools and other youth organizations. Students facilitated small group sessions and reported to the large group, which included a dozen adult leaders from schools, community organizations and the foundation. The dialogue immediately sparked a new City drop-in program. It will also guide the Saskatoon Foundation's grantmaking for youth.

Create an environment for respectful dialogue

- encourage key people to participate
- include participants from across the community
- ensure everyone has an opportunity to voice opinions
- choose the right setting
- use a skilled facilitator⁴

The Red Deer and District Community Foundation (RDDCF) was a key player in sparking a community-wide dialogue about how the community could identify, nurture and train new leaders. By bringing a wide range of voices together and setting the stage for a respectful exchange of views, RDDCF helped the community create a plan and eventually launch a community-based leadership program. Other similar community dialogues have brought action on homelessness and poverty. For RDDCF, convening has become a key strategic activity and a real contribution to community life.

“True collaborations are not just about working together and doing essentially the same things – but rather they are about setting collective priorities, using resources in different ways, incorporating different perspectives.”

Julie White,
formerly Executive
Director, Trillium
Foundation

PRINCIPLE 4

Developing Partnerships

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

Why is this principle important?

Today, more than ever, our resources – people, time and money – are limited, and the challenges facing our communities are increasingly complex. We can't solve these issues alone. Partnerships and collaborations create new energy and ideas, often resulting in increased resources. Working together with a shared vision and sense of mutual responsibility, we can create a more positive and constructive atmosphere for problem solving.

What can you do to develop partnerships?

Form partnerships and collaborate with other funders and community groups

- look for opportunities to work with community partners to strengthen your organization
- share information and expertise
- co-host community events and forums
- offer to convene groups with shared concerns⁴

Encourage grant recipients to partner with other organizations

- reinforce the idea of partnerships in your granting guidelines
- fund collaborative projects
- encourage and help emerging organizations to partner with a registered charity
- bring together organizations doing related work⁴

Build relationships with professional firms and donor advisors

- invite financial advisors and estate planners to join your board and committees
- inform professional advisors about how you can work together to benefit your mutual clients
- create a Professional Advisors Committee and program⁴

Create partnerships with other community foundations

- network with other community foundations to share resources and expertise
- take advantage of the CF-LINKS program offered by Community Foundations of Canada
- find a mentor or colleague from another community foundation for ongoing support⁴

Inspired by the growing movement and success of community foundations across Canada, leaders in the Greater Montreal area saw the need and opportunity to create a community foundation that would help promote philanthropy and leadership in their community. Their discussions led to a very special partnership between The Centraide Foundation, the YMCA Foundation and the Red Feather Foundation, which pooled their assets in a \$20 million common fund to create the **Foundation of Greater Montreal / Fondation du Grand Montréal**. Other foundations have also played an important role in launching the FGM: the J.W. McConnell Family Foundation, the Jewish Community Foundation of Montreal and Centraide of Greater Montreal are providing start-up funds and have delegated representatives to sit on the Board of Directors.

The Portage Chapter of the Learning Disabilities Association of Manitoba (LDAM) requested funds for educational resource materials. Before funding this request, the **Community Foundation of Portage and District** wanted to ensure widespread and easy access to these books and tapes. To address this concern, the foundation helped the LDAM establish a partnership with the public library.

Working with a group of professional advisors, **Edmonton Community Foundation** coordinates an annual "Wills Week." The goals of this week-long public information program are to encourage people to make or update their wills, seek professional advice and consider making a charitable gift as part of their estate planning. The underlying goal is to increase awareness of the foundation among professional advisors.

The Community Advancement New Brunswick (CANB) program is a partnership between the T.R. Meighen Foundation and CFC. It is designed to build the capacity of the existing community foundations in Saint John, Fredericton, Moncton and Fundy Region – as well as seed a new community foundation in an unserved area of the province. A group in the Acadian Peninsula has accepted the challenge. The three-year initiative is strengthening operations, grantmaking and endowment building.

"It's not about counting heads, it's about making heads count."

Samuel Betances,
Keynote Speaker,
Council on
Foundations 1997 Fall
Conference

PRINCIPLE 5

Reflecting Diversity and Fostering Renewal

We believe there is strength in diversity and that our communities will be better served when we understand different points of view and engage the broader community in our deliberations and decision making.

Why is this principle important?

By making our organizations more reflective of the communities we serve, we capture new energy and ideas and a richness of opinion and experience that contributes to better discussion and decision making. Our organizations are progressive, approachable and relevant and our staff and volunteers are better informed, in closer touch with their communities. We revitalize our organizations (and communities) with new leadership. And, through the community bridges we build, we create opportunities to establish relationships with new groups of potential donors.

What can you do to reflect diversity and foster renewal?

Better understand the makeup of your community

- talk with leaders of the various groups within your community to listen and learn
- review available information on changes in local demographics
- read relevant community reports and participate in discussions 4

Seek balance within your volunteer and staff structure

- identify gaps on your board and committees (age, experience, ethnicity, socio-economic level)
- develop nomination criteria to help you reflect diversity
- be proactive and recruit volunteers and staff with different backgrounds
- practice open and fair hiring procedures 4

Expand your outreach into the community

- identify individuals who can introduce you to their respective communities
- interact with various groups to learn about their issues and concerns
- encourage grant applications from diverse community groups
- profile these grants to raise community awareness
- cultivate donors from varied backgrounds
- expand your mailing and invitation lists 4

When it came time to update their general information brochure, and in response to dramatic changes in the demographics of their community, **The Richmond Foundation** produced their printed material in three languages – English, Chinese and Punjabi. Able to communicate with a wider audience, the foundation received widespread acknowledgement and praise for their initiative.

To broaden their volunteer base, renew their organizations, develop a promising community resource, and heighten their own insight into community issues, community foundations across the country are reaching out to youth – often in partnership with other organizations. Just a few examples of this “movement within a movement”: Vancouver Foundation is providing matching grants and expertise to community foundations in BC to develop **Youth in Philanthropy** programs, and a youth web site (yip.bc.ca) is up and running. The Saskatoon Foundation's Youth Granting for Youth is a partnership with the Muttart Foundation enabling youth to make grants to projects that touch other youth. The Winnipeg Foundation is linked to youth advisory committees at ten city high schools. In Kingston, the Youth Advisory Council began as a partnership with a local radio station to support young artists.

A small grant to the Rainbow Skill Development Centre to purchase machines for teaching commercial sewing to immigrant women put the **Community Foundation of Ottawa** in vogue! The women's unusual and beautiful creations were unveiled at a fashion show, a highlight of the foundation's annual meeting. Donors were delighted not only with the initiative and talent of this group, but also with the vision of the foundation in supporting this “capacity building” project.

“Are we taking full advantage of our ability to take the long-term view, to be more entrepreneurial in our grantmaking, to fund the obscure or unpopular rather than just the safe and respectable?”

Tim Brodhead, J.W.
McConnell Family
Foundation

PRINCIPLE 6

Establishing an Effective and Imaginative Grants Program

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

Why is this principle important?

Many would argue that grantmaking is the most important activity of community foundations – it is certainly the most visible aspect of our work in the community. When we practice effective and imaginative grantmaking, we have the potential to impact our community in profound ways – building its capacity, creating learning opportunities, leveraging resources and enabling important, sometimes ground-breaking, work. Good grantmaking also attracts new donors and stimulates the growth of endowment and other types of funds.

What can you do to establish an effective and imaginative grants program?

Set strategic priorities

- know your community, its needs, strengths and resources
- develop grantmaking priorities in response to community needs and opportunities
- set realistic goals for what you can accomplish
- create clear and simple application procedures, forms and guidelines
- ensure your granting criteria support your mission statement and organizational values⁴

To meet their strategic grantmaking goals, **The Kitchener and Waterloo Community Foundation** acted as the convenor for a major project, developing a series of trails and walkways through the centre of the city along the Grand River. Their initial commitment of \$25,000 was a catalyst for other funders to join and leverage more than \$4 million from individual, family and corporate sources. A lasting legacy lives on in their community.

Board members of the **Medicine Hat Community Foundation** were aware that treatment for substance abuse was a key community problem. By bringing together more than ten community groups and local politicians, the foundation sparked a unique new program: people can now receive qualified medical help to withdraw from drugs at home or at work, rather than in hospital. Avoiding institutional rules and being surrounded by the support of family and friends has proved a key to success. After the foundation funded the program's first year, the Alberta Alcohol & Drug Abuse Commission took it over as part of its annual program.

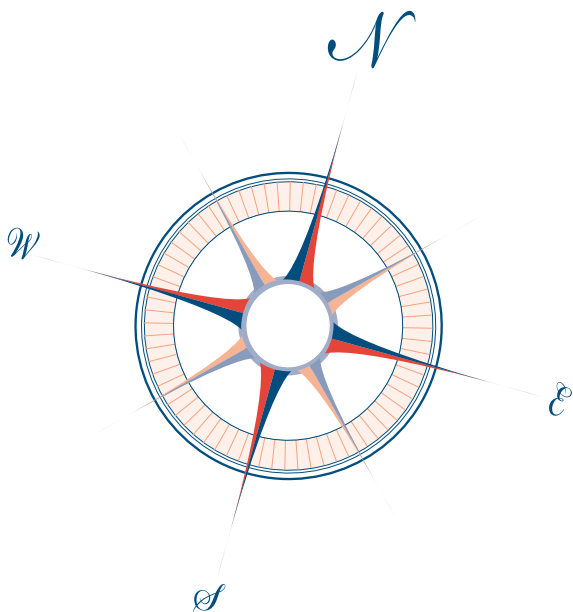


Interact with your grant applicants and community

- be available to community groups to discuss their ideas
- work with grant applicants to strengthen their funding proposals
- offer organizational help as well as money⁴

Aim for maximum impact

- invest in your community's strengths and opportunities
- consider multi-year grants to build sustainability
- incorporate capacity-building support (training, infrastructure etc.) into your grants
- evaluate your grants and share the results⁴



Cuts to their government funding nearly closed the doors on KYTES, one of Toronto's most effective programs for street youth. But when KYTES approached **Toronto Community Foundation** for support, TCF gave them more than just an emergency grant. TCF volunteers helped them restructure their budget and become sustainable. With grants from several fund holders – and the credibility those grants conferred – KYTES was able to attract \$100,000 in additional support, re-hire staff and carry on.

The need for ongoing operating support for a new community centre resulted in a guarantee of a three-year grant from **The Killarney Foundation**. The centre is now self-sufficient and able to offer much needed new programs such as a summer school, the only one of its kind in the province outside of Winnipeg.

To help build the organizational capacity of its grantees, **The Calgary Foundation** now adds a "technical assistance component" to a number of its grants. For example, grantees may be given extra funds (over and above the funds they requested) to undertake related research or to access outside expertise or training programs. The extra funds may assist with the development of marketing plans or help with the clarification of strategic priorities and the development of related Board, staff and volunteer skills.

Learn about grantmaking trends and be innovative

- consider a neighbourhood grants program
- remember that small grants can have a big impact
- find ways to use your grants to leverage other support⁴

Be flexible and creative

- seek out new ideas and innovative thinkers
- find ways to say “yes” to imaginative ideas
- decide quickly on requests to be declined so you can spend most of your time on requests you will eventually fund
- seize opportunities to focus grants on issues that are important to your community
- don't be afraid to take some calculated risks⁴

Vancouver Foundation's Youth Philanthropy Council's mini-grants program, known as P.H.U.N.K.Y (Philanthropy Helps Unite Neighbourhood Kewl Youth) offers students in grades 3, 4 and 5 up to \$200 for school or community projects. The kids learn about philanthropy and their community in addition to enriching their school experience.

When **Fredericton Community Foundation** decided to help the community establish a women's shelter, they provided both an outright grant and a 2:1 challenge grant, to help organizers leverage more community support.

When Meals on Wheels found the larger premises they needed, they had to move in on short notice. They didn't have budget for carpet, tile and signage. Because their grantmaking procedure allows special discretionary grants of a maximum of \$1,500 to be given outside of the usual grants cycle, the **Central Okanagan Foundation** was able to fund a great project in a timely fashion.

The **Community Foundation of Greater Kingston** took advantage of the International Year of Volunteers to focus one cycle of its grants on proposals that emphasized volunteer training and collaboration among organizations.

At a symposium on children's issues, **Hamilton Community Foundation's** CEO had an informal chat with a local police officer, who described how youth loitering on weekend evenings had become a local concern. The community foundation convened the stakeholders – youth, police, business owners, residents, and youth-serving organizations. Six weeks later, they had together created “The Square” – a safe place for youth to congregate and socialize which attracts about 50 kids three nights each week. Hamilton Community Foundation acted as the catalyst and hired a community development worker on a short-term contract to help the group realize its plan; soon after, it transferred management and fiscal responsibility for the successful project to a youth-serving agency.

“One of our foundation’s goals is to enhance the nature and the scope of philanthropy – not just in this community, but nationally and internationally.”

Community
Foundation of Ottawa
strategic plan

PRINCIPLE 7

Building Community Assets and Facilitating Philanthropy

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

Why is this principle important?

Community foundations are uniquely positioned to help donors, potential donors, and professional advisors understand the diverse needs, strengths and opportunities in their communities. By learning about and respecting the charitable goals of our donors and working with them and their advisors, we can help donors leave a lasting legacy that truly reflects their particular philanthropic intent and also meets important needs in our communities and beyond. Through flexible, personalized donor services and wise investment and stewardship practices, we will foster philanthropy, increase the endowed and other funds that build the capacity of our communities, and ensure that our endowments remain flexible enough to meet evolving future needs.

What can you do to build your community's assets and facilitate philanthropy?

Create a strong investment and stewardship framework

- establish investment policies and guidelines
- recruit knowledgeable board members
- select external investment counsel, set performance benchmarks and plan for periodic evaluation
- adopt a code of ethics, such as the Canadian Centre for Philanthropy's "Code of Ethical Fundraising and Financial Accountability"⁴

Promote the value of philanthropy

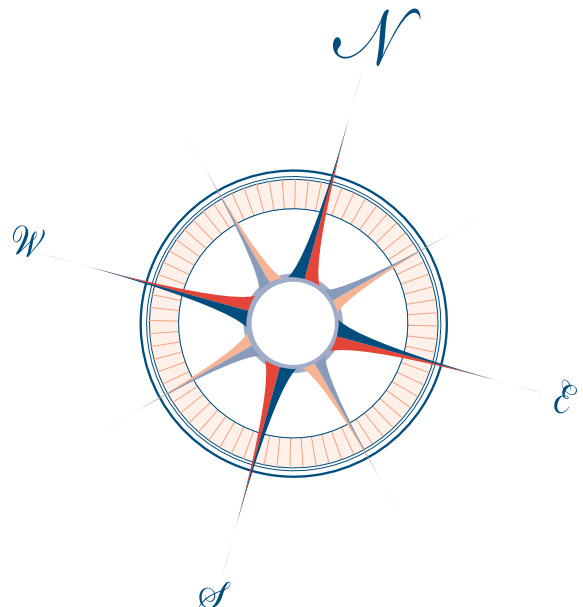
- partner with other groups to encourage giving to all charities
- leverage assets for your community
- speak out about the value of giving
- help donors pass the philanthropic spirit to the next generation⁴

The Community Foundation of Orillia &

Area got off to a fast start, with assets growing to almost \$700,000 in its first two years, and quickly realized it needed outside investment services to ensure both growth and security to its donors. The board formed an investment committee that included volunteers from the investment community and established investment policies and guidelines (portfolio objectives, asset mix, reporting expectations etc.) that formed the basis for soliciting proposals from investment firms. A process for reviewing proposals was also set and an investment firm was selected from a short list of three.

One of Fundy Community Foundation's

donor advised fund holders has named his children as the trustees of the family fund. Each year, the two teenagers work together to decide how income from the fund will be spent. A new generation is learning about investments, community needs and opportunities, how to evaluate potential grantees and how to make tough choices. Their first grant was made to a local women's shelter.



Respect donor wishes and help them tailor their giving

- talk to your donors about their charitable goals
- help donors structure a personalized plan that meets their specific situation and charitable desires
- offer a wide range of flexible giving options
- be knowledgeable about tax benefits of different forms of giving
- provide recognition (or anonymity) tailored to each donor; organize donor recognition events⁴

Involve your donors

- give donors information about the needs and opportunities in the community
- take donors on site visits to community projects
- offer donors opportunities to talk to grantmaking volunteers
- send donors reports and updates about their fund's performance and grants⁴

Assets of **The Abbotsford Community Foundation** soared when a "dot-com" donor contributed more than \$1 million in stock. After discussions with the foundation, the donor divided his gift between the community fund, the administrative endowment fund, a bursary fund, and the Land Trust Society. Although he and his wife live outside Abbotsford, the anonymous donor learned of the foundation's activities through one of the board members. His wife contributed a similar amount to a prairie university for equine research.

As part of their donor service program, the **Community Foundation of Ottawa** has begun mini-van outings to community projects for its fund holders. They visit grantees and learn first-hand about local needs and solutions.

Partner with professional advisors

- work with your community's professional advisors (lawyers, accountants, financial planners etc.) to help them meet their clients' charitable goals
- recognize that advisors are key partners in facilitating philanthropy⁴

Many community foundations are partnering with the “**Leave a Legacy**” initiative to encourage people from all walks of life to consider a gift to a charity of their choice. Kingston's “A New Legacy” symposium, with various seminars on planned giving and charity law, attracted 80 professional advisors and representatives from local charities.

Vancouver Foundation and CFC jointly sponsored a two-day fund development and community leadership workshop in Richmond where close to 100 staff and board members from 27 BC community foundations learned from each other, from consultants and professional advisors.

Tell your stories

- give examples of how donors have met their particular charitable goals
- be transparent in your dealings with donors, advisors, grantees and the public
- celebrate philanthropy⁴

Hamilton Community Foundation has established a “speakers bureau” to encourage volunteers and staff to make presentations to local groups about community philanthropy and the foundation. A template speech is built around the stories of past and current donors.



“Our efforts in evaluation are aimed at making us better grantmakers – more informed and more educated about issues that challenge our community.”

John P. Binsted,
Vancouver
Foundation

PRINCIPLE 8

Evaluating and Sharing Results

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

Why is this principle important?

Unless we evaluate what we do in our grantmaking, fund development and leadership activities, we won't know whether we're on the right track. Everyone learns from evaluation – volunteers, staff, donors, grantees, partners and colleagues. We find out what works and what doesn't and we learn how to build on our successes and turn around our shortcomings. Sharing this information and insight with others adds to our knowledge and builds credibility with all of our partners.

What can you do to evaluate and share results?

Evaluate all your major activities

- set goals for your major activities to have a clear idea of what success will look like
- identify milestones along the way to help you track your progress
- revise your plans if your goals are not being met
- learn about evaluation through CFC's CF-LINKS program, other foundations or local resources⁴

Establish evaluation procedures and involve grant recipients

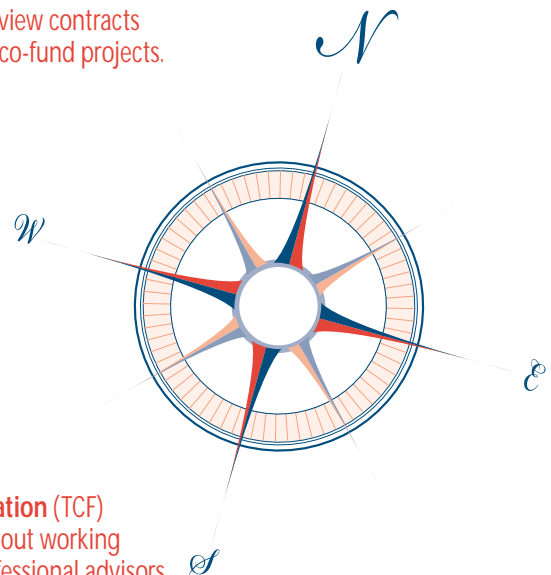
- establish evaluation and reporting as a condition of funding
- develop a simple and straightforward approach that includes a form for grant recipients to complete
- track your annual grants by comparing them against your funding priorities
- visit funded programs and invite recipients to meet with your grants committee to discuss results
- create a special evaluation process for grants that are larger, riskier, and/or multi-year and allow the recipients to cover these evaluation costs with grant dollars⁴

Share the results

- report back to grant recipients, fund holders, your board and committees
- communicate personal interest stories to the community and donors
- deliver an annual report to the community
- take donors on site visits to funded programs⁴

Believing that evaluation makes better grantmakers, **Vancouver Foundation** has made evaluation a priority. A working group, made up of staff and volunteers, reports to the distribution committee. It evaluates Vancouver Foundation's own programs – such as its regranting, Youth in Philanthropy, neighbourhood grants, and mini grants programs – as well as the effectiveness of its grantmaking practices.

To evaluate the impact of its grants program, **The Kitchener and Waterloo Community Foundation** sets annual objectives. They compare grants with priorities, discuss feedback from grant recipients and review controversial issues. They also meet with donors of advised funds to review contracts and explore opportunities to co-fund projects.



Toronto Community Foundation (TCF) gathered valuable insights about working with private foundations, professional advisors and donor services through its "Touch the Future" program. With support from Ontario's Trillium Foundation, TCF captured that learning and shared it with CFC and other community foundations in booklet form and on the TCF Web site.

At a time when charitable organizations are being closely scrutinized by donors, government agencies and the public, community foundations have an opportunity and an obligation to model high standards of accountability.

PRINCIPLE 9

Implementing Responsive and Accountable Processes

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

Why is this principle important?

This principle demonstrates respect for donors, grant applicants, volunteers, staff and others in the community and builds trust and confidence in the foundation. A commitment to objectivity helps resolve potential conflicts of interest and enables fair decisions on sensitive and difficult issues. At a time when charitable organizations are being closely scrutinized by donors, government agencies and the public, community foundations have an opportunity and an obligation to model high standards of accountability.

What can you do to implement responsive and accountable processes?

Be transparent in the way you do business

- establish policies and procedures that support your commitment to this principle and make this information readily available
- establish board and committee nomination criteria
- establish conflict-of-interest guidelines
- ensure your annual report presents clear financial information⁴

When **Fundy Community Foundation** turns down a grant application, they invite the agency to meet with staff to discuss the reasons for this decision. Believing they are accountable to their community and its organizations, they hope agencies will take away a better understanding of how to prepare a grant application and be encouraged to apply again for a grant.

Know the rules and regulations for community foundations

- learn about and comply with relevant federal and provincial legislation
- refer to Community Foundations of Canada guidelines
- organize board orientation and training sessions
- develop a board manual and volunteer job descriptions
- be aware of the issue of directors' liability⁴

The director of development and gift planning at **The Calgary Foundation** keeps the board (along with professional advisors in the community) informed about tax rules and regulations through breakfast meetings and seminars. To further increase the board's understanding, an example is given of how the rule or regulation works when applied to a gift to the foundation.

Develop clear and timely procedures

- develop simple, straightforward grant application forms and guidelines
- keep paperwork to a minimum
- provide timely responses to letters, phone calls and requests for information
- invite potential applicants to discuss their applications before they are submitted⁴

In a continuing effort to streamline the granting process, **The Victoria Foundation** has made its existing guidelines and application form available on its Web site. Potential grant recipients can now simply e-mail a draft application to the foundation for review before it is submitted. In addition, **The Victoria Foundation** has partnered with the United Way of Greater Victoria, Coast Capital Savings Foundation, and Queen Alexandra Foundation for Children to create a Web site where potential applicants can access funding information with greater ease.

Identify ways to report back to your community

- produce an annual report
- hold an annual event
- publish an annual summary of your activities, including financial results, in your local newspaper
- organize grant seekers forums
- develop relationships with local media ⁴

When they awarded their first-ever grants, the **Selkirk & District Community Foundation** celebrated by holding an awards dinner to distribute \$10,000 to five local organizations. Grant recipients talked about how the funding would be used and the event received front page newspaper coverage. Board members feel events like this are an excellent way to profile foundation grantmaking with donors and the community-at-large.

In our busy lives we sometimes neglect to celebrate the achievements and contributions of staff and volunteers. Don't forget the importance of balancing hard work with fun and fellowship.

PRINCIPLE 10

Balancing Our Resources

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

Why is this principle important?

Community foundations have multiple roles and responsibilities – for fund development, grantmaking and community leadership. To be effective in these interdependent areas, we need to find ways to balance our time, energy and activities. And we need to ensure that adequate financial resources are committed to carry out our responsibilities in each area. If we don't allocate our resources appropriately, we run the risk of being less effective and seen as focusing on one area only, diminishing our potential as philanthropic leaders in our communities.

What can you do to balance your resources?

Develop a strategic plan

- articulate a vision for your foundation
- identify and clearly understand your foundation's various roles
- commit to realizing this vision⁴

Create and implement an operational plan

- determine the resources necessary to implement your strategic plan
- budget adequately for each program area
- develop a staffing plan to support the delivery of your programs and services
- monitor and evaluate your plan on a regular basis⁴

Volunteers and staff at **Edmonton Community Foundation** say that the organization is always in a strategic planning mode. Each fall, at their annual board and staff retreat, goals are established and issues and opportunities are identified. The foundation's collective vision for the future and annual goals, action plans and budgets evolve from this regular planning process.

Investing considerable time and energy into developing a strategic plan, **Hamilton Community Foundation** wanted to capitalize on its effort and not lose sight of its goals. The board agenda is now built around strategic issues and divided into planning and action categories with space for decisions, timelines and job assignments. Everyone stays focused on the key issues and progress can be monitored.

At the **Community Foundation of Ottawa**, regular staff meetings include one donor story and one grant story. This small addition to the agenda helps to keep staff informed – and inspired.



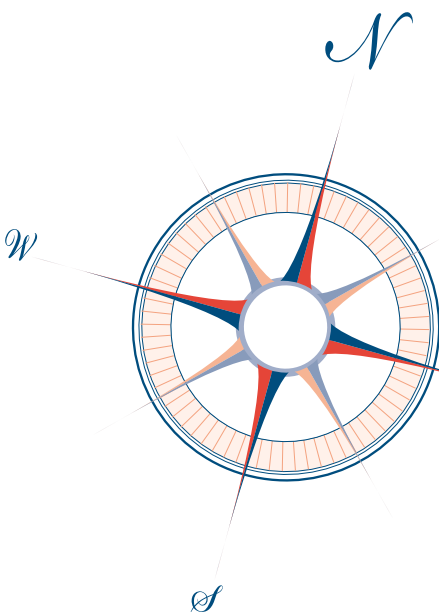
Acknowledgements

Explorations reflects the ideas, experience and guidance of many people within the community foundation movement in Canada. We are most grateful to all the volunteers and staff who shared their perspectives and their stories to frame and illustrate these principles.

Explorations was first developed by Beth Girvan, Betsy Martin and Judith McCulloch, in association with Lynda Farmer, Trilogy Group. Reference group members offered valuable guidance: Cathy Auld, Christopher Gordon, Sheila Henley, Janice Henry, Don Johnston, Marilyn Stecyk, and David Uffelman. The Walter and Duncan Gordon Foundation provided financial support and encouragement. Original design and production were by AM Design.

Explorations, 2nd Edition builds on, expands and updates the original. Additional content is by Johnson Associates and Trilogy Group with invaluable input from the *CF-LINKS* Advisory Committee, CFC Regional Coordinators, CFC consultants, and others within the Canadian community foundation network.

For further information about the examples provided in *Explorations*, please contact the individual community foundation directly.



For additional copies, information or ideas on how to use *Explorations*, please contact:
Community Foundations of Canada
301 - 75 Albert Street, Ottawa, Ontario K1P 5E7
Tel: (613) 236-2664 Fax: (613) 236-1621 E-mail: info@community-fdn.ca

"Sail away from the
safe harbour. Catch
the trade winds in
your sails. Explore,
Dream, Discover."
Mark Twain