

Australian community foundations as community voice:  
Influencing a more locally responsive and effective allocation of resources

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*“Let us remember that the power and wealth of a democracy is not measured only by the number and quality of its eminent leaders but by the thousands of ‘little leaders’ who provide its real strength.”*

Sir Vincent Fairfax, October 1983

## Executive Summary

Community foundations are uniquely placed to be the voice of the local community, a notion which is increasingly unheard of or absent in Australia's centralised decision-making system. Effectively executing this role positions community foundations as go-to local champions, creating opportunities to influence the allocation of government and private resources to be more effective in responding to local circumstances.

Firstly, this paper explains the idea of community voice and explores why this community-driven approach is more relevant to Australian circumstances than the USA 'gold-standard' donor service endowment model.<sup>1</sup> Some see the primary function of a community foundation as an asset builder and others see it as a community builder. These functions should not be viewed as mutually-exclusive and this paper suggests that being a community builder builds assets. As such, community voice is fruitful territory for a common approach and positioning for Australian community foundations.

Exploration of effective and emerging international practice led to the identification and analysis of five different roles played by community foundations 1) starting the hard conversations 2) keeping a finger on the community pulse 3) being a champion of local community organisations 4) being a grantmaking intermediary, and 5) being the first responder. Examples of the achievements of community-driven foundations enacting these roles across the world provides inspiration and information about the traits and tools they use to punch above their weight. These vignettes demonstrate that being effective in championing the community gets runs on the board and builds credibility, thus attracting resources and building viability – whether a community foundation is in India, France, Brazil, Canada, the UK, Russia, Romania, Turkey or the USA.

The paper concludes that the opportunity for Australian community foundations to influence an improved response to local circumstances resides in working together. Gaining commitment to a common vision and strategy for the sector, by the sector will be an essential first step in realising the potential of community foundations, and to gaining friends and resources to support the sector's aims. Other priority steps also relate to strengthening the network and realising economies of scale – in research, communications and back office functions. Support from other funders is best applied toward such sector-building activities in order to ameliorate conditions for community foundations without over-stimulating the development of new foundations.

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<sup>1</sup> Diana Leat, *The Development of Community Foundations in Australia: Recreating the American Dream* (Queensland, Australia: Queensland University of Technology, 2004), p. 19.

## **Community voice is an inherent role for community foundations.**

*“The strongest of their ambitions was to enable individuals and groups to have a say on issues that affect them.”<sup>2</sup>*

Seeking to create a voice for local communities, often in the face of centralised decision-making, has been a motivation behind the development of community foundations throughout their history. Their genesis 100 years ago was at such a time in the USA when national centralisation was perceived to be increasing to the detriment of local autonomy.<sup>3</sup> Early community foundations, believing that change would come when *“democratic institutions, both private and public, recognised that the public demanded it,”* undertook surveys *“to make the public want certain conditions changed.”<sup>4</sup>*

Significant community foundation development in the UK occurred through a deliberate reduction in the powers of local government which was not seen to be effectively channelling funds from the national level to meet community needs.<sup>5</sup> The main spurt in the establishment of community foundations in Australia occurred in the early 1990s/2000s as a bi-product of political will and resources generated to address a perceived rural and regional crisis. The model was seen primarily as an opportunity to invigorate community identity and renewal<sup>6</sup> not to develop philanthropy.

With similar motivations of local empowerment, the development of community foundation networks in Eastern and Central Europe since the early 2000s has been a deliberate strategy to support decentralisation and to develop a culture of participation and responsibility in local civil life among community members, formerly denied this under communist rule.

The idea of community voice is akin to a term coined by philanthropic commentators in the mid-2000s – community leadership – used to describe the latest and third wave of US community foundation development. Distinct from the first ‘dead donor’ period when grant making was driven from unrestricted funds derived from estates and the second ‘living donor’ period when donor-advised funds dominated the foundations’ grant making, community leadership refers to foundations using a broader range of tools than grantmaking to forge

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<sup>2</sup> Jenny Hodgson & Barry Knight, *More Than the Poor Cousin: The Emergence of Community Foundations as the New Development Paradigm* (2010), p. 14.

<sup>3</sup> Leat, p. 14.

<sup>4</sup> Hammack, 1998, quoted in Leat.

<sup>5</sup> Humphreys, quoted in Leat, p. 90.

<sup>6</sup> Leat, p. 38

*“solutions to community problems and develop strategies to take advantage of community opportunities.”<sup>7</sup>*

Outside the USA, development has not followed this neat trajectory. Many community foundations have started out playing roles of community leadership. Grant making capacity often coming from ‘re-granting’ of funds from other philanthropic entities based outside the area, and from local donor bases combining the gifts of many local people rather than large gifts from the relatively wealthy.<sup>8</sup>

Rather than relating to a particular period in foundation development, community voice refers to the inherent and enduring motivation behind a community foundation - a community-driven agenda. Its value in the ecosystem is derived from having a finger on the pulse of what is happening and required in the community and using various tools – granting, research, communications, advocacy and partnerships – to ensure local needs are met. It shares a community-driven, rather than donor-driven agenda with the community leadership period and therefore many of the traits and tools used to describe community leadership are relevant.

### **Australia is looking for community voice now.**

As the history of the development of community foundations demonstrates, community voice is particularly important and motivating in periods when local interests are not perceived as being met. Australia is at such a moment. It is not the purpose of this paper to interrogate whether this is part of a regular cycle, but to recognise that, current discontent about a perceived lack of local accountability represents an opportunity for change now.

Ours is a government-centric nation and Australians have always believed that government should provide, and in large measure it continues to do so.<sup>9</sup> This mentality is reinforced by the scale of resources required to meet the needs of a sparse population across a vast country. However, ensuring sufficient services and support to all Australians remains an elusive goal, and one that government, despite the community’s expectation, is increasingly less able and willing to meet singlehandedly.

Seeking economies of scale, increasing centralisation sees decisions made in capital cities or regional centres and services delivered through outreach or ‘fly in fly out’ contracts. The impact of such policies is illustrated by the case of Bourke, in far western New South Wales [NSW], described in a November 2013 article in the Sydney Morning Herald as resource-rich in government assistance, but outcome-poor. *“People are allocating a certain amount of money*

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<sup>7</sup> Dorothy Reynolds, *The Balancing Act: The Role of a Community Foundation as a Community Leader* (Flint, Michigan: Charles Stewart Mott Foundation, 2008), p. 1.

<sup>8</sup> Reynolds, p. 1.

<sup>9</sup> Leat.

*to us, but the people who control that money don't live here, have never been here, and to some extent at least their jobs depend on our problems never being solved."*

Lack of coordination and local accountability mean community awareness, trust and use of outreach services is often low. The community's needs are not being met, locals are progressively losing their voice in how they are 'serviced' and trust in the system is eroded. This is a resource allocation that is, in many cases, unresponsive, disempowering, ineffective and inefficient.

On the positive side, there is growing interest in place-based approaches among funding entities as a response to these circumstances and particularly as a means of supporting communities to support themselves. Alex Gartmann, CEO of the Foundation for Rural and Regional Renewal (FRRR) states, *"Place-based approaches to community development are becoming increasingly prevalent. For example, the NSW Government has recently invested in a program that FRRR will run together with Philanthropy Australia to direct funds to the Hunter and Mid North Coast of NSW. We have also helped to facilitate programs like the Pratt Foundation / Visy Employees partnership with Tumut and the Vincent Fairfax Family Foundation's support for the Lachlan region in NSW."*<sup>10</sup>

Another example is Sydney Community Foundation's work in Warwick Farm in South West Sydney, which has recently attracted a matched funding challenge of \$500,000 from the NSW Department of Families and Community Services to extend to two other high-needs areas in Sydney's West, Fairfield and Campbelltown. This recent government interest is uncommon and encouraging in terms of a) demonstrating a willingness to use community funding vehicles to allocate resources to the grassroots b) demonstrating an understanding of the broader funding ecosystem and the role that other entities play and c) willingness to incentivise private funders to fund through community foundations.

These factors bode well for an increased role for community foundations that claim the position of community voice. This is the right niche for various reasons: 1) it is inherent to community foundations 2) it is a gap in Australia that they are uniquely placed to fill, and 3) there is increasing interest from other funding entities in working with community foundations to meet local needs.

Capitalising on the interest of other place-based funders such as government and large private foundations, is critical to open up a new financial model for community foundations that often struggle to sustain themselves through local fundraising. Having community voice credentials is key to claiming this niche in the ecosystem – the first of which is leading with a community-driven, rather than donor-driven approach.

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<sup>10</sup> [http://www.frrr.org.au/cb\\_pages/news/Philanthropic\\_partnerships\\_increasing.php](http://www.frrr.org.au/cb_pages/news/Philanthropic_partnerships_increasing.php).

Equally important in this government dominant context is the value of the community foundation concept in generating local resources, growing a culture of local philanthropy and encouraging people to be more active in doing things for themselves, or as a community. A study of 49 community foundations in the Global South published in 2010 found that they *“often find themselves challenging local mindsets in quite radical ways, particularly in overcoming the perception of the community always as the receiver.”*<sup>11</sup>

### **Leading with community not donor development makes better sense in Australia.**

*“At its core, community philanthropy taps the drive of local people to help others, a naturally occurring asset found in all societies and cultures.”*<sup>12</sup>

Australia’s egalitarian ideals and sense of community is rich territory for foundations that position themselves as community champions, rather than donor service providers.

Although there are a small number of high profile philanthropic givers and foundations, Australian culture places emphasis on equality; 'charity' still has 19th century *de haut en bas* colonial overtones, and displays of benevolence are as likely to generate cynicism as praise.<sup>13</sup> Our pervasive 'tall poppy syndrome'<sup>14</sup> is generally thought to limit outward displays of generosity and to be a major factor in lower relative rates of cash giving among Australians, especially those of high net worth. Therefore, the concept of community philanthropy that is more collective and egalitarian seems better suited than private philanthropy to the Australian psyche with its discomfort for publicised individual benevolence.

Secondly, the Australian tax structure and regulatory system is not conducive to a donor-driven approach. The focus on donor-driven community foundations is a relatively new phenomenon in the history of community foundations, taking off in the 1980s in the USA following the Tax Reform Act of 1969. This Act introduced incentivised gifts to public charitable foundations over private foundations, hence the attractiveness of community foundations for tax-driven American donors. No such incentive exists in Australia. Unfortunately, lack of tax incentive is merely the tip of the iceberg of our unfavourable and complex charity law. Indeed, a reform proposal submitted recently to the Australian Federal Government by a group led by Australian Community Philanthropy succinctly explains how *“the overly complex structure and regulatory*

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<sup>11</sup> Jane Hodgson and Barry Knight, *More than the Poor Cousin; The Emergence of Community Foundations as the New Development Paradigm* (June 2010), p. 8.

<sup>12</sup> Charles Stewart Mott Foundation, *The Case for Community Philanthropy: How the Practice Builds Local Assets, Capacity and Trust—and Why It Matters*.

<sup>13</sup> Leat.

<sup>14</sup> 'Tall poppy syndrome' is a pejorative term primarily used in Anglosphere nations to describe a social phenomenon in which people of genuine merit are resented, attacked, cut down, or criticised because their talents or achievements elevate them above or distinguish them from their peers. Australia and New Zealand's usage of the term has evolved and is not uniformly negative. In Australia, a long history of "underdog" culture and profound respect for humility in contrast to that of Australia's English feudal heritage results in a different understanding.

*regime (in particular the taxation requirements) is a deterrent both in the establishment and management of Community Foundations”<sup>15</sup>.*

It is not the purpose of this paper to delve into these complexities comprehensively, but to note that there are well documented legal limitations to Australian community foundations operating and promoting themselves as donor service organisations<sup>16</sup>. In particular, the creation and promotion of Private Ancillary Funds (PAFs) and the regulation preventing them making gifts to public funds (including community foundations) means the donor-advised concept is a far more difficult sell to would-be community foundation supporters in Australia than the USA, Canada or the UK. This brings into question the pursuit of donor-advised funds as the primary means of growing community philanthropy in current Australian conditions.

Thirdly, donor-advised funds are not the silver bullet. Donor-advised funds (or sub-funds) were essentially developed in the USA as a vehicle for endowment building, but the focus in recent years has been on raising funds for immediate use<sup>17</sup>. Furthermore, donor-advised funds are only viable if large enough to cover their own operational costs and only of real value if generating excess income that can be directed towards the foundation’s operating costs and/or discretionary grant making. The fact that the first Australian community foundations were established in the era of the rise of the donor-advised fund may have led to unrealistic expectations or set them on an unfruitful path of promoting a low-value product. Indeed, some Australian community foundations attempting this have struggled to cover the costs of administering multiple small funds.<sup>18</sup>

The notion of endowment building donor-focus has captivated the field in Australia due to our ambitions to emulate the North American circumstance, and to a degree the UK. This goal was also relevant to the first Australian community foundations established in the 1980s because of their urban settings of significant population, wealth and their banking-roots. However, it has been argued that an endowment building donor focus is less appropriate to rural and regional settings<sup>19</sup>, where most Australian community foundations sprung up in the late 1990s and 2000s. Their founders and supporters set out to make change and create resilience in their communities, not generate assets – remaining true to this mandate is important for legitimacy. Otherwise put, recognising the green field donor-base for Australian community foundations is not likely to be tax-driven, but community driven, an overt donor focus can be detrimental and erode trust and relevance. The community may view the Foundation as a vehicle for the rich

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<sup>15</sup> Australian Community Philanthropy, Submission to Federal Government (2014), p. 4.

<sup>16</sup> Leat, p. 32.

<sup>17</sup> Reynolds, p. 1.

<sup>18</sup> Leat, p. 32.

<sup>19</sup> Leat, p. 38.

rather than for public benefit, especially if courting donors diverts resources from developing a track record of community work.<sup>20</sup>

The Australian rural experience is not an outlier. The collective experience of non-North American community foundations suggests that the US is the exception rather than the rule, with most community foundations having to demonstrate a track record with few resources before hoping to win financial support, let alone to the scale to constitute an endowment. Furthermore, many newer American community foundations are concentrating solely on raising flow-through funds. The Korean American Community Foundation established 10 years ago made a decision at the outset not to hold donor-advised funds or raise an endowment – it was too difficult to explain the concept of endowment to the community without having a track record and *“we were warned that donor-advised funds are a real pain in the neck. It’s a capacity issue, they take a lot of resources to manage.”*<sup>21</sup>

Much has been achieved by community foundations across the world by focusing limited resources squarely on community building. This requires the foundation to have a sense of purpose as well as *“an ear to the ground and while a secure financial base can help, it is not essential. Community foundations can work to achieve change in many ways.”*<sup>22</sup>

This does not mean that being community-driven and donor-building are mutually exclusive. Being an effective community voice is a means to attract resources - not only from individuals who are community driven but from other funding entities with similar goals, including government and private foundations. Brooklyn Community Foundation is moving to a community voice model as a deliberate strategy to attract new donors. Understanding that their typical donor *“wants to support Brooklyn”* but doesn’t know how or what the issues are, a process of research and community engagement called [BrooklynInsights](#) will inform its strategy across grant making, advocacy and technical support. Donors will have the option to support various policy areas identified as priorities through thematic funds. From an initial investment of \$120,000 plus staff costs to undertake the six-month research process, the Foundation aims to raise \$5 million in its first year and \$50 million within five years<sup>23</sup>. Clearly, a community voice strategy is not the poor cousin option.

Indeed the seminal 2005 report *On the Brink of Promise: The Future of US Community Foundations* clearly stated that US community foundations needed to modify their focus on donor needs in favour of community needs if they were to remain relevant in the future.<sup>24</sup> Case

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<sup>20</sup> Leat, p. 35.

<sup>21</sup> Kyung Yoon, Executive Director Korean American Community Foundation, in conversation 13 May 2014.

<sup>22</sup> Avila Kilmurray and Lewis Feldstein, *Beyond Money and Grantmaking*, p. 12.

<sup>23</sup> Michael Burke, Chief Operating Officer, Brooklyn Community Foundation, in conversation 5 May 2014.

<sup>24</sup> Lucy Bernholz, Katherine Fulton and Gabriel Kasper, *On the Brink of New Promise; The Future of US Community Foundations* (Blueprint Research & Design, Inc. and Monitor Company Group, LLP, 2005).

in point, Fairfield County Community Foundation, one of the richest counties in the USA describes a move away from their donor-service traditions to being more involved with grassroots community groups and issues. Behind this shift has been their donor's demands for community level impact.<sup>25</sup>

**Community foundations are punching above their weight all over the world – using various community voice tools and traits.**

*“Whether they are working in small towns, rural villages or large cities, and irrespective of whether they have large financial investments or depend on limited resources, community foundations have found that with information, imagination and initiative, there are many ways to make things happen.”<sup>26</sup>*

Much has been written about the different roles played by community foundations, especially those taking a community leadership approach. The purpose of the examples below is not to provide a comprehensive picture of all these roles but to highlight some that are relevant to Australian circumstances and illustrate some of the community voice functions and characteristics they employ:

1. Starting the hard conversations
2. Keeping a finger on the community pulse
3. Being a champion of local community organisations
4. Being a grant making intermediary
5. Being the first responder

The collection includes some well-known examples from North America and the UK where community philanthropy is well-developed, as well as lesser-known examples from regions in earlier stages of development. These examples are united by their community-driven agendas and are intended to provide inspiration and ideas, adding to that provided by our own Australian examples.

Much focus is given to the contextual differences of community philanthropy in regional and metropolitan Australia. In the same vein, no two countries or continents will be alike in geography, demography, culture and community. However, a great many commonalities exist across the globe when it comes to community philanthropy and these serve as a more constructive focus than the differences. These examples intentionally cover a wide range of contexts and many of the learnings can be applied to Australia, regional and metropolitan, and likely to any other nation.

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<sup>25</sup> Nancy von Euler, Program Director, Fairfield County Community Foundation, in conversation 14 May 2014.

<sup>26</sup> Kilmurray and Feldstein, p. 11.

It is important to consider and learn from the achievements of giants while acknowledging that *“there has been a shift in terms of how community philanthropy is practiced in developing nations. It’s moved from the North American fixation on donor needs and is much more flexible. The innovation is coming from Africa, Asia and Latin America.”*<sup>27</sup> Many of the cases provide food for thought for those who question whether there is the wealth to grow community foundations in Australia as does the fact that the size of a community foundation has been found to be less important than the roles it plays in the community.<sup>28</sup>

These vignettes demonstrate that being effective in championing the community gets runs on the board and builds credibility, thus attracting resources and building viability – in many different contexts.

### 1. Starting the hard conversations

*“We are known as the convenors for difficult problems”*<sup>29</sup>

(South East Asian Community Foundation)

Community foundations can play a crucial initiator role that others such as local governments often cannot. Bringing people together around sensitive local issues can build community between people and organisations that might otherwise not meet<sup>30</sup> – or even try to avoid each other. This initiator or convenor role can be a very low investment, high impact one. The examples below illustrate the outcomes can be great - mending fractures based on deep racial and ethnic grounds or building consensus on strategies to the preserve the culture of a community and its economic future.

<b>Ahmedabad Community Foundation, Gujarat State, India<sup>31</sup></b>	
As one of its first activities in 2001, the community foundation embarked on a project to preserve a 550 year old Sufi shrine, the Sarkhej Roza through community participation. One of the city’s oldest monuments and unique in its convergence of Indo-Islamic architecture, the Sarkhej Roza had been abandoned since 1985 and disappeared from public memory due to religious tension and segregation, despite the beauty and grandeur of the 34 acre site.	
Context	<ul style="list-style-type: none"> <li>• Ahmedabad was founded by a Muslim King in 1411 who embraced multiculturalism which was reflected in the city’s rich architecture</li> <li>• Religious philanthropy is integral to Indian tradition (alms not cash) but has been in decline since 1947 independence</li> <li>• Ahmedabad Community Foundation (ACF) was founded in 2000 in a climate of NGO mistrust and lack of cohesion in the community sector</li> </ul>

<sup>27</sup> Avila Kilmurray, Community Foundation for Northern Ireland, quoted in *The Case for Community Philanthropy*, p. 3.

<sup>28</sup> Hodgson and Knight, p. 7.

<sup>29</sup> Young South East Asian Community Foundation representative, quoted in Hodgson and Knight.

<sup>30</sup> Kilmurray and Feldstein, p. 16.

<sup>31</sup> Bhavna Ramrakhiani, Founder, Ahmedabad Community Foundation, in conversation May 2014.

	<ul style="list-style-type: none"> <li>• In 2001, a community meeting determined the goals of the Foundation as education, environment and heritage</li> </ul>
Why this activity?	<ul style="list-style-type: none"> <li>• To build bridges between Muslim and Hindu communities in Ahmedabad (2002 race riots led to extreme religious segregation)</li> <li>• Rejuvenate the site as a cross-cultural community asset</li> <li>• To improve conditions for residents surrounding the site – poor Muslim community, generally migrants</li> </ul>
What did the foundation do?	<ul style="list-style-type: none"> <li>• 2002 – 2004: Negotiation by the Foundation (run by a Hindu woman) with the Sunni Muslim management committee of the site</li> <li>• 2004: Amateur volunteer photo exhibition of the site was held in the city centre – the only two photos available previously were from 1905</li> <li>• 2005 – 2009: ACF ran a series of cultural events attended by all religions, sparked by Alliance Francaise holding a concert there</li> </ul>
Initial investment	<ul style="list-style-type: none"> <li>• 2003: Ford Foundation grant of 50,000 rupees (less than \$1,000) was used for the photography exhibition</li> <li>• 2003 – 2006: Ford Foundation grant of 84,000 rupees per year for an education centre</li> <li>• Staff time</li> </ul>
Outcomes and leverage	<ul style="list-style-type: none"> <li>• Launch event and website were sponsored by local hotelier (25,000 rupees)</li> <li>• Urban Development Agency (State Government) inaugurated the website and as a result learnt about the monument. The Agency then funded a direct access road, parking space and rejuvenation of the gardens around the lake (10,000,000 rupees)</li> <li>• Improved physical access to site, inspiring ongoing visits and ongoing use of shrine for events and cultural activities with mixed audiences</li> <li>• A Hindu festival returns to the site after religious segregation had seen it moved elsewhere for 20 years</li> <li>• 2006 – 2007: Private donor funds education centre</li> <li>• 2008 and 2009: Sufi Festivals gained much national publicity</li> <li>• A Presidential visit (after numerous letters) raised awareness of the site because protocol meant all the local authorities attended</li> <li>• Rejuvenation of the Library and creation of a research centre (people visiting wanted information about the shrine) with information panels sponsored by local cultural businesses</li> <li>• 2008: Preservation of the site by the Archaeological Heritage Survey of India including chemical polishing, re-flooring, cleaning, disabled access (600,000 rupees)</li> <li>• Community ownership of the project – in 2010 local organisers came forward to take over operations of the Annual Heritage Festival from the Foundation, including sponsorship, event management, etc.</li> <li>• 2013: Local municipality connected storm water drains into the lake, refilling it after urban pressures had dried it in 2008</li> <li>• Local income generation to meet local committees operational costs – local women trained as rent collectors. Tenant survey and consultation resulted in increase in rents x 10 (6,000 to 60,000 rupees per month)</li> </ul>

	<ul style="list-style-type: none"> <li>• National Institute of Design crochet project becomes a social enterprise generating income by local women residents</li> <li>• Two month media campaign about the site in the local paper (pro bono)</li> <li>• Increased international tourism and resulting economic benefit to the city</li> </ul>
Contribution to viability?	Ahmedabad Community Foundation now has a story about small investment and big leverage that it is beginning to tell. The Sarkhej Roza project has given it a tangible track record visible at the national level, built trust with the local community as well as some small continuing income generation.
Community Voice – traits and tools	<p><b>Bravery and brains</b> - Heritage was the strategy used to bring local Hindus and Muslims together. This meant the Foundation was not seen as being politically provocative which would have eroded its neutrality and jeopardised its support base.</p> <p><b>Strategic befriending</b> - Writing letters to the President over a year resulted in a visit - raising the credibility of the project. Inviting the Head of the Archaeological Heritage Survey of India to open National Design Project resulted in their commitment of funds to preserve the site.</p> <p><b>Persistence and Plan Bs</b> - Numerous approaches to the Hindu state government showed no result – until the Muslim President’s visit galvanised their involvement.</p> <p><b>Empowering volunteers and local people</b> – local women engaged in training and jobs on the site and volunteers running the Festival.</p>

<b>Berks County Community Foundation, USA<sup>32</sup></b>	
Berks County Community Foundation’s Farmland Preservation work was a low investment, high impact grant that took place in the early years of the Foundation’s development – it was established in 1994. It set the foundation on a clear path of acting as a community leader and voice, a role it has embraced and promoted ever since, including when this required a stance on sometimes controversial issues. This trajectory has resulted in the Foundation’s steady growth, not only in granting, but in total assets – from \$687,000 in 1995 to \$56m in 2013. <sup>33</sup>	
Context	In 1998, Berks County residents were worried about protecting the farmland that is integral to the way they think about Berks County. There were lots of groups trying to figure out how to do so but with different goals and priorities and no mechanism for developing cohesive objectives.
Why?	The Foundation received many land preservation requests in its early annual grant rounds. The County was spending about \$1 million a year to buy conservation easements - guarantees from farmers that their land would never be developed. This was not adequate to halt developers taking over farmland. <i>‘\$1 million a year was sort of like trying to bail out the ocean with a Dixie cup.’</i>
What?	<ul style="list-style-type: none"> <li>• In early 1998, the Foundation approached the County Commissioners and suggested using the \$1million to borrow money to buy land. They</li> </ul>

<sup>32</sup> Kevin Murphy, President, Berks County Community Foundation, in conversation, 30 April 2014.

<sup>33</sup> Berks County Community Foundation, *Annual Report* (2013).

	<p>agreed it was a good idea but one they could not progress because there was no consensus among the many disparate local groups</p> <ul style="list-style-type: none"> <li>• The Foundation hired a consultant who worked with the groups until they had developed a single goal - to preserve 200,000 acres of active farmland – agreed as the minimum needed to sustain the local economy</li> <li>• By the end of 1998, the Commissioners floated a \$35 million bond issue that with matching grants from the State led to about \$50 million being spent on farmland conservation in Berks County over a five year period</li> <li>• After five years, the Foundation reconvened the parties who re-evaluated their goals, and another \$35 million bond was floated with matching state grants</li> </ul>
Initial investment	\$4,000 for the meeting – in consultant fees and pizza
Outcomes and leverage	<ul style="list-style-type: none"> <li>• \$100 million in State and Federal investment which took the community from being one in danger of losing its farmland to one that will always have it. Not to mention the preservation of the local culture and economic base</li> <li>• 172,000 acres of preserved farmland – 42% under permanent covenant and the rest under zoning meaning it can't be developed</li> </ul>
Contribution to viability?	The Farmland preservation work was an early high profile win for the Foundation which received national attention and financial support as a result. Interestingly, local builders were the group most active against farmland preservation but ended up setting up a sub-fund with the Foundation, acknowledging it knew how to get things done.
Community Voice – traits and tools	<p><b>Beyond the money</b> - <i>'We would never move the needle on community needs if we only looked at ourselves as fundraiser and granter.'</i></p> <p><b>Looking for leverage</b> – the Foundation could never raise the amount required</p> <p><b>Find your role in the ecosystem</b> – neither the County nor the State could perform the small act (convene the meeting) in order to enable the large act, but the Foundation could</p> <p><b>Convenor and networker</b> – foundation as neutral place for disparate groups</p> <p><b>Go after your low hanging fruit</b> – identifying and courting the sources of resources for particular issues or generally – whether it be Professional Advisors, businesses, families or government</p>

**2. Keeping a finger on the community pulse**

Understanding the community intimately is the strength and the appeal of the community foundation model. The value of a mechanism to follow community wellbeing, needs and opportunities cannot be underestimated in the arsenal of a community foundation.

*“Today it is widely recognised that knowledge is as important as money in producing community benefit....building stocks of knowledge about community needs and issues, existing grant making and gaps and so on...might not only generate income from advisory services to other funders but also to increase the foundation’s stock of trust as experts in routes to community benefit, thus generating more donations.”<sup>34</sup>*

Canada’s Vital Signs shows the power of such a tool used systematically across a whole country to raise the agenda of community itself. The Australian sector has recognised the value in the Vital Signs tool, which has already been used by the Ballarat Community Foundation. Encouragingly, Australian Community Philanthropy (the local licensee) has plans to coordinate support for other foundations interested in using it. The example of ICom in Florianopolis, Brazil demonstrates that community foundations with information can influence action and accountability in the political sphere. A common practice for community-driven foundations is using the data they gather to create thematic funds – education, affordable housing, not-for profit leadership, etc – as a means of attracting donors to key local needs and away from donor-advised funds.

Keeping a finger on the pulse of the community can take much less formal means. A small community foundation located in Cuernavaca, Mexico Comunidad A.C, uses a technique called *Clothesline of Wishes*, in which people, individually or collectively, pin up their needs and ideas on a public line – creating a picture of local concerns and hopes with which to start generating solutions.<sup>35</sup>

<b>Toronto Community Foundation Canada<sup>36</sup></b>	
Vital Signs is a report that measures the vitality of the community in key areas, providing the community critical information that can help set priorities and identify opportunities for action. Its meteoric rise as the international standard for ‘community health checks’ demonstrates the power up-to-date information presented in a reader-friendly manner offers community foundations all over the world - 1) to understand local needs 2) to influence the allocation of resources to meet needs 3) generate credibility and kudos as ‘community voice’ entities	
Context	Vital Signs was first started by the Toronto Community Foundation in 2001, after a group of civic leaders came up with a new way to engage their community in understanding and monitoring the health and vitality of Toronto on an ongoing basis.
Why?	<ul style="list-style-type: none"> <li>• To inspire civic engagement</li> <li>• To provide focus for public debate</li> <li>• Guide donors and stakeholders who wanted to direct their resources to areas of greatest need</li> </ul>

<sup>34</sup> Leat, p. 40.

<sup>35</sup> Dresda Mendez de la Brena, “Changing Lenses: From Government-led Development to Community-led Development: The Contributions of Community Foundations in Mexico,” unpublished paper, p. 13.

<sup>36</sup> <http://www.vitalsignscanada.ca/en/home>; <https://www.tcf.ca/torontos-vital-signs-report>; <http://www.cfc-fcc.ca/programs/vital-signs.html>.

<p>What?</p>	<ul style="list-style-type: none"> <li>• Produce an annual report using relevant national data and local research on a wide range of subjects, painting a broad picture of the community</li> <li>• The community is involved at every level; determining the report’s indicators, exploring research sources and assigning grades</li> <li>• The findings are presented in a reader-friendly format that provides a snapshot of quality of life and community vitality and data on community needs and strengths</li> <li>• These reports help communities make connections between issues and trends in different areas and track and analyse quality of life issues over time (i.e. health, the environment, education, gap between rich and poor, etc.)</li> </ul>
<p>Initial investment?</p>	<p>Research costs</p>
<p>Outcomes and leverage</p>	<ul style="list-style-type: none"> <li>• Vital Signs has been adopted by 35 communities across Canada and by eight communities internationally across six countries and four continents</li> <li>• 26 Canadian communities, large and small, will launch their own local Vital Signs reports on October 1<sup>st</sup> 2014</li> <li>• Vital Signs creates new connections between a wide range of community groups and gives new profile to existing research</li> <li>• Data is used to generate discussion about tackling local issues, inform policy change, focus community leadership activities and encourage philanthropy</li> <li>• Reader-friendly data introduces citizens from all walks of life to the successes and challenges of their own communities and encourages them to take action</li> </ul>
<p>Contribution to viability</p>	<p>In 2006, <a href="#">Vital Signs</a> became a national program run by Community Foundations Canada (CFC). It is</p> <p><i>an annual check-up conducted by community foundations to measure the vitality of communities across Canada. It gathers and publishes data on significant social and economic trends and assigns grades in areas critical to quality of life.</i></p> <p><i>The annual Vital Signs reports promote awareness of community issues and are used by communities for social planning, by citizens and philanthropists to identify community needs and strengths, and by community foundations to inform their grantmaking and leadership activities.</i></p> <ul style="list-style-type: none"> <li>• In addition to local reports, CFC produces a national report by linking data, stories, and expert insight from communities across the country to engage Canadians in a deeper discussion about national trends and issues key to the country’s future</li> <li>• In 2012, the first issue-specific report #GenerationFlux focused on youth issues across Canada, highlighting key indicators to start a national conversation about the problems youth face. 2014 focuses on the food system in Canada</li> </ul>
<p>Community Voice – traits and tools</p>	<p><b>Valuing information</b> – backing up passion for the community with useful data to mobilise others</p>

	<p><b>Seeking community buy-in</b> – offering ways to participate in the process and communicating in accessible and inclusive ways</p> <p><b>Aggregating to increase influence</b> – national level reports are a step towards a higher level of influence for community foundations and higher status for localism</p>
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<b>Instituto Comunitário (ICom) Grande Florianópolis, Brazil<sup>37</sup></b>	
<p>In 2012, an election year in Florianópolis, a local tennis star publicly started talking about security and violence in the city. ICom saw an opportunity to use their position as a local ‘knowledge hub’ and neutral party to convene discussions. This ultimately influenced the direction of the political campaign and resulted in new legislation increasing the accountability of local administrations’ in addressing evidence-based needs during their terms in office.</p>	
Context	<ul style="list-style-type: none"> <li>• The Brazilian NFP sector is plagued by mistrust due to a number of funds mismanagement scandals</li> <li>• Since 2000, foreign aid has decreased in light of the growing Brazilian economy – which is increasing the gap between the rich and the poor</li> <li>• There is no tradition of giving to NFPs or community organisations in Brazil - 52% of donations go to the church</li> <li>• Instituto Comunitario Grande Florianópolis was established in 2005 and is one of only three community foundations in Brazil</li> <li>• ICom’s theory of change relates to strengthening local community organisations and communication between stakeholders</li> <li>• They sought to become a ‘knowledge hub’ and convener – to be able to initiate local discussions about social needs – and to increase their own credibility</li> <li>• In 2006, as one of its first activities, ICom undertook a local mapping study to better understand the community and establish a technical base of statistics - involving focus groups and secondary data analysis</li> <li>• Subsequently, from 2007, they began conducting annual Vital Signs research – involving local government, residents’ associations, a research company linked to the university and other nonprofit organisations</li> </ul>
Why?	<ul style="list-style-type: none"> <li>• In 2012, a local tennis personality spoke with the media about insecurity and violence in Florianópolis which inspired public discussion</li> <li>• Due to their profile through Vital Signs, a media group approached ICom to help run a campaign about the security issue</li> <li>• Being an election year, ICom saw a greater opportunity to link the campaign with the Movement for Sustainable Cities, a Latin-America wide network for overseeing local government policies and activities</li> </ul>
What?	<ul style="list-style-type: none"> <li>• ICom convened a cross sector Board for the initiative including a NFP, the media, the tennis player’s foundation and ICom</li> <li>• They consulted with a broad group of 40 organisations – universities, community groups (both formal and informal), businesses, theme-area experts, etc – on their ideas about the future of the city</li> </ul>

<sup>37</sup> Anderson de Silva, Executive Director, ICom Florianópolis, in conversation June 2014.

	<ul style="list-style-type: none"> <li>• This produced a report with broad consensus on 20 challenges for the city across key theme areas: planning, healthcare, education, safety and mobility. It set criteria and performance indicators for progress</li> <li>• This information was spread throughout the city, mainly through the media pro bono and was presented to all the candidates in the local elections</li> <li>• The focus was on the challenges, not solutions – acknowledging the forum for solutions is government</li> </ul>
Initial investment	\$40,000 for the research costs
Outcomes and leverage	<ul style="list-style-type: none"> <li>• All the candidates used the report in their campaign platforms</li> <li>• The media used it in election interviews and debates and it set the agenda of political debate for the campaign</li> <li>• For the first time in living memory, people learnt something about local issues and conditions from the campaign and the politicians were forced to address the problems</li> <li>• The candidates agreed to develop an annual plan for the four years of the coming term with annual reporting on progress to the city councilors and the community through the local media</li> <li>• The ICom coalition proposed a new law, in line with the Sustainable Cities platform, that every new Mayor has 3 months to set goals and a plan for their four year term and report on progress annually. This passed into law in Florianopolis – constituting a mechanism for local government to be accountable to the community</li> </ul>
Contribution to viability?	<ul style="list-style-type: none"> <li>• ICom saw a 20% increase in their annual budget in 2013 and 5 partners approached them offering to contribute to their core operations. They found many people willing to fund this kind of data collection that produced practical outcomes</li> <li>• They expect a further increase in revenue in 2014 because they will use the themes from the report as the structure for their own grant making and base their promotional messaging on their response to the data</li> <li>• For their 2014 report, the university will update the data at no cost and because of the media partnership, printing costs are reduced so their annual research costs are greatly reduced</li> </ul>
Community Voice – traits and tools	<p><b>Owning the data gets a seat at the table</b> – having built a profile as a local knowledge hub through seven successive years of Vital Signs reporting, ICom carved for themselves a position at the table for greater influence</p> <p><b>Persistence and consistency</b> – annual research process</p> <p><b>Have the info to make your case</b> - being able to show how local needs are or are not being met within current resource allocations is the key data</p> <p><b>Conciliatory not combative with local council</b> – ICom was careful not to antagonise local government and worked with the media company to make sure there was minimal pressure and publicity until the law was passed. With their Vital Signs reporting they always included positive and negative – this approach positioned them as a partner not watchdog and as a result they were asked to work with the local government to develop the four-year plan for the new administration</p>

### 3. Being a champion of local community organisations

This is the art of creating value for would be competitors, thus becoming a valued partner in the local community sector and funding infrastructure. Community foundations need to be proactive and public about the support they broker and the benefits they provide in their area. Being recognised as bringing in additional funds and not cannibalising from the current pool is critical, especially in small communities where competition for limited resources can create deep animosity.

Considering local Councils compete for Federal and State grants for community development purposes, Australian community foundations must view their local governments as important a stakeholder as any community organisation in this regard. Kevin Murphy of Berks Community Foundation describes the Foundation and County relationship as *“learning to fight and hold hands at the same time.”* Closer to home, Tomorrow: Today Foundation describes careful relationship management, avoiding seeking funds from the same sources as the local Council in Benalla and assisting them with funding applications. Diana Leat quotes an Australian interviewee referring to local politicians: *“of those that understood community foundations, there may have been a feeling that this was a potential challenge, they’re not big enough to be scary but if they were...”*<sup>38</sup>

Examples below from France and Romania illustrate two mechanisms used by community foundations to champion local organisations and expose them to new sources of funds: strategic PR and aggregator fundraising events.

Fundraising aggregation has been used to great effect in sporting events in Australia such as the City to Surf, and many large NGOs have benefitted from the proceeds of corporate sporting competitions and individual challenges through online platforms such as [Everyday Hero](#) and [CanToo](#). Aggregation by geography is a natural niche for a community foundation, and presents a particular opportunity in rural and regional communities because 1) a small pool of active volunteers are on an endless cycle of organising fundraising events and activities for different organisations 2) sport (unlike philanthropy) is the great Australian equaliser so everybody feels comfortable 3) when good sport is used intentionally to work on community priorities the results can transform communities.<sup>39</sup>

Online geographical mechanisms such as [ColoradoGives.org](#) that has raised more than \$81 million for Colorado non-profits since 2007,<sup>40</sup> may be suited to city, state or national level in Australia and could be run by a network organisation.

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<sup>38</sup> Leat, p. 31.

<sup>39</sup> <http://www.cfc-fcc.ca/programs/true-sport.html>.

<sup>40</sup> [http://www.communityfirstfoundation.org/about\\_overview.cfm](http://www.communityfirstfoundation.org/about_overview.cfm).

<b>Fondation Passions Alsace, France<sup>41</sup></b>	
Passions Alsace is an example of a 100% volunteer run, low asset, leverage-focused community foundation. Due to a limited granting budget, Fondation Passions Alsace aims to increase recognition of the value of local community organisations and broker direct financial support for them from donors.	
Context?	<ul style="list-style-type: none"> <li>• Passions Alsace was founded in 2009. It is the first regional community foundation in France and one of only three community foundations nationally</li> <li>• Development of philanthropy in France has been limited due to the dominance of the centralised government and welfare state system</li> <li>• Passions Alsace was founded as a response to: <ul style="list-style-type: none"> <li>• centralisation in Paris</li> <li>• reducing financial support for community work</li> <li>• channelling of available funds to large national charities working in specific issue areas (health, education, etc.)</li> <li>• lack of vehicles with a whole of community perspective</li> </ul> </li> <li>• Passions Alsace also aims to raise the profile and increase regional community philanthropy as an essential ingredient in the France of tomorrow – that will not be able to rely on the continuation of current welfare policies</li> </ul>
Why?	Local charities across Alsace are not well known by citizens for the work they do on the ground and cannot raise the funds they require. A population of 1.8 million people in Alsace presents high potential to increase community support for them.
What?	<ul style="list-style-type: none"> <li>• Extensive PR and communications with consistent messaging about the value of local community organisations and showcasing of projects</li> <li>• Weekly radio show showcasing a community organisation or project</li> <li>• Annual media campaign in which readers/listeners nationwide vote online for which projects Passions Alsace should award funds to</li> <li>• Newsletter to 12,000 subscribers</li> <li>• Project pool on website</li> </ul>
Initial investment	20,000 Euro per annum for grant making from the original pledge (200,000 Euro)
Outcomes and leverage	<ul style="list-style-type: none"> <li>• Per annum granting of 100,000 Euro – 4 times the initial investment</li> <li>• Direct brokerage of donations to charities by individuals (value unknown)</li> <li>• 116 projects supported (2,000 Euro average per grant)</li> <li>• Local media has been very supportive because of the Foundation’s message that positive outcomes can occur when local people take things into their own hands</li> </ul>
Contribution to viability?	<ul style="list-style-type: none"> <li>• Increased profile for the Foundation and increased donations</li> <li>• Raised awareness about the concept of regional place-based philanthropy in France - Passions Alsace has been asked to talk about</li> </ul>

<sup>41</sup> Guillaume d’Andlau, Founder and Chairman, Passions Alsace, in conversation; promotional materials and media provided by d’Andlau.

	its experiences numerous times in national level forums as well as by specific communities interested in replicating their model
Community Voice – traits and tools	<p><b>Looking for leverage</b> – the Foundation’s own grants are seen as a means to a bigger end</p> <p><b>Supporting not competing</b> - local charities are the headline, not the foundation</p> <p><b>Championing the community</b> - telling positive stories</p> <p><b>Encouraging local action</b> – in the face of government dependency mentality</p>

<b>Fundatia Comunitara Cluj, Romania<sup>42</sup></b>	
In 2009, Cluj Community Foundation organised a swimathon in which local people and organisations raised money for local projects and activities they are passionate about. It is an example of a fundraising aggregation tool that had multiple additional benefits for local organisations and the Foundation itself; building civic participation, normalising and creating healthy competition around fundraising, broadening the local donor base and creating a tangible product to demonstrate the Foundation’s value add to the community.	
Context	<ul style="list-style-type: none"> <li>• The concepts of community organisations and foundations, philanthropy, fundraising and civil society participation are new to Romania as it transitions from decades of communism to democracy</li> <li>• Cluj Community Foundation was the first community foundation established in 2008 and the swimathon was the first event of its kind in Romania</li> </ul>
Why?	<ul style="list-style-type: none"> <li>• The Foundation did not have sufficient funds to cover all the worthy applications it received in its grant round</li> <li>• It sought an engaging means to attract a wider range of new donors</li> <li>• To bring people together and enliven a sense of participation and responsibility in supporting local community activities</li> </ul>
What?	<ul style="list-style-type: none"> <li>• The first step was sourcing/selecting local projects to be included – these projects were with local NGOs, associations, or even informal groups of people – using various communication channels</li> <li>• Once the projects were finalised, there was a public call for swimmers – using mass and social media, through local organisations, etc.</li> <li>• The swimmers found sponsors – setting their own goals and negotiating the funds in return</li> <li>• The Foundation ran the event and collected the funds, distributing the proceeds to each project minus a service fee</li> </ul>
Initial investment	<ul style="list-style-type: none"> <li>• Approximately \$4,000 in direct event costs</li> <li>• Promotional and communication materials</li> <li>• Project management time</li> </ul>
Outcomes and leverage	<ul style="list-style-type: none"> <li>• Raised \$8,413 in 2009 (2013: \$36,458)</li> <li>• Fees (7-15% of each projects’ takings) covered the event costs plus contributions to promotional material and staff time</li> </ul>

<sup>42</sup> Alina Porumb, Director, Community Foundations Program, Association for Community Relations, Romania, in conversation May 2014; data provided by Porumb.

	<ul style="list-style-type: none"> <li>• Fundraising aggregator events such as these are now run by eight of the 12 community foundations in Romania – generating on average \$33,000 in 2013 and growing each year</li> <li>• Three different sporting events are used – half marathon, swimming and cycling. Many iterations have been used to grow success in the last four years and to include anyone with a personal goal, regardless of their sporting prowess – VIP lanes, business-specific lanes, one-hour limits, team challenges etc. \$170,000 was raised across all events in 2013</li> <li>• Other outcomes have been ‘normalising the ask’ for local organisations and groups trying to fundraise</li> <li>• Exposure of each organisation to a broader range of potential supporters – they could not afford to run such an event individually</li> </ul>
Contribution to viability?	<ul style="list-style-type: none"> <li>• Raised the profile of the Foundation by demonstrating a tangible product which was easy to communicate and understand</li> <li>• Demonstrated its ‘whole of community’ credentials and position by involvement across a range of local organisations and groups - many people understood the ‘value add’ it offered early on in its life</li> <li>• Winning new donors</li> <li>• Offering existing donors another way of engaging with the Foundation – increasing ‘stickiness’ by cross-selling a new product</li> <li>• Fees mean the event is cost neutral plus makes a contribution to the Foundation’s costs – now an annual in-demand event, its financial value to the Foundation increases each year as it grows</li> <li>• Allowed the Foundation to establish its profile and credibility with more well-established NGOs that it wasn’t reaching with small grants</li> </ul>
Community Voice – traits and tools	<p><b>Aggregating is a key tool</b> – gaining greater exposure for a lower cost is a ‘no-brainer’ benefit for local organisations</p> <p><b>Supporting local groups to ensure success</b> – due diligence on projects to ensure a productive and fair group of projects</p> <p><b>Closing the loop</b> – reporting back to the community and donors about the outcomes to build trust and demonstrate track record</p> <p><b>Covering your costs</b> - it remains uncommon for Australian community foundations to seek grants for operating costs or to charge fees or make grants to themselves for these purposes<sup>43</sup></p> <p><b>Patience</b> - <i>‘We have learnt to celebrate incremental changes in attitudes and behaviour about giving instead of expecting one dramatic transformation’</i> (Alina Porumb)</p>

<sup>43</sup> Leat, p. 32.

#### 4. Being a grant making intermediary (re-granting)

*“We connected some of the most disenfranchised communities with some of the most established philanthropic resources.”<sup>44</sup>*  
*(North Star Fund)*

Community foundations are local experts and are ideally placed to act as middle men between local communities and resourcing entities. This often takes the form of ‘re-granting’ another funders’ dollars, as they recognise the community foundation as a valuable resource for achieving maximum grant making impact. For the other funder, re-granting removes the need *“to duplicate the work done by experts in the community”<sup>45</sup>* and for the community foundation, a vote of confidence from outsiders often helps enhance its local reputation. The *Back to School* voucher program of the Foundation for Rural and Regional Renewal (FRRR) is an Australian example. Sixty-one percent of community foundation respondents to ACP’s 2014 survey<sup>46</sup> have capitalised on the opportunity to re-grant funds from FRRR into their local area. Interestingly, the same survey found only 12.5% of community foundation respondents used grants or service fees from other philanthropic foundations as a strategy for developing funds.

Most importantly, being a grant making intermediary offers a direct means of ensuring resources are put to best use for local circumstances. The examples below illustrate that executing this role well gives the foundation an opportunity to demonstrate its local prowess (with costs covered) and attract new donors and partners.

<b>North Star Fund, New York USA<sup>47</sup></b>	
Greening Western Queens Fund North Star Fund is New York's community foundation supporting grassroots groups leading the movement for equality, economic justice and peace. North Star organises donors, raises money for grants, and provides technical assistance. Since 1979, North Star Fund has distributed over \$42 million to 1,775 groups working to create a more equitable and democratic city for all New Yorkers. It has not actively sought to develop an endowment.	
Context	The <b>2006 Queens blackout</b> was an unresolved series of power outages that affected the northwest section of the New York City borough Queens in July 2006 – over a nine day period. The outages affected 174,000 people, caused business losses of tens of millions of dollars and unsavoury living conditions due to a concurrent heat wave.
Why?	<ul style="list-style-type: none"> <li>• The extent of the outage and perceived poor response saw criticism of the power company, Con Edison and Mayor Michael Bloomberg and prompted a review by the New York Public Service Commission</li> <li>• It found that the outage had caused significant suffering and economic losses</li> </ul>

<sup>44</sup> North Star Fund, *Annual Report* (2013).

<sup>45</sup> Australian Community Philanthropy submission to Federal Government (2014).

<sup>46</sup> 2014 Community Foundation draft survey results (66% response rate; 24 of 36 foundations).

<sup>47</sup> <http://northstarfund.org/programs/greening-queens.php>.

	<ul style="list-style-type: none"> <li>• A settlement concluded in April 2008 resulted in various compensation measures to be undertaken by Con Ed, including \$8 million to a community-benefit fund for tree planting and other environmental initiatives or greening projects to improve the neighborhoods directly affected</li> <li>• A Greening Project Administrator would be appointed to oversee the distribution of funds to ensure the most effective community benefit</li> </ul>
What?	<ul style="list-style-type: none"> <li>• The Public Service Commission of the State of New York selected North Star Fund to act as the Greening Project Administrator</li> <li>• In autumn 2009, North Star Fund launched the 'Greening Western Queens Fund,' a \$7.9 million initiative to invest in energy-efficiency and environmental projects in Western Queens</li> </ul>
Initial investment	<ul style="list-style-type: none"> <li>• An Advisory Board of local stakeholders and environmental experts was established to distribute grants to local groups</li> <li>• In March 2010, North Star Fund hosted two community visioning sessions - over 120 residents, organisers, community members and experts came together to share their vision, goals, and ideas for a greener Western Queens</li> <li>• This was used by the Advisory Board to finalise the overall vision, grant criteria, priorities and guidelines for the Fund</li> <li>• Local groups would be funded for a range of activities including tree planting, energy efficiency, job training and open space enhancement projects – incorporating conservation education and replicable models to bring lasting impact in the neighbourhood and beyond</li> </ul>
Outcomes and leverage	<ul style="list-style-type: none"> <li>• Twenty-three projects were funded with one to three-year grants</li> <li>• Western Queens has seen an infusion of 850 trees, green jobs and youth environmental programs, community gardens, etc.</li> <li>• The inclusive process and resources allocated to a range of local grassroots organisations has seen wide participation and community benefits far beyond the physical</li> <li>• North Star covered its costs by charging an administration fee against the Fund</li> </ul>
Contribution to viability?	<ul style="list-style-type: none"> <li>• North Star was awarded the administration of this Fund due to their expertise in facilitating community led grant making processes, however the scale of this program was large considering North Star's size – their grants totalled \$2.2 million in 2009</li> <li>• This vote of confidence from the Public Service Commission brought them to the attention of a different group of potential supporters and partners. This re-granting 'contract' increased their reputation as a credible middleman between local organisations and large entities wishing to channel funds to the grassroots, a role they have continued and strengthened</li> <li>• Following Hurricane Sandy in 2012, other funders looked to North Star for leadership – Polk Bros Foundation (Chicago), Levi Strauss (California), Kendeda (Maryland) directed their rapid response dollars to North Star</li> </ul>

	<ul style="list-style-type: none"> <li>• North Star partnered with Ford Foundation to lead a tour of 20 private foundations to the hardest hit areas who were seeking first-hand knowledge of how to best allocate their resources in relief funding</li> <li>• The Atlantic Philanthropies provided \$250,000 to North Star’s Hurricane Sandy Community Recovery Fund to support local advocates seeking equitable long-term recovery and future planning</li> </ul>
Community Voice – traits and tools	<p><b>Cover your costs</b> – re-granting cannot be a drain on internal resources</p> <p><b>Broker and bring friends</b> – talk to other funders about the champions of your community</p> <p><b>Patience</b> – reputation take years to build</p> <p><i>‘For more than three decades, the North Star Fund has helped ensure that the grassroots organizations that serve and protect our communities have the resources they need to carry out their important work. I applaud the Fund for their ongoing commitment to working with organisations dedicated to giving every New Yorker a fair shot, from fighting to protect civil liberties to combating income inequality.’ (New York City Mayor Bill di Blasio, 22 April 2014)</i></p>

<b>Togliatti Community Foundation, Russia<sup>48</sup></b>	
A pioneering Russian community foundation, the Togliatti Community Foundation has recently leveraged their selection as a re-granting coordinator for a prestigious national grants program to gain exposure for their grant making capabilities and have subsequently won other re-granting contracts.	
Context	<ul style="list-style-type: none"> <li>• Togliatti Community Foundation was the first community foundation in Russia, established 15 years ago</li> <li>• It has distributed 100m Roubles in that time (US\$2.9 million)</li> <li>• It has an endowment of US\$1 million from corporate sources</li> <li>• It is a leading foundation and has helped to establish a network of community foundations in Russia and assisted, along with Charities Aid Foundation (CAF), the establishment of other community foundations in different regions in Russia</li> </ul>
Why?	<ul style="list-style-type: none"> <li>• In 2013, a private family foundation, the Timchemko Foundation approached Togliatti Community Foundation to act as one of seven re-granting coordinators for a competitive national grants program</li> <li>• The program is the first of its kind in Russia and it is an honour and prestigious opportunity for the Togliatti Foundation</li> <li>• The program was designed to support cultural organisations in villages and small towns and will award 50m Roubles (US\$1.46 million) to 200 projects across Russia</li> </ul>
What?	<ul style="list-style-type: none"> <li>• Togliatti conducted a number of promotional activities to great success – the 566 applications they received far exceeded expectations and accounted for 1/5 of all the applications received nationally (2500)</li> </ul>
Initial investment	<ul style="list-style-type: none"> <li>• Staff time - recovered from administration fee</li> </ul>

<sup>48</sup> Svetlana Chaparina, Deputy Director of Development, Togliatti Community Foundation (Russia), in conversation May 2014.

Outcomes and leverage	<ul style="list-style-type: none"> <li>• Togliatti recruited a regional panel of experts who shortlisted 56 projects and the national jury selected 30 projects from the Togliatti region, totaling 10 million roubles (US\$300,000)</li> </ul>
Contribution to viability?	<ul style="list-style-type: none"> <li>• Togliatti Community Foundation gained a service fee for its role as coordinator which covered administration costs and are negotiating an extra fee due to the high volume of applications from their region</li> <li>• Their selection as a coordinator enhanced their credibility due to the prestigious nature of the program</li> <li>• Their role in the program gained exposure for the Foundation, on a local, regional and national level, and demonstrated their capacity to make grants</li> <li>• Increased networks and contacts with cultural organisations and Ministries of Culture in each of the different regional capitals</li> <li>• As result of the above, they were subsequently asked in April 2014 by the local government to run a re-granting program for community development grants (7 million roubles)</li> </ul>
Community Voice – traits and tools	<p><b>Using local networks and know-how</b> – their relationships with small organisations throughout the region saw a higher than expected number of applications from their region</p> <p><b>Cover your costs</b> – service fees for re-granting programs must at least cover their costs</p> <p><b>Seizing opportunities for exposure</b> – using re-granting opportunities to demonstrate grant making prowess</p>

**5. Being the first responder**

*“We leveraged critical dollars for neighborhoods that government agencies and large relief agencies took days and weeks to reach.” (North Star Community Foundation)*

Community foundations are positioned to pick up early indications of emerging local issues that government and large not-for-profits generally take more time to recognise and react to. Being a first responder is not limited to natural disasters but these examples are provided because Australia is prone to them (floods and fires alike) and also because a number of our community foundations were galvanised by the need for co-ordinated community rebuilding after such events. As such, community foundations also find themselves being the ‘longest stayer’ in the circumstances of local disasters, a crucial focal point of long term regeneration efforts.

The UK and Turkish appeals detailed below demonstrate that community foundations are of crucial value to others seeking to inject support in times of natural disaster and that being an effective vehicle for that builds credibility for the community foundation model and opens up new opportunities. Thematic funds (mentioned under the Community Pulse section above, p. 14) are another means community foundations can capitalise on being first responders (and longest stayers) to community needs.

The UK example offers a challenge to Australian community foundations - to gain Federal or State Government funds for local distribution. Local government support or re-granting programs have been crucial for some rural and regional community foundations in Australia<sup>49</sup>, but the scale of a network administered-program brings a different level of credibility and profile. First responder appeals may be an opportunity to ‘prove’ the value of community foundations as a credible re-granting vehicle for government – thus moving a step closer to gaining influence over how resources are allocated locally.

<b>United Kingdom Community Foundation Network<sup>50</sup></b>	
Flood and Storm Appeal 2014 This nationwide community foundations fundraising campaign coordinated by United Kingdom Community Foundation Network (UKCF) is an example of the leverage opportunities created by effective first responders and the benefits (or halo effect) of being part of a well-resourced and coordinated network.	
Context	<ul style="list-style-type: none"> <li>• UKCF is the umbrella organisation for all 46 community foundations – covering all areas of the UK</li> <li>• They accredit members to standards endorsed by the Charity Commission</li> <li>• UKCF delivers UK-wide fundraising and grant making programmes through community foundations</li> <li>• They provide advice and support to member foundations and have one objective – to help build thriving communities</li> <li>• In 2013, community foundations in the UK made over 20,000 grants, distributing over £62 million to local causes</li> </ul>
Why?	A succession of major storms over winter 2013/14 left hundreds of thousands of homes without power in England, Wales and Scotland. Thousands of properties were flooded and there were a number of fatalities.
What?	<ul style="list-style-type: none"> <li>• Community foundations were among the first to recognise the scale of the issue and to respond to the immediate needs</li> <li>• Community foundations in affected areas set up emergency relief funds to harness the public desire to donate and to ensure funds reached those impacted in a strategic and targeted way</li> <li>• The local fundraising was supported by a national appeal, managed by UKCF – in total \$2m was raised by 9 April 2014</li> <li>• Funds were used to provide immediate relief at the height of the crisis and subsequently to support communities with rebuilding of homes, businesses and the local economy</li> </ul>
Outcomes and leverage	<ul style="list-style-type: none"> <li>• Wide recognition of community foundations and UKCF as first responders and effective local grant makers led to donations from Government, corporates, private foundations and individual donors</li> </ul> <p><i>“I think there’s been an extraordinary community fund raising effort, in terms of hardship funds to make sure that people who perhaps didn’t have</i></p>

<sup>49</sup> Leat, p. 40.

<sup>50</sup> <http://ukcommunityfoundations.org>

	<p><i>insurance have been able to get support. Today I can announce we are going to put another £500,000 into the community foundations around the country in the areas that have flooded because I think they play a key role in helping people and families get back on their feet.” (Prime Minister David Cameron)</i></p> <p><i>“The Charity Commission is pointing people towards specific organisations working to coordinate relief efforts for flood victims, such as UK Community Foundations, the umbrella bodies for community foundations across the UK, which has launched a Flood and Storm Appeal.”</i></p> <ul style="list-style-type: none"> <li>• £400,000 donation by Wren Living (10% of their turnover over one week), plus other corporate and private support including: Bayer, Zurich Insurance, Mutons Traditional Plant Supports and Leavening Methodist Trust</li> <li>• Endorsement of community foundations as local networkers, fundraisers and grantmakers</li> </ul> <p><i>“The speed of response from UK Community Foundations in areas affected by storms and flooding is very welcome. It will raise considerable amounts of money which will help vulnerable communities around the country. The crisis we are facing is significant and demands a response of equal scale. This is what we are seeing from UKCF and community foundations. Fundraising and distribution based on leveraging existing community networks to get money to those in need.” (Paul Cobbing, CEO National Flood Forum)</i></p>
<p>Contribution to viability?</p>	<ul style="list-style-type: none"> <li>• This is an ongoing appeal but the technique of a national coordinated campaign has been used multiple times by UKCF. For example, their Surviving Winter Appeal, to support vulnerable and older people stay warm has raised over £3.3 million and helped over 40,000 people survive winter since November 2011</li> <li>• Attribution is impossible, but it is reasonable to conclude that these campaigns have improved the viability of community foundations in the UK by raising their profile and credibility, resulting in increased donations – not only to ‘flow-through’ appeals but to funds under management which grew 13% between 2012 and 2013 (to £380 m)</li> </ul>
<p>Community Voice – traits and tools</p>	<p><b>The whole is greater than the sum of the parts</b> – numbers build reach, scale and credibility and being part of a network opens up funding opportunities not available to any individual</p> <p><b>Communicate your contribution</b></p> <p><i>“Applying unparalleled local knowledge and experience to identify and assess the issues on the ground means we can deliver a highly strategic and targeted response which will make a lasting difference to the affected communities.”<sup>51</sup></i></p>

<sup>51</sup> Stephen Hammersley, Chief Executive Officer, UK Community Foundations (quote on [http://ukcommunityfoundations.org/media/news\\_article/prime\\_minister\\_pledges\\_half\\_a\\_million\\_to\\_community\\_foundations\\_flooding\\_rec](http://ukcommunityfoundations.org/media/news_article/prime_minister_pledges_half_a_million_to_community_foundations_flooding_rec)).

	<b>Unashamedly community first, donor second</b> – <i>‘we operate to ensure that any form of philanthropy, whether from an individual or an organisation, is effective and brings greatest benefit to those in need in our local communities.’</i> (UKCF)
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<b>Turkish Philanthropy Fund, New York<sup>52</sup></b>	
Within hours of the 2011 earthquake in Van, Turkish Philanthropy Fund (TPF) had launched an Appeal through its networks of Turkish American donors and the American philanthropic community. The speed of its response with a coordinated viral campaign gained wide exposure which resulted in a boost to their reputation as an effective and responsive foundation – evident in the response to a recent appeal for the mining disaster in Soma.	
Context	<ul style="list-style-type: none"> <li>• TPF was started in 2006 by five Turkish Americans, who sought to raise funds among Turkish Americans to support social development needs in Turkey</li> <li>• TPF educates individuals about the challenges Turks face and empowers them to take action. More than a platform for donations, TPF was created to be a community where individuals would engage with the causes and understand the impact their contributions make</li> <li>• All donations made through TPF go directly to projects</li> </ul>
Why?	<ul style="list-style-type: none"> <li>• A 7.1 million earthquake struck eastern Turkey near the city of Van on Sunday, 23 October 2011</li> <li>• According to Disasters and Emergency Situations Directorate of Turkey on 30 October, the earthquake killed 604 and injured 4,152 people</li> <li>• At least 11,232 buildings sustained damage, 6,017 of which were found to be uninhabitable. This left 8,321 households or up to 60,000 people homeless</li> </ul>
What?	<ul style="list-style-type: none"> <li>• By 7 pm TPF had started a Van Earthquake Appeal, primarily through a viral email and social media platforms</li> <li>• TPF provided information on relief efforts and effective aid responses – playing an educative role</li> <li>• It sent strong messages about the need for coordination of aid efforts and resources and for the government to work with community organisations to ensure the most effective response</li> <li>• TPF positioned its role as filling gaps between emergency relief and long-term development programs and stated up front its plans, should enough money be raised, to support coordination efforts among civil society organisations to prepare communities and the sector for future disasters</li> </ul>
Initial investment	The operational costs of processing 1,000 donations was borne by TPF
Outcomes and leverage	<ul style="list-style-type: none"> <li>• \$500,000 raised went to 14 projects</li> <li>• By reaching out to all other Turkish-American organisations, TPF was able to coordinate much of the US Van response efforts. As TPF had capacity and connections in Van, most of the other organisations directed their members to TPF</li> </ul>

<sup>52</sup> Senay Ataselim, Chief Operating Officer, Turkish Philanthropy Fund, in conversations in May and June 2014.

	<ul style="list-style-type: none"> <li>• Additionally, by partnering with American organisations who started campaigns for the earthquake, TPF increased the pool of funds with nearly half the funds raised coming from those institutions</li> </ul>
Contribution to viability?	<ul style="list-style-type: none"> <li>• The quick response and strategic messaging raised TPF’s profile and credibility among US foundations and Turkish American organisations active in the USA</li> <li>• Subsequently, many of these organisations (that had previously given TPF little notice) announced them as their philanthropic partner – opening up new networks for TPF</li> <li>• As a result of distributing large amounts of money in a short period of time with the Van Appeal, organisations in Turkey started to take TPF more seriously and their portfolio of local partners has grown, which is useful in attracting more donors in the USA</li> <li>• Since 2011, TPF has seen growth in donations and in numbers of donors</li> <li>• The Soma mining disaster on 13 May 2014 saw a similarly rapid response and Appeal launched by TPF. It set a target to raise \$100,000 by the end of 2014 and it has raised over \$95,000 in less than a month</li> </ul>
Community Voice – traits and tools	<p><b>Speed</b> – in terms of disaster response being a visible first responder is key</p> <p><b>Taking a long-term view</b> – communicating a sophisticated understanding of the needs of disaster response by filling gaps and taking a longer term rebuilding approach wins support from other institutional funders</p> <p><b>Using technology to widen your network of support</b> – viral campaigns and social media are vital when a local issue reaches a national or international level – and could be useful on a smaller scale, depending on the local situation</p>

**Working together to build community voice capacity and credibility**

*‘When we go alone they do not listen to us but we are always heard when we go together.’<sup>53</sup>*

Effectively executing roles such as those highlighted here frames community foundations as go-to local champions, a position which many Australian community foundations can likely already lay claim to. However, these roles are put to greatest effect, for the benefit of communities and the viability of community foundations, when done in a coordinated way and the key to gaining significant influence in the allocation of government and private resources undoubtedly rests in working together. This poses an interesting challenge to Australia’s community foundations that have in large part developed from the grassroots up, championed by individuals passionate about their individual communities. Whether it is this or a cultural admiration for the isolated battler is hard to say, but the sector maintains an independence that some describe as competitive. Undoubtedly exacerbating this is that few community foundations have the resources to lift their heads above water, let alone consider the collective good. Coming

<sup>53</sup> Member, Prayatna Foundation (India).

together as a network, albeit a collection of individual communities and foundations, must not be viewed as an added burden but as an opportunity to build value and influence for each community interested in mastering its own destiny.

National community foundation networks are supported and promoted by umbrella organisations – in locations as diverse as Romania, Mexico and the Netherlands. It is not serendipitous that their establishment has coincided with the rapid growth of community foundations globally since 2000 - numbers almost doubled in the decade from 2000 to 2010 - 905 to 1680 and to 1,750 today.<sup>54</sup> Indeed, the best predictor of new growth in community foundations is the number of support organisations promoting community foundations in that country.<sup>55</sup> An analysis of the impacts of high-quality support organisations on the effectiveness and viability of a country's community foundation field will not be undertaken here, however a couple examples relevant to Australia will be touched on briefly.

The creation of Community Foundations Canada (CFC) in 1992 saw the number of foundations in Canada triple within six years. Today 191 community foundations cover more than 89% of that nation<sup>56</sup> - second only to Australia in (lack of) population density. Today CFC is a powerhouse network organisation, running various national programs for research (Vital Signs), communications, fundraising ([Smart & Caring Communities](#)) and FUNraising ([Random Act of Kindness Day](#)) as well as providing technical support and tools on topics of common interest to member foundations such as the [Professional Advisors e Resource](#). CFC produced this in response to research that showed only 7% of Canadians would leave money to charity in their will, if left to their own devices. However, if the issue is raised with them, when drawing up a will or financial plan, the figure rises to 27%—more than a three-fold increase.<sup>57</sup> Considering only 22% of financial advisors in Australia ask clients about giving as a matter of policy, compared to 90% in the US,<sup>58</sup> there would seem some low-hanging fruit ripe for the picking.

More important than the growth in numbers of community foundations under network support is the increased profile and credibility this builds, creating opportunities to influence how funds are used to meet local needs. *'We call it the network effect – it's what happens when we pool knowledge, resources and passion with others to bring breakthrough solutions to more and more communities. It's the power of more minds, more resources and more reach working as one for bigger, wider impact.'*<sup>59</sup>

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<sup>54</sup> Worldwide Initiatives for Grantmaker Support (WINGS), *Global Status Report on Community Foundations* (2010).

<sup>55</sup> Worldwide Initiatives for Grantmaker Support (WINGS), *Global Status Report*.

<sup>56</sup> Charles Stewart Mott Foundation, *Annual Report* (2012).

<sup>57</sup> <http://www.cfc-fcc.ca/programs/professional-advisors-e-resource.html>.

<sup>58</sup> Professor Myles McGregor-Lowndes, Queensland University of Technology in Leat.

<sup>59</sup> <http://www.cfc-fcc.ca/documents/2013/OurMovementOurMomentENprint.pdf>.

Similarly, despite the first community foundation being established in the UK in 1975, the sector did not take-off until after 1991 when United Kingdom Community Foundation (UKCF) was established. In 2014, 95% of the UK population has access to one of 54 community foundations.<sup>60</sup> This active and vocal network organisation, as noted in the case studies, has brokered various Government re-granting programs for UK community foundations – an important model of opportunity in Australia. **Community First** is a national program administered by UKCF designed to stimulate charitable donations made by individuals, families and corporations. Donations made through community foundations receive a 50% match from the UK Government. In 2013/14, community foundations raised a total of £30.5m and drew down £15.3m in matched funds against a target of £15m, adding a total of £45.8m to the network’s endowment and a total of £81,768,605 over the course of the last three years.<sup>61</sup> Similarly, matched funding challenges for community foundations have been piloted in recent years in different forms by the Victorian and NSW Governments, as noted elsewhere in this paper. The UK example provides some food for thought about the value of such programs being administered by a network organisation – with the oversight and resources to make the very most of the opportunity.

### **The role of other funders in network building**

The development of the community foundation sector has been catalysed in different countries to varying degrees by the support of other funding institutions – both native and international, private and public, in partnership or as sole benefactors. Notable are a number of private US foundations that have been committed champions of community philanthropy as a key vehicle for community-driven development for decades. These include Ford Foundation, Kellogg Foundation and the giant of the sector, the Charles Stewart (CS) Mott Foundation that has provided 781 grants globally totaling over \$150.4 million<sup>62</sup> over the last 35 years.<sup>63</sup>

Mott’s support has ranged from administration grants to struggling community foundations in the US in the late 1970s to seeding community foundation sectors in post-Communist Eastern Europe and post-Apartheid South Africa as a means of transition to participatory democracy and civic empowerment. The philanthropic techniques employed run the gamut from matched fundraising for local grants programs, endowment challenge grants, partnership programs, technical assistance to operational and administration support. In recent years, the Foundation’s focus has been on building the sector more broadly through leadership development, research and supporting umbrella organisations: *“fairly quickly, the Foundation*

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<sup>60</sup> Charles Stewart Mott Foundation, *Annual Report* (2012).

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[http://ukcommunityfoundations.org/media/news\\_article/meeting\\_match\\_targets\\_means\\_communities\\_receive\\_an\\_extra\\_15m\\_in\\_funding\\_fro](http://ukcommunityfoundations.org/media/news_article/meeting_match_targets_means_communities_receive_an_extra_15m_in_funding_fro).

<sup>62</sup> Charles Stewart Mott Foundation, *Annual Report* (2012).

<sup>63</sup> Reynolds, p. 1.

*recognized that support organisations could be excellent tools for spreading and strengthening the community foundation field, and Mott’s strategies began to reflect that, with grants being made to various organisations at home and abroad that could help develop and unify the field.”<sup>64</sup>*

The Australian community foundation sector has received less stimulatory support overall than many others, with a couple of notable exceptions. Two significant injections of ‘sector building’ support include (indirectly) Sidney Myer Fund’s \$1 million gift to establish the Foundation for Rural and Regional Renewal (FRRR) in 1999. This leveraged \$15 million in Federal Government funding and a unique listing in the Tax Act, allowing broad powers in gifting, making FRRR catalytic in spurring development of community foundations in country areas.

The second crucial sector building effort was an incentive scheme of the Victorian Office of the Community Sector initiated in 2009. The Community Foundations Funding Program awarded an initial grant of \$100,000 to individual community foundations, then a further grant to double community fundraising up to \$100,000 – bringing the total possible incentive to \$300,000. This Department has been a key champion of the sector, also producing a series of informative videos and other communications materials to promote the community foundation model.

Stimulus programs have undoubtedly been crucial to the establishment of community foundations worldwide and to the 57 community foundations and geographic sub-funds in existence in Australia today, 30 of which are in Victoria.<sup>65</sup> However, there is an inherent tension in external seed funding for a concept that’s core is locally-driven, *“people and organisations outside the community can offer assistance but the real motivation must come from within.”*<sup>66</sup> The response to some stimulus programs have been so high that sustainability and viability must be considered key issues. The Lilly Endowment’s support program seeded community foundations in all of Indiana’s 92 counties<sup>67</sup> and a CS Mott and Bertelsmann Foundation program saw the number of community foundations in Germany shoot up from a handful in 2001 to 250 in 2013.<sup>68 69</sup>

In terms of umbrella and support organisations, the Australian experience has not been straightforward. FRRR has played a crucial support role – funding feasibility studies, developing technical support materials, managing donation accounts and lobbying for community foundations. However, its mission is to promote rural and regional regeneration, not develop

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<sup>64</sup> Charles Stewart Mott Foundation, *Annual Report* (2012).

<sup>65</sup> <http://australiancommunityphilanthropy.org.au/community-foundations/community-foundations-in-australia>.

<sup>66</sup> Charles Stewart Mott Foundation, *Annual Report* (2012).

<sup>67</sup> <http://www.lillyendowment.org/communitydevelopment.html>.

<sup>68</sup> Charles Stewart Mott Foundation, *Annual Report* (2012).

<sup>69</sup> Anecdotally, many of the new German community foundations are operating foundations, staffed by volunteers, and with a single program focus. This raises questions about how distinct they are from the very NGOs that community foundations generally serve.

community foundations and it is not resourced to do so.<sup>70</sup> Australian Community Philanthropy, formerly Community Foundations of Australasia is emerging and with adequate resourcing and clarification of its role and strategy, could step into the role of peak body for community foundations in Australia. Philanthropy Australia also has community foundations under its mandate. Historically, the efforts of these support organisations have attracted few other significant resources although the Mott Foundation awarded around \$90,000 in the early 1990s.<sup>71</sup> The existence of Philanthropy Australia and Australian Community Philanthropy both championing community foundations and perceptions of overlap may have confused funders overseas and locally, doing little to increase trust and attract resources.<sup>72</sup>

Recent funding from the Lord Mayor's Charitable Trust, another champion of the model locally, and FRRR to Australian Community Philanthropy has enabled a mapping of Australian community foundations, a crucial step in developing network capabilities. This is an encouraging sign about increased strategic activity and coordination in the community foundation sector, however more focus and support is required at the network level to assist community foundations realise their potential.

### **Conclusion and recommendations**

This paper has considered effective and emerging international practice by community foundations. It is hoped that the analysis of five different roles played - *initiator of hard conversations, finger on the community pulse, champion of local organisations, re-granting and being the first responder* – offers a set of 'community voice' tools and traits for consideration and adaptation to Australian contexts.

This paper has also considered the opportunities of the Australian environment for community philanthropy and proposed that together community foundations in Australia can strategically claim a role that is missing within the ecosystem – the voice of community – and by doing so gain for the community greater influence over how resources are allocated locally.

The concepts explored in this paper have not been tested broadly with Australian community foundations. Therefore, a valuable next step would be discussion about whether they resonate here and if so, what next?

*Do community foundations see themselves as a voice for the community?*

*Do community foundations aspire to more effective local services and funding allocations? If so, how do they see their role in this?*

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<sup>70</sup> Leat, p. 42.

<sup>71</sup> [Foundation Directory Online](#) (Foundation Center)

<sup>72</sup> Leat, p. 31.

*Are community foundations willing to go into bat together for this outcome?*

*Are the roles explored in this paper relevant and applicable - how else are community foundations in Australia acting beyond the grant in pursuit of better community outcomes?*

*Are Australian community foundations harnessing similar tools to their international counterparts – data and information, bravery and brains, leverage for their dollars, active support for community organisations? What other effective tools do they employ to meet their community’s needs?*

Achieving the niche of ‘community voice’ within the funding ecosystem will require a collective commitment and a united front by Australian community foundations to build the credibility and viability of the field. Development of a clear vision and sound strategy by the sector, for the sector will also be required to increase support and resources, from old friends and new.

Support for community foundations by other funders is currently best applied toward network strengthening activities. This could ameliorate conditions and opportunities for community foundations without over-stimulating new development unnaturally.

Priority **network strengthening activities** include:

1. **Strategic planning and operational support for the umbrella organisation** – to develop the collective vision and strategy noted above as well as to implement useful tools and functions to provide economies of scale for community foundations, including back office functions (accounting, audit, grantmaking templates), as well as coordinate 2 and 3 below
2. **Development and implementation of a common and coordinated research platform** (such as Vital Signs) – an essential tool to realise the role of community voice
3. **Development of a communications campaign** – building awareness about community foundations and their value as the voice of Australian communities

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- [Community Foundations Canada](#)
- [Foundation for Rural and Regional Renewal](#)
- [Foundation Center’s Foundation Directory Online](#)

[Instituto Comunitario Grande Florianopolis](#)

[Lilly Endowment](#)

[North Star Fund](#)

[Philanthropy Wiki, Philanthropy Australia](#)

[Togliatti Foundation](#)

[Turkish Philanthropy Fund](#)

[UK Community Foundations](#)

[Vital Signs Canada](#)

### **Conversations**

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Louise Arkles, Development Officer, Australian Community Philanthropy

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