

APPROACHES TO GRANTMAKING

A Report to The Colorado Trust

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Mission

The mission of The Colorado Trust is to promote and enhance the health and well-being of the people of Colorado. To fulfill its mission, the foundation supports innovative projects, conducts studies, develops services and provides education to produce long-lasting benefits for all Coloradans. Within the framework of human development, The Colorado Trust advances accessible and affordable health care programs and the strengthening of families.

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APPROACHES TO GRANTMAKING

Introduction

The universe of philanthropy has a long and honorable history. It can be traced at least to the late 1800's (Bremner, 1987). However, this universe has experienced its own "big bang" of sorts in recent years. Porter and Kramer (1999: 121) succinctly suggest this when they say:

"During the past two decades, the number of charitable foundations in the United States has doubled, while the value of their assets has increased more than 1,100%. Foundations now hold over \$330 billion in assets and contribute over \$20 billion annually . . . No other country in the world can claim such substantial and widespread commitment to philanthropy and volunteerism."

While this expansion is impressive, it comes with a growing sense of responsibility among the numerous and diverse foundations constituting the universe of philanthropy. The "big bang's" reverberation has propelled those foundations into internal reflection about the role they play in our society. As stated by one official in a leading foundation, "The influx of new dollars and new players has brought with it a concern for sorting out fact from fiction on how best to use resources in addressing the nation's pressing problems." Mario Marino, director of the Marino Institute, a nonprofit organization promoting "venture philanthropy," expressed a similar concern about the responsibilities and challenges that burgeoning abundance poses for foundations. Noting the booming economy, globalization and a new global medium — the Internet — he offers some thoughts about the challenges facing philanthropy (Address to the Washington Regional Association of Grantmakers, June 21, 2000):

"Amidst this stunning prosperity, we are also seeing a stunning paradox. As our world grows closer together, our economic and social divides are widening . . . Even though the New Economy is booming, government investment in the social services has been reduced. And even as the public sector investment shrinks, we ask – and expect – nonprofits to shoulder a growing responsibility to address our most vexing social problems. As it faces this exceptional challenge, the nonprofit sector and the philanthropy that supports it will undergo extensive, if not radical, change . . . And that adds up to a dramatic opportunity – an opportunity to rethink philanthropy in America. One of the biggest leveraging points in helping nonprofits deliver social services more effectively lies in changing the funding system itself."

Foundations will vary on how they respond to today's challenges and their positioning within the larger universe of philanthropy; that is, they will engage internal reflection on their own terms. The context of such reflection will clearly be each foundation's history, culture, organization, assets, operating procedures, funding audience, etc. Those features will understandably influence the outcomes of the reflection process. Despite variation on how individual foundations address today's challenges, all foundations will undoubtedly engage the reflection process at some point, given the vast resources available in the universe of philanthropy and the difficult issues facing our nation.

Mindful of these developments and challenges, The Colorado Trust commissioned this paper to aid in its long-term strategic planning process. Information for this paper is drawn from a variety of sources to provide a review of existing grantmaking strategies and to distill the implications of those strategies for philanthropic funders and their grantees. We also identify relative advantages and disadvantages of grantmaking approaches, with the purpose being to recognize that each has merits for some purposes, but the choice among them will have potential costs as well.

The background work for the preparation of this paper involved several key tasks, including the following:

- Locate and review published articles and foundation reports on various practices in grantmaking (Appendix One, page 26),
- Conduct interviews with designated officers of similar national foundations (Appendix Two, page 29), and
- Send out a brief questionnaire to select foundations in Colorado to determine their experiences in grantmaking (Appendix Three, page 31, and Appendix Four, page 32).

MAIN THEMES IN PHILANTHROPY-RELATED LITERATURE

Development of different grantmaking strategies over the past century has been driven in part by a desire within the funding community to transform philanthropy into a more powerful and effective social force. Foundations generally adopt or use a mixture of four different grantmaking approaches, which are presented below: charitable funding, cluster funding, initiative-based funding and venture philanthropy.

Charitable Giving and Cluster-Based Grantmaking

As used here, charitable funding refers to the use of foundation dollars to respond to new ideas, pilot projects, or immediate needs in a population, typically through a one-shot, smaller scale and time-limited grant. Such ideas, pilot projects, or immediate needs come to the attention of a foundation through an unsolicited process (e.g., personal contact or presentation, letter of inquiry, telephone call or perhaps a fully articulated proposal submitted to an unsolicited grants program). However, unsolicited charitable giving can be modified so that larger grants are provided to build the capacity of organizations, in addition to supporting new or existing programs addressing community needs, as is the case with The California Wellness Foundation.

Cluster-based grantmaking involves funding numerous programmatic approaches addressing some common issue or problem, but grantees are not tightly networked. They typically engage planning, program development and implementation on their own (i.e., not according to foundation prescriptions), and while there are exceptions, little is usually required in the way of systematic evaluation, especially cross-site evaluations. Cluster strategies are typically less complex and integrated than initiative-based grantmaking, and they also can be organized around funding limited to designated geographic areas in which the dollars are spent to enhance the “place” by supporting numerous projects addressing different issues and problems. For example, The Kansas Health Foundation uses this approach to build the capacity of identified communities in the state of Kansas, on the assumption that health is cultivated within enriched social environments. Hence, multiple grants addressing different issues within the same community are provided to strengthen the infrastructure of that community. More detailed descriptions of initiative-based grantmaking and venture philanthropy are presented below.

Traditional Initiative-based Approaches to Grantmaking

Present day initiative-based grantmaking can be defined as “A prescriptive, integrated blend of planning; grantmaking; formative, cluster and summative evaluation; extensive strategic communications; and social marketing — all with an explicit systems change objective or policy change objective (or both) and a defined exit strategy” (Orosz, 2000, pg. 232). The majority of foundations in the United States currently employ either a cluster-based approach to grantmaking or an initiative-based approach to grantmaking.

The traditional approach to initiative-based grantmaking is distinguished by its emphasis on funding innovative programs rather than organizations or individuals (for

example, outstanding leaders in a defined priority area). While the approach does involve a tight focus on a particular issue, for example, The Colorado Trust's Violence Prevention Initiative, foundations using this approach may have several initiatives in different areas occurring simultaneously.

Typically, foundations conduct extensive research in the process of identifying an initiative area which includes literature reviews, convening of expert advisory groups and conducting environmental scans. Once an area has been defined, foundations undergo an extensive planning process in preparation for the initiative. This process often culminates in the preparation of an integrated action plan that defines activities that will occur in multiple domains related to the initiative, including grantmaking, evaluation, strategic communications, social marketing, bringing-to-scale and policy work. The Colorado Trust's Assets for Colorado Youth Initiative is an example.

Similarly, while program officers from the granting organization often conduct site-visits to initiative grantee programs, the primary purpose of these visits are usually to ensure that the grantees are executing their programmatic responsibilities as planned. Provision of advice or other direct forms of support by the program officer are usually of secondary importance. Sometimes they are even avoided in the interest of maintaining a respectful distance between the grantee and the funding organization.

Foundations utilizing the traditional model for initiative-based grantmaking can and often do provide technical assistance to their grantees, often in the areas of evaluation or technology and organizational development, but technical assistance can also extend to providing expertise in a specific content area, such as teenage pregnancy, violence, youth development, etc. Usually foundations provide the assistance by means of contracts with external consultants, although larger foundations often have the needed expertise within their organization. Funding cycles for initiatives are often longer than those found in charitable giving or cluster grantmaking approaches. Grant duration can be up to three to five years, but they are not typically enough to qualify as long-term grants (Orosz, 2000; Grossman, 1999; David, 1999; The Colorado Trust, 2001).

The identified advantages of initiative-based grantmaking over other less structured and defined approaches such as cluster-based and individual grantmaking include: a tighter focus for foundation funding and avoidance of dilution of foundation resources through investment in too broad a range of issues, longer grantmaking cycles, closer working relationships between grantees and foundations as well as among grantees who pool the resources of the foundation and the grantee, and effective use of the convening power of foundations to maximize the impact of the initiative (Orosz, 2000). As a more intensely and strategically focused approach, combined with relationship building among a foundation, its technical assistance providers (of many types) and its grantees, initiative-based grantmaking has much promise for enhancing the impact of programs designed to address designated issues and problems.

Despite the promise of initiative-based grantmaking, this approach has disadvantages as well, like all grantmaking strategies. A senior foundation official indicated in one of our

interviews that too often this approach results in “rounding up the usual suspects, validating the status quo with programs and then evaluating the effort to see if it is successful.” The official went on to suggest that too often grantees become more preoccupied with satisfying the requirements of the initiative and thus the foundation sponsoring it rather than the needs of their communities. Further, they may continue with their programmatic efforts even though they know those efforts are not working because “that is what the foundation wants.”

Another senior official said that through an internal deliberation about their initiative-based grantmaking approach, their staff concluded that the approach “weakened the nonprofit sector rather than strengthened it.” This unintended and paradoxical outcome resulted from nonprofits “chasing foundation dollars and stretching to do something they were not prepared to do in meeting the demands of the initiative, but the stretch pulled them away from their original mission.” This official went on to say that in a typical five-year grant, “Eighteen months is spent gearing up, leaving only 42 months to run, and in the last year key staff leave because they anticipate a loss of funding.” The net result, he claimed, is that even promising programs can be undermined and the capacity of nonprofits is actually shaken by the initiative-based funding opportunities rather than fortified by them.

Other identified disadvantages of initiative-based grantmaking include the following:

- project opportunities lost while focused on a specific initiative
- potential obsolescence of the initiative due to changes in the political or social environment
- necessary imposition of the foundation’s definition of important issues, strategies and practices on their stakeholders and
- the complexity of initiatives and the demands this creates on program officers, staff and grantees (Orosz, 2000).

Venture Philanthropy as a New Model for Grantmaking

A new approach to grantmaking has begun to capture the imagination of the foundation world during the past five years. In 1997, Christine Letts, William Ryan and Allen Grossman published the seminal article on venture philanthropy entitled, “*Virtuous Capital: What Foundations Can Learn from Venture Capitalists*,” in the Harvard Business Review (Letts, Ryan, & Grossman, 1997). Letts and her colleagues make the case that the effectiveness of philanthropic giving would be greatly enhanced through the incorporation of strategies utilized by venture capitalists when developing a new business. Heralded by some as a paradigm shift in philanthropic grantmaking approaches and criticized by others as compromising the long-standing and important independence of the non-profit from state and business, the Letts, et al. article introduced the term “venture philanthropy” into the lexicon of the foundation world.

Letts and her co-authors contend that the traditional approaches to grantmaking severely limit philanthropy’s ability to make a significant impact on the important social problems we face in this country. They argue that foundations invest in programs while

neglecting the organizations that administer the programs. They also point out, as do many others, that grants made typically are too small and too short to produce mature, effective and sustainable organizations, capable of providing needed services effectively, and that too often grants are inadequate to support taking effective models to scale.

In response to these shortcomings, the authors propose a new model for philanthropy that incorporates principles used by venture capitalists. The venture philanthropy model departs from traditional charitable giving, cluster and initiative models of grantmaking in many significant ways. For example, it invests in organizations rather than programs and ideas. Consistent with such investments, the model emphasizes the provision of a wide variety of technical assistance, which in turn involves capacity building in management skills, fiscal accountability and sustainability, technological advancement and other organization enhancements deemed necessary by the organization itself to accomplish its social service mission and goals. This model requires a close working relationship between funder and grantee to the extent that the program officer may serve on the organization's board. Moreover, it utilizes significantly longer funding cycles – from five to eight years or more – to increase the likelihood that effective programs administered by the organization will be “brought to market” (i.e., scaled-up) (Community Wealth Ventures, Inc., 2001; Letts et al., 1997; Grossman, 1999).

A hallmark of this approach is that “work starts with funding instead of ending there” (Marino address, 2000). Relationships are developed and trust built. Funders consult and support, becoming “vested partners that share risk . . . More than anything else, they help build great organizations that, in turn, create great value.” Marino goes on to note that “Venture philanthropy applies best to where it is most needed and can most succeed: in institutions that provide a social service and that could deliver that service much more effectively and with far greater value with a strategic investment that helps build a stronger organization. It applies most to untapped potential that can be harnessed and highly leveraged.” However, he cautions that this approach “would work only for organizations that are highly receptive to this more engaged approach.” This point was a theme that emerged from interviews with foundation officials using this more strategic and engaged approach to grantmaking. Not all nonprofit are willing or ready to engage in such a partnership with a foundation, with this being a major consideration for the selection of grantees under a venture philanthropy model.

Rather than assume a cause and effect relationship between a programmatic approach and the amelioration of an identified issue or problem, as is often the case with initiative-based grantmaking, the venture philanthropy model involves a mutual and in-depth dialogue between the foundation and the potential grantee. That dialogue involves, as one senior foundation official contends, mutually identifying “where the organization wants to be in a reasonable and well-defined time horizon, and then identifying what it will take to get it there.” This dialogue includes specifying temporal milestones, with clear and measurable performance standards for meeting those milestones.

Joint determination of these issues is critical, not determination by an outside and unrelated agency or by the foundation dictating to the grantee. Moreover, this process also includes a commitment on the part of the foundation to partner for “the long haul” and to provide monetary and non-monetary assistance necessary to build the mutually

agreed upon capacity of the organization: “We need to have a clear vision of outcomes and then organize to get there and provide the grantmaking to support it.” And yet another official claimed: “We decided we are in the change business, not the money business. So we must overcome the charitable urge to give money and ask what it will take to achieve organizational outcomes.”

Critics of the model argue that focusing on organizational capacity-building rather than programming does not ensure success any more than traditional models. Similarly, deep involvement of the funder with the organization is extremely time intensive and limits the work of the foundation to a few large projects while neglecting smaller community-based projects. Similarly, a deep level of involvement can result in the foundation having an untoward influence on the organization. Even with deliberate attempts to level the playing field, a power imbalance exists, or at least is perceived to exist between a foundation and its grantees – one has the money and the other seeks it. This creates a dialogue with high demand characteristics. The “words” of the foundation carry considerable weight, as when one foundation official said, “my” thoughts became “the” thoughts, and potential grantees say what they think the foundation wants to hear. Hence, an open and honest dialogue becomes understandably difficult. Further, a deep level of involvement (e.g., sitting on the nonprofit’s board) would violate one of the fundamental strengths of nonprofits, namely their independence from state and the for-profit sector (Sievers, 1997; Orosz, 2000). For a discussion of other reservations about applying the principles and methods of venture capitalism to the nonprofit sector, see “*Venture Capital and Philanthropy: A Bad Fit*,” by Mark Kramer (2001, available on the Web site for the Center for Effective Philanthropy, www.effectivephilanthropy.com).

As noted above, success of the venture philanthropy approach to building nonprofit organizations, enhancing and sustaining the effectiveness of their services and thus resolving pressing social problems remains an open question. However, it continues to receive much attention and holds considerable promise as a new model for grantmaking. A recent survey of venture philanthropic grantmaking conducted by Community Wealth Ventures, Inc. found that confusion exists in the funding community as to what actually constitutes venture philanthropy. Findings further indicated that most groups claiming to use a venture philanthropic approach are instead using diluted versions of the original model (Community Wealth Ventures, Inc., 2001).

While it remains unclear whether the venture philanthropy model will produce better results than traditional models of grantmaking, this approach surely provides an alternative to grantmaking that, like traditional approaches, has its own set of advantages and disadvantages. Venture philanthropy clearly is not a passing fad but is likely to stay, at least in some form. It also is clear that a growing number of foundations are incorporating characteristics of this approach into their grantmaking practices.

The Edna McConnell Clark Foundation is an example of a funder exploring elements of the venture philanthropy model. However, the foundation rejects the label “venture philanthropy” as a descriptor for its grantmaking approach. They do this for two reasons: current confusion in the funding world as to the meaning of the term and the intellectual baggage the term carries from its commercial origins. While still in a pilot phase, this foundation is one of the first major funders to realign its grantmaking

practices to reflect principles of what is currently referred to as venture philanthropy. Michael Bailin, president of the foundation, describes six significant changes the foundation has made in its grantmaking practices that reflect the venture philanthropy approach (Community Wealth Ventures, 2001), the foundation will:

- concentrate its future grantmaking on a single, broad area: youth development.
- invest the majority of its resources in the organizational growth of nonprofit youth-serving institutions that have demonstrated effectiveness and are at a developmental stage where they are able to undertake significant growth
- make larger and longer grants than in the past – consistent with the venture philanthropic approach – and guide and evaluate the grants by means of growth plans negotiated with the grantee organizations
- assume an active relationship with grantees that includes defining them as partners and providing substantial non-financial support (e.g., technical assistance in domains ranging from financial to management) to increase the likelihood of success
- work to assure that grantees receiving financial and non-financial assistance and are able to sustain growth and improvement beyond the end of such assistance from the foundation, and
- bring together organizations in the field to exchange information, share experiences and perhaps even pool resources.

An official of the Edna McConnell Clark Foundation claimed that this approach requires “faith in organizations that they are able to do the work that they say they will do.” This faith is built on “knowing the organization so well that we believe it can and will deliver.” The knowledge comes from a large up-front process in which potential partnering organizations are proactively identified through internal knowledge at the foundation, networking among organizations or consultation with experts in the field. Once identified, “We knock on the door, tell them we want to know everything about the organization and that if we work out a mutually agreeable arrangement and capacity building plan we really will be there for you and struggle with you over the long haul.” To illustrate this large up-front process, the foundation engaged in a new investment partner, the Boston-based Citizen Schools, Inc. In doing so, foundation staff spent 180 hours over four weeks interviewing the group’s officials and examining its records to learn about its finances and growth plans (see Gewertz, 2001).

Putting the Grantmaking Approaches Together

The table on page 14 provides an overview of the main characteristics of traditional charitable giving, cluster- and initiative-based grantmaking, as well as venture philanthropy. Variation in the characteristics outlined below among foundations is certainly possible. For example, foundations using an initiative-based approach may vary in the degree to which they are directly involved with grantees and may offer longer-term funding cycles. In general, however, each grantmaking model tends to reflect the characteristics outlined below. They include the intent of funding on the part of foundations and the target of funding, that is, why the funding is provided and who will get it. They also include the nature of the relationship between foundations and grantees

in terms of the frequency and intensity or closeness of the interaction between them, in addition to the types of engagement, which refers to the kinds of activities involved in their interactions. The general size and length of grants as well as the method of grantee identification and selection is also noted in Table 1 (page 14).

As one moves from charitable giving to venture philanthropy, the overall level of engagement between foundations and grantees tends to increase, ranging from a totally reactive grantmaking approach – where the larger community defines its needs and brings them to the attention of the foundation – to the more proactive – foundation-driven identification and selection of grantees and the provision of larger grants for longer periods of time and the building of core organizational infrastructure involving a close and intense partnering of foundations with their grantees. These patterns should be considered general tendencies common to these basic types of grantmaking approaches, not rigid and mutually exclusive characteristics. Clearly, variations of these patterns occur in the real world of philanthropy.

For example, The California Wellness Foundation shares the view advocated by venture philanthropy (and embodied in the new grantmaking approach adopted by the Edna McConnell Clark Foundation) that building strong nonprofit organizations and providing larger and longer grants is desirable. This intent of funding is also more tractable when it comes to gauging success, that is, determining how and whether organizational capacity has been strengthened, compared to determining whether some programmatic emphasis has resolved a pressing problem (e.g., the reduction of violence in a population). However, the Wellness Foundation rejects other elements of venture philanthropy, especially its intensive hands on approach, and the foundation has redirected its grantmaking to an entirely unsolicited responsive approach. The rationale, according to a senior foundation official, is that the “people who do the work are the experts,” not foundation staff. Therefore, an unsolicited responsive grantmaking program allows the foundation to be informed by those in the field. However, half of the funding is designated for core, infrastructure support of nonprofit organizations, with the other half being reserved for continuing initiatives and new projects with a programmatic focus. Hence, the purpose or intent of funding of different foundations may be the same, as with the California Wellness and the Edna McConnell Clark Foundations, but the choice of grantmaking approaches may be very different, including the identification of potential grantees.

Mixing Grantmaking Approaches

Foundations have the option of choosing among these grantmaking approaches, within constraints of their history, mission and goals. Moreover, as suggested above, the choice is not mutually exclusive, meaning that elements of each model can be borrowed to form a blended grantmaking strategy, or multiple models can be adopted for strategic purposes. Please consider the following three illustrations.

As an initial and relatively straightforward illustration, some of the foundations we contacted said that whatever approach they emphasize, a percentage of funding dollars is set aside for an unsolicited grantmaking program (i.e., charitable giving). For example,

Table 1. Characteristics of Grantmaking Approaches.

	Charitable giving	Cluster-based	Initiative-based	Venture philanthropy
Intent of funding	To startup or alleviate immediate need; focus is not on introducing sustainable change in society, services or policy	Effective programs will alleviate targeted health/ social concerns	Effective programs will alleviate targeted health/ social concerns	Building the capacity of promising organizations to develop and administer programs will result in effective and sustainable programs that will alleviate targeted social/health concerns
Target for funding	Pilot programs or immediate need	Programs in a particular topical or geographic area	Programs within well-defined priority area	Organizations
Funder relation with grantee	One-time interaction	Arms length	Arms length with some engagement of grantees in defining focus and parameters of foundation initiatives	Close and intense (provision of internal technical assistance; foundation staff may serve on agency boards; direct advisors)
Type of engagement between funder and grantee	Validate promise of pilot or claim of need	Oversight of spending of grant funds; adherence to proposal objectives; periodic site visits	Oversight of spending of grant funds; adherence to proposal objectives; periodic site visits; provision of some technical assistance	Provision of direct technical assistance in multiple sectors (financial, personnel management, development, design, implementation, etc.); foundation staff may serve on agency boards.
Length and size of grants	One-time	Usually one time; short term (one to two years); small grant amounts relative to the size of the foundation	Short to medium term (two to five years); small to moderate grant amounts relative to the size of the foundation	Long term (five to eight or more years); larger grant amounts relative to the size of the foundation
Grantee identification process	Unsolicited requests	Unsolicited and solicited proposals	Solicited proposals through RFP process, although other proactive processes often used as well	Some solicitation, but greater emphasis on foundation-led identification of candidates for investment and partnering

The W.K. Kellogg Foundation allocates about one-third of its funding dollars to this approach, with other funding reserved for its strategic systems change initiatives. The Robert Wood Johnson Foundation allocates about one-fourth of its funding to unsolicited grantmaking within the mission and goals of the foundation, with the other three-fourths being “driven by staff.” The Kansas Health Foundation, which, like The Colorado Trust, funds exclusively in its own state, adopted a proactive, strategic grantmaking approach in 1992 that is highly “intentional about making changes in the quality of social environments to improve the health of all Kansans, not just doing good things.” The strategic design of their grantmaking is quite similar to that of the Pew Charitable Trusts

(see *Planning and Evaluation at The Pew Charitable Trusts, January, 2001*), and yet they retain a relatively small (less than 5% of their annual funding dollars) “recognition grants program,” with individual grants limited to \$25,000. Designating a portion of funds for unsolicited grantmaking was also mentioned by a senior foundation official who claimed that this provides a mechanism for “the great ideas that come in over the phone.” He went on to say that “We don’t want to cut-off innovation and entrepreneurship and our reactive, unsolicited general grantmaking program provides that support.”

Other foundations may use different strategies, such as convening networks or consulting with professional experts and those running nonprofits and practicing in the field. The Ewing Marion Kaufman Foundation, for example, listens carefully to some 60 community partners in the area of youth development for funding needs and targets. Nonetheless, most foundation officials interviewed suggested that either a set-aside for unsolicited proposals or some other mechanism for discovering new ideas, pilot projects or other funding opportunities is important.

Foundations often establish a particular grantmaking approach which then drives their practice of philanthropy. However, a second illustration of mixing grantmaking approaches reverses the order. Specifically, foundation staff can be charged with the responsibility of identifying a clearly defined and measurable outcome, be it strengthening an organization, changing a public policy, reforming a social system or solving a social problem. Once identified, staff can engage in a strategic planning process in which they determine how foundation resources can be used to accomplish the outcome in a specific time period. This planning would include identifying the strategies and practices required to achieve the specified goal, with measurable milestones of progress marked across the timeline to achievement. Out of these deliberations would emerge the best grantmaking approach to foster the success of the strategic plan.

Grantmaking, therefore, can take many forms within a single foundation, as it devises different approaches to meet the needs of different funding intentions and targets. This, in fact, is the “strategic philanthropy” delineated by a senior official at The Pew Charitable Trusts in describing this foundation’s shift in funding over the past three years (see *Planning and Evaluation at The Pew Charitable Trusts, January, 2001*). As this person succinctly stated the matter, “We develop a clear vision of a truly attainable outcome within a realistic time horizon and organize how to get there, with the appropriate grant-making strategy to support the journey.”

A third illustration is that of strategically using various grantmaking approaches in a complementary fashion over time to accomplish a clearly defined and measurable outcome. For example, an unsolicited grantmaking program or cluster-based funding might be used to explore numerous programmatic practices to strengthen organizations or solve social problems, with the overall goal of the funding initiative being the identification of best practices. Once those practices have been identified in the field, they can be further tested through a more tightly organized and prescriptive initiative-based funding effort. Or, they might be tested intensively by working directly with a single organization or small set of organizations through a venture philanthropy approach. What is learned from the field through one grantmaking approach can inform and be refined by another approach. This is part of the rationale behind the recent change at The California

Wellness Foundation from an initiative-based to an unsolicited grantmaking program. As stated by a senior official, “We came to believe that a better process is to do responsive grantmaking until we have a better understanding of what’s going on in the field and the state. Then, maybe we can reconsider building initiatives.”

IMPLICATIONS OF DIFFERENT GRANTMAKING APPROACHES

Whether in pure or blended forms, the choice of grantmaking approach a foundation makes will undoubtedly have implications for its internal organization and operations, in addition to its relations with outside constituencies, such as potential funding partners and grantees. The interconnections between such matters and the adoption of a grantmaking approach will assuredly involve a dynamic, iterative process. The mission and goals of a foundation, and the manner in which they are articulated within the organization, will influence the choice of an approach to grantmaking. This, in turn, will influence the further articulation of how the foundation conducts its business of philanthropy. The discussion below illustrates this process, and while it highlights many of the interconnections noted, it should not be viewed as exhaustive of all the implications involved in the dynamic, iterative process of formulating and integrating a strategy of grantmaking into the internal workings of a foundation. Let us begin with a discussion of whether foundation resources are used broadly across a diverse funding audience or in a more intensified funding effort.

Expansive Versus Concentrated Use of Grantmaking Dollars

No single foundation can solve all social problems or strengthen all communities and organizations in its domain of funding, be it community, state, national or international. Resources available to a single foundation are simply not sufficient to accomplish such a tall order. Hence, all foundations face the challenge of balancing their fiscal strength with the nature of the issues and problems they address with their funding efforts. One foundation official interviewed referred to this as “scoping and scaling,” that is, “making the right adjustments between the problems we seek to resolve and our funding capability.”

Some problems may be so intractable, communities so disrupted or organizations so fragmented that the limited grant support a foundation can offer is simply not enough to improve the situation: “We try to accomplish too much with too little.” Speaking to this issue, another foundation official said, “We often over-promise but under-fund when it comes to the magnitude of the problems we tackle.” This balancing act becomes paramount, as foundations are increasingly held accountable for the use and impact of their grantmaking dollars.

As foundations become more strategic in their grantmaking, they necessarily become more focused in the utilization of those dollars. With cluster-based grantmaking, for example, that might mean concentrating resources in targeted places to enhance their infrastructure, mobilize local groups and stimulate a sense of collective efficacy, as with Making Connections, The Annie E. Casey Foundation’s multi-faceted effort to improve the life chances of children by strengthening their families and neighborhoods. Another example is The Kansas Health Foundation’s effort to build healthy communities to promote healthy people in the state of Kansas by funding a variety of capacity-building programs in communities.

Concentration of funds also occurs in initiative-based categorical funding. This has been the grantmaking approach of The Colorado Trust for several years now in addressing

targeted issues such as violence, youth development, palliative care, teenage pregnancy and more. Many of the foundations we interviewed have used this approach as well, although many have also made several modifications of it from their lessons learned. Nonetheless, this grantmaking approach concentrates grantmaking dollars on a targeted issue. The balancing act here is whether those dollars, along with the non-monetary support provided (e.g., technical assistance) are enough to accomplish funding objectives in the time allotted. This challenge has been addressed at the Pew Charitable Trusts, at least in part, by requiring program staff to prepare strategy papers delineating a line of action to achieve a clear and measurable goal within no longer than a five-year time horizon.

With venture philanthropy funding is even narrower and deeper. Hence, the Edna McConnell Clark Foundation has dropped all substantive areas of funding except one – youth development. Even in this area, the foundation is very selective and deliberate in choosing a funding partner, but given the choice, large grants for long periods (e.g., \$1.75 million to \$5 million over four to six years) are awarded to single organizations to build their capacity.

Any choice of a grantmaking approach will have tradeoffs. The general pattern is that charitable giving through an unsolicited program will tend to distribute more grants of smaller size to a larger audience, and, as foundations become more strategic in their giving, the grants will become larger in size, longer in duration and more intensely focused on specific problems, geographic areas or organizations. The more strategic foundations become, therefore, the more other funding opportunities are forgone.

Developing foundation partners through a co-funding arrangement, of course, is another way of leveraging dollars either to intensify a strategic funding effort or to complement it and address some of the foregone funding opportunities. Virtually all of the foundations we interviewed have engaged in such an arrangement, but virtually all were also quick to clarify that co-funding is not the same thing as collaborating with other foundations. As one foundation official briefly described the distinction, co-funding is merely “pooling foundation dollars with one taking the lead on the (usually established) initiative.” Collaboration was described as two or more foundations “sitting down at the table and designing an initiative and its implementation, with input and approval from each foundation’s board.” Co-funding seems to be welcome and workable, with collaboration being a “great idea” in principle but extremely difficult to realize in practice.

Identification and Selection of Grantees

The sharpest distinction in the identification and selection of grantees is found between charitable giving and other more strategic grantmaking approaches. Charitable giving typically involves an unsolicited, reactive or responsive program in which potential grantees self-identify and bring their ideas and proposals to the attention of a foundation that, in turn, evaluates and responds to proposed projects from the field. As noted above, many foundations contacted have set aside funds for such a program and only one uses this as its sole approach to grantmaking – The California Wellness Foundation.

More strategic approaches tend to be proactive in the identification of potential

grantees, doing so with a variety of methods. They range from the traditional request for proposals (RFP) solicitation, to internal knowledge at a foundation, networking among those involved in the field, consulting with professional experts, reading popular and professional literature and the like. Most of the foundations we interviewed used a combination of approaches, not just one. In fact, one foundation official contended: “Being a slave to the RFP process is a dangerous business because some key players will be missed.” This person went on to explain that using the RFP process can be useful “if we don’t know the landscape.” But relying on it exclusively may result in potential, promising grantees missing the solicitation because they do not want to respond to this kind of competitive process, feeling (perhaps incorrectly) that they are not well-suited or well-positioned for the initiative. In short, there was consensus among foundations contacted that using multiple approaches maximizes the chances of identifying the most promising grantees for funding initiatives.

Whether through charitable giving, cluster- or initiative-based funding, final selection of grantees is usually through a competitive review process, with the choice based on the merits of proposals and how well they fit the funding priorities of the foundation. Those priorities include the general topic or content areas of a foundation (e.g., health, youth development, arts, entrepreneurialship, etc.), the prescriptive requirements of an initiative – including its approach and substantive emphasis (e.g., a risk-focused approach to violence prevention) or whether the foundation addresses targeted social problems or is committed to capacity building of organizations, people or places: “We can’t solve all problems, so by donor intent, we focus on investing in people and communities.” Pre-award site visits may be conducted in the review process, though they tend to be brief and limited to getting acquainted with staff, organizational facilities and perhaps programmatic operations.

With venture philanthropy, the identification process is even more intense. Rarely is the RFP process used. Rather, considerable time and effort goes into identifying potential grantees, tapping many information sources including the knowledge of foundation staff. Moreover, selection is not based primarily on the merits of a proposal or even a pre-award site visit. Grantees are selected through an intensive dialogue in which a comprehensive analysis is done of the current organizational status, virtually along all dimensions of the organization, and a jointly determined set of measurable performance standards is established across a realistic and achievable timeline. Financial and non-monetary technical assistance is then pledged by the foundation to support the organization in accomplishing those time-specified performance milestones.

Foundation Staff and the Board

The process of identifying and selecting grantees in the context of a designated grantmaking approach has direct implications for the role and qualifications of foundation staff. For example, an unsolicited grantmaking program in which more grants are given to a larger number of persons or groups requires that program staff and others be brought into the review process to read numerous proposals and perhaps make pre-award site visits. Once awards are made, considerable time is spent reviewing progress reports and engaging other grant management tasks. In this case, staff will have limited

time to explore other funding opportunities and targets. With its shift to unsolicited grantmaking, The California Wellness Foundation recognized it might need to expand its staff to handle the increased workload. However, the foundation is exploring other options such as limiting progress reports to once a year (as compared to quarterly or semi-annually) and having a one-time payout at the initiation of the grant period (e.g., a three-year grant for \$200,000 is paid in total at the outset).

Additionally, the skills sought for program officers involved with an unsolicited charitable giving program may be different from those in foundations using a more strategic approach. Again, The California Wellness Foundation wants its program officers to be “experts in grantmaking rather than content specialists.” When asked what an expert in grantmaking entails, the foundation official replied: “A good listener, sensitive to diversity (both ethnic and geographic), knowledge of the environment of nonprofits and how they operate, as well as how to function in a philanthropic setting.” Another foundation that uses a strategic grantmaking approach made similar comments. The Kansas Health Foundation makes a distinction between program officers and program managers. The former are permanent employees of the foundation and are “generalists with expertise in philanthropy.” Program managers represent staff extenders in that they are persons with content expertise engaged in a contractual relationship with the foundation and providing content-specific assistance to grantees during a specific funding period. This procedure was adopted because it instituted both stability (program officers) and flexibility (program managers) in the operations of the foundation as its intentions and targets of funding shift over time.

As foundations become more focused on problem solving through initiative-based funding, the expertise of staff and their roles change. This grantmaking approach requires staff to develop content expertise through literature reviews, scanning efforts, convening workshops or conferences and professional consultation. Further, once “the homework is done,” staff engage in a labor-intensive process of designing an initiative and assembling the players to support its implementation. In addition to these activities and the reviewing of proposals and progress reports, staff often become participants of an oversight or management team for the initiative.

The changing role and expertise of staff is even more dramatic with a further shift in strategic grantmaking to a venture philanthropic approach, or at least one that adopts elements of this model. As one foundation officer stated: “We need ambassadors, negotiators, conflict mediators and strategic thinkers. This has become a dynamic change-making job rather than a content driven job.” Another foundation official said, “Our internal operations are collaborative, involving a matrix of personnel who are multi-disciplinary, analytic, eclectic and mission-driven. The solo operator has a difficult time working here.” The most extreme shift occurs with the venture philanthropic approach. For example, The Edna McConnell Clark Foundation sees program officers as engaged in a form of relationship management through institution and field building teams in which they serve as “guides, mentors, facilitators and managers of grantees within their portfolios.” Rather than referring to such foundation staff as program officers, they are now called portfolio managers.

No distinct pattern surfaced in our discussions with foundations or in our literature

review concerning the connection between grantmaking approaches and the role and involvement of the board. The obvious universal among foundations is that any approach requires board approval and periodic updating on progress with funding efforts and styles. Moreover, the success operation of any grantmaking approach requires a supportive board. Beyond these issues, the only echoing observation was that “It’s easier for the board to understand the benefits of short-term projects but harder for them to appreciate the long-term benefits of strategic grantmaking.” However, clearly the board may become more dependent on foundation staff as they become more deeply and proactively involved in fashioning funding initiatives and finding funding partners.

Internal Organization and Operations

The choice of grantmaking approaches will surely influence and be influenced by the organization and operations of any foundation. Such influence may occur along multiple dimensions of philanthropic organizations, but we illustrate the implications here with a discussion of two important organizational components: evaluation and technical assistance. These two components are highlighted because they were mentioned recurrently in the interviews, and, more generally, evaluation and technical assistance have assumed an increasingly important role in foundations. Once considered peripheral to the “real” work of these organizations, many have come to view such activities as integral, even essential to effective grantmaking.

Rather than treating evaluation as an afterthought, it is increasingly incorporated in to the early planning of funding initiatives and carried out across the various stages of implementation. Further, foundations have begun to recognize that outcome-evaluation is often inappropriate for new programs as actual outcomes often occur only after many years of program operation. Hence, many are shifting from a limited focus on outcome-evaluation using quasi-experimental designs to one that recognizes the importance of other research approaches. This shift includes evaluating implementation and incremental outcomes of programs more appropriate to their developmental stage. In addition, with initiative-based grantmaking, foundations have begun to recognize the importance of qualitative methods of evaluation to capture more process-oriented variables such as intra-organizational collaboration and communication, coalition building processes, and the like. Foundations also are beginning to recognize that evaluation research can include activities such as needs assessments, identification of gaps in services and knowledge that the foundation might fill, and identification of best practices in addressing specific social problems or building organizational capacity.

In a recent survey of foundation evaluation practices, Patrizi and McMullan (1998) identified several major purposes for evaluation. Those most commonly endorsed by foundations were: improving grantee practice and implementation, improving foundation practice and grantmaking, responding to foundation board requests about the benefits of grants, informing public policy and identifying best practices. Reflecting the movement to empower grantees in the practice of more strategic philanthropy, a number of foundations have adopted participatory evaluation approaches where a primary purpose of evaluation is to build capacity within the grantee organization to conduct and use evaluation within its own setting. The Kellogg Foundation advocates this approach. This

philanthropic organization and its grantees negotiate up-front the evaluation and technical assistance needs of grantees, with approximately 20% to 25% of grant support allocated to the provision of these jointly determined services, in some cases by staff and in others by outside consultants.

Foundations vary in the ways in which evaluation and technical assistance are incorporated into their grantmaking process. For example, evaluation research until recently was almost peripheral to foundation grantmaking and became relevant only at the end of a program. Today, however, many more foundations are integrating evaluation into all stages of the grantmaking process. To illustrate, some are using evaluation research to identify areas of focus for new funding initiatives and evaluation tools, such as logic models, and theories of change are then used in designing the new initiatives. The Robert Wood Johnson Foundation is an excellent example of an organization that has moved evaluation up-front in its activities. Evaluation staff are included in program teams that develop funding initiatives, with their involvement increasing the analytical strength and rigor of those initiatives.

Among the foundations contacted, the overwhelming majority had committed greater resources than in the past to evaluation and technical assistance services. Moreover, they had incorporated those services into the full spectrum of grantmaking from design and implementation to outcomes, at the level of individual or clusters of grantees to the level of the grantmaking itself. The general pattern here is that the more strategic the grantmaking approach, the greater the engagement on the part of foundations with their grantees in providing evaluation and technical assistance services: "We may commit up to 35% of our grantmaking dollars to evaluation and technical assistance for our grantees." This type of investment comes with an increasing recognition that the measure of success for a foundation is the success of its grantees; therefore, providing evaluation and technical assistance to maximize the chances of success is a "win-win deal."

The one exception to this pattern is The California Wellness Foundation. Their change to an unsolicited grantmaking program accompanied a cut-back on the amount of money committed to evaluation, with the limit being 5% of their funding. This change was primarily a consequence of disappointing results of previous evaluations supported by the foundation. In brief, "There are so many variables that can't be controlled that it's impossible to be definitive, and there's too much room for equivocation. This can be a disservice to what is actually accomplished." They have moved to more qualitative assessments fielded far into the implementation of a grant period and conducted by individual consultants who simply "interview grantees about what happened."

Several models exist for staffing evaluation and the role staff play in foundations. Some outsource the function to external evaluation groups and consultants. Others employ a single evaluation director. The director may participate in internally-driven or externally-contracted evaluation activities, ranging from formative evaluations of program design and process evaluations of implementation to outcome assessments. The evaluation director may also serve as a broker in locating needed expertise and as a mediator in linking program staff to the identified evaluation resources, integrating evaluation activities into initiatives and monitoring the progress of those activities.

Some foundations have used a different approach to address these functions. For example, The Irvine Foundation has established an innovative approach to ensure the effective use of information from evaluation research. They fund learning coaches whose role is to serve as a liaison between grantees, the foundation and evaluators, and to facilitate the effective exchange of evaluation information (process, needs assessment, best practices, outcomes, implementation) among the various constituent groups. Other foundations convene regular meetings of grantees working in similar areas to facilitate exchange of information on best practices. The Mott Foundation has developed an approach — the community of learners — where every agency that applies for funding under an initiative is included on a mailing list and is sent information about the progress of the funded agencies and the lessons learned in that initiative. Their hope is that by disseminating this information to all applicants, the impact of the initiative will extend beyond the funded agencies.

A number of the larger foundations have established internal evaluation units. The Kellogg Foundation has taken the lead in conceptualizing evaluation more broadly as organizational learning, and has established a unit called Impact Services that integrates program evaluation, communication and dissemination, as well as other technical assistance services (e.g., policy impact, technological enhancement, etc.) into a single organizational component.

Our background work for this report shows an increasing infusion of evaluation and technical assistance services throughout the life of an initiative and an intensified investment and implementation of those services with a move toward more strategic grantmaking. However, no clear picture emerged between grantmaking styles and specific models of staffing, implementing and integrating those services. Nonetheless, whatever models are adopted, with the many types of evaluation meeting different foundation purposes, a danger haunts the business of philanthropy — that evaluators might be pulled in too many directions and try to please too many different audiences. As a result they could end-up pleasing no one. It is important for foundation officers and boards to clearly identify the particular role evaluation and technical assistance will play, how staffing and/or outsourcing will be done and how such matters will be integrated into the inner-workings of the organization. This message came through clearly in our interviews with foundation officers.

CONCLUDING THOUGHTS

Whether it emerges through strategic planning for funding opportunities or is instituted *a priori* as part of foundation culture, the selection of a grantmaking approach will come with tradeoffs. Given the constraints of resources even among the largest foundations, the more strategic and focused the funding effort, the more funding opportunities are foregone: “We have to say ‘no’ more often.” Additionally, more pressure is placed on foundation staff to know the landscape – the social problems needing resolution or the organizations and communities needing strengthening. Further pressure is placed on foundation staff to become experts or find the expertise needed to resolve problems or strengthen organizations and communities. Even here we find tradeoffs – putting time and energy in one set of activities takes time and energy away from others. Yet the increasing pressure for more strategic philanthropy is a positive development: “We must move beyond the charitable urge to give and think strategically of how best to use foundation dollars.” This sentiment was expressed throughout our interviews and review of literature.

Finding a foundation’s place in the universe of philanthropy requires weighing the trade-offs against the gains achieved in reaching the donor-, board- or collectively-intended mission and goals of a foundation. No choices will be cost free but many will reap net gains. Yet this can occur only if foundations engage the informed and careful internal reflection mentioned at the beginning of this paper. The spirit of social responsibility soaring through the universe of philanthropy demands it and the clamoring calls for accountability in spending, along with the impact of dollars spent, will not cease until the challenge of the big bang has been met.

APPENDIX ONE

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Aspen Institute Nonprofit Sector Research Fund
 Association for Research on Nonprofit Organizations and Voluntary Action
 Baine Consulting Group
 Bridgespan Group
 The California Endowment
 The California Wellness Foundation

The Center on Philanthropy at Indiana University
Commission on Foundations and Private Philanthropy
Council on Foundations
The Foundation Center
Grantmakers, Evaluation Network (GEN)
The Hauser Center for Nonprofit Organizations at Harvard University
The Independent Sector
Institute for Global Ethics
International Society for Third Sector Research
Joseph & Edna Josephson Institute of Ethics
The Kellogg Foundation
Morino Institute
National Center for Responsive Philanthropy
The National Alliance for Nonprofit Management
The Peter F. Drucker Foundation for Nonprofit Management
Pew Charitable Trust
Public/Private Ventures
The Robert Wood Johnson Foundation
Social Welfare Institute at Boston College
The Support Center
The Urban Institute
The Wallace Funds, Edna McDonald Clark Foundation
Triangle Associates
US Treasury
Venture Collaborative
Venture Philanthropy Partners

Information Interviews

In addition to the key informant interviews conducted with senior foundation officers, information interviews also were conducted with individuals in the following institutions: National Council on Foundations (evaluation practices in foundations) and The Hogg Foundation for Mental Health (evaluation practices in foundations).

APPENDIX TWO

Annie E. Casey Foundation
701 St. Paul Street
Baltimore, MD 21202

California Wellness Foundation
6320 Canoga Avenue, Suite 1700
Woodland Hills, CA 91367

The Commonwealth Fund
One East 75th Street
New York, NY 10021

David & Lucille Packard Foundation
300 2nd Street, Suite 200
Los Altos, CA 94022

Edna McConnell Clark Foundation
250 Park Avenue, Suite 900
New York, N.Y. 10177

Ewing Marion Kauffman Foundation
4801 Rockhill Road
Kansas City, MO 64110

Group Health Community Foundation
1730 Minor Avenue, Suite 1500
Seattle, WA 98101

John S. & James L. Knight Foundation
One Biscayne Tower, Suite 3800
2 South Biscayne Boulevard
Miami, FL 33131

Kansas Health Foundation
309 E. Douglas Ave.
Wichita, KS 67202

Pew Charitable Trusts
1 Commerce Square
2005 Market Street, Suite 1700
Philadelphia, PA 19103

Robert Wood Johnson Foundation
P.O. Box 2316
Princeton, NJ 08543

The William Penn Foundation
2 Logan Square, 11th Floor
100 North 18th Street
Philadelphia, PA 19103

Wallace-Reader's Digest Funds
Two Park Avenue, 23rd Floor
New York, NY 10016

W.K. Kellogg Foundation
One Michigan Avenue East
Battle Creek, MI 49017

APPENDIX THREE

The Colorado Trust (The Trust), a grantmaking foundation serving the people of Colorado, is conducting a long-range strategic planning process. It involves information gathering and scenario building to produce a thoughtful, well-informed assessment of The Trust's approach to grantmaking. That approach has been based on the premise that proactive, initiative-based funding is more effective than processing unsolicited proposals to achieve the mission and goals of the foundation. However, The Trust is committed to re-considering this premise and will consider other grantmaking strategies if they are found to be more constructive in achieving the foundation's goals.

The planning process involves background work in three areas: different approaches to grantmaking, health and quality of life, and the well-being of families and children. For each area, a review of The Trust's evaluation documents and background reports is being conducted and various constituencies, including grantees, will review the resulting findings. The outcomes of the planning process will inform a deliberation about The Trust's mission and goals at the board and staff retreat in November 2001.

The first area to be considered is various approaches to grantmaking. We have contracted with Drs. Kirk R. Williams and Lyndee Knox to conduct a review of published materials on trends and experiences in grantmaking strategies. We also have asked them to interview leaders of private foundations who have experience in proactive, initiative-based funding, and other leaders who have utilized other grantmaking strategies. While we recognize that demands on your time are great, we hope to arrange a convenient time for an interview as your input will be immensely helpful for our deliberations.

Will you please take 15 to 30 minutes to discuss with Drs. Williams and Knox what you have learned, what have been the challenges you've experienced, how you have met those challenges, what has been successful (or not so successful) and what you see as the most promising trends in the future of philanthropy? Either Dr. Williams or Dr. Knox will call you in the next few weeks to arrange a convenient time for an interview with you or, if you prefer, with someone else you designate at your foundation. Should you be able to identify a convenient time before they contact you, please e-mail (krwncy@att.net) or call Dr. Williams (949-499-7689).

Please know that The Trust will share its final report with all those who participated in this process.

Should you have comments or questions of The Trust, please contact me (jean@coloradotrust.org).

Sincerely,

Jean D. Merrick
Vice President for Programs Initiatives

APPENDIX FOUR

Questions Asked of Foundation Officials

1. What grantmaking strategies have you employed during the past five years or so?
 - a. What strategies seem to have been most successful?
 - b. What strategies seem not to have worked as well?
2. Do you have a substantive focus or multiple foci that guide your approach to grantmaking?
3. How do you identify and select grantees?
4. Do you provide technical assistance to them and, if so, how?
5. What role (if any) does evaluation play in your grantmaking and how is it integrated into the work of the foundation?
6. Do you have dissemination plans to impact knowledge and practice in your areas of interest?
7. Do you seek partners in funding and, if so, how? Have these relationships been successful?
8. How do you measure success in what you do?
9. How has your grantmaking approach influenced the organization of foundation activities?
10. How do you address the issue of sustainability of your grantmaking investments?
11. What trends do you see in grantmaking at this time? Which of these trends do you see as particularly promising?

APPENDIX FIVE

Adolph Coors Foundation
4100 E. Mississippi Avenue, Suite 1850
Denver, CO 80246
303-388-1636

Anschutz Family Foundation
555 17th Street, Suite 2400
Denver, CO 80202
303-293-2338

Anthem Blue Cross Blue Shield Foundation
700 Broadway, Suite 990
Denver, CO 80273
303-831-5899

The Aspen Valley Community Foundation
110 E. Hallam Street, Suite 126
Aspen, CO 81611
970-925-9300

A.V. Hunter Trust
650 S. Cherry Street, Suite 535
Denver, CO 80222
303-399-5450

Boettcher Foundation
600 17th Street, Suite 2210 South
Denver, CO 80202
303-534-1937

Bonfils-Stanton Foundation
1601 Arapahoe Street, Suite 500
Denver, CO 80202
303-825-3774

Nathan B. and Florence R. Burt Foundation
1660 Lincoln Street, Suite 2750
Denver, CO 80264
303-863-8980

Chambers Family Fund
1700 Lincoln, Suite 3950
Denver, CO 80203
303-839-4620

Chinook Fund
2418 W. 32nd Avenue
Denver, CO 80211
303-455-6905

The Clayton Foundation
3801 Martin Luther King Blvd.
Denver, CO 80205
303-355-4411

The Community Foundation Serving Boulder Colorado
1123 Spruce
Boulder, CO 80302
303-442-0436

The Community Foundation Serving Northern Colorado
The Nicol Building
528 South College
Ft. Collins, CO 80524
970-224-3462

Comprecare Foundation, Inc.
1145 Bannock
Denver, CO 80204
303-629-8661

The Denver Foundation
950 S. Cherry Street, Suite 200
Denver, CO 80246
303-300-1790

El Pomar Foundation
10 Lake Circle
Colorado Springs, CO 80906
719-633-7733

Gates Family Foundation
3200 Cherry Creek South Drive, Suite 630
Denver, CO 80209
303-722-1881

Gill Foundation
2215 Market Street, Suite 205
Denver, CO 80205
303-292-4455

Helen K. and Arthur E. Johnson Foundation
1700 Broadway, Suite 2302
Denver, CO 80290
303-861-4127

Junior League of Denver Foundation
6300 E. Yale Avenue
Denver, CO 80222
303-692-0270

Community & Local Government Relations
Kaiser Permanente
10350 E. Dakota Avenue
Denver, CO 80231
303-344-7747

The Piton Foundation
370 17th Street, Suite 5300
Denver, CO 80202
303-825-6246

Rose Community Foundation
600 S. Cherry Street, Suite 1200
Denver, CO 80246
303-398-7400

Robert R. McCormick Tribune Foundation
P.O. Box 200128
Denver, CO 80220-0128
303-322-0076

Qwest Foundation
1801 California Street, 50th Floor
Denver, CO 80202
303-965-6925

Temple Hoyne Buell Foundation
1666 S. University Boulevard, Suite B
Denver, CO 80210
303-744-1688

US Bank
Corporate Relations
950 17th Street
Denver, CO 80202
303-585-4334

Women's Foundation of Colorado
1580 Logan Street, Suite 500
Denver, CO 80203
303-832-8800

APPENDIX SIX

The Colorado Trust Statewide Survey of Approaches to Grantmaking

1. What funding strategies or approaches has your foundation employed over the last five to ten years?
 2. Which of these strategies were most effective and why?
 3. Which of these strategies were not as effective and why?
 4. What has been your foundation's greatest success in grantmaking in the past five to ten years?
 5. What grantmaking challenges is your foundation currently facing?
 6. What trends do you see in grantmaking in Colorado at this time? Which, if any, of these trends do you see as particularly promising?
- Our foundation has conducted a study of best practices in grantmaking during the past ten years.
- Our foundation has produced publications on best practices in grantmaking.