



Welcome to the

Iowa Nonprofit Resource Center

helping strengthening community organizations



Creating Effective Community Philanthropy Institutions

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Iowa Nonprofit Resource Center



Introduction

- Background
- Research sponsored by
Community Vitality Center



Community Foundation Definition

- A community foundation is a publicly supported philanthropic institution governed by a board of private citizens chosen to be representative of the public interest and for their knowledge of the community. It administers individual funds contributed or bequeathed to it by individuals, other agencies, corporations and other sources.

-Council on Foundations



Six Distinctive Qualities of Community Foundations

1. A flexible, yet permanent collection of funds supported by a wide range of donors;
2. The relative independence to determine the best use of those funds to meet community needs;
3. A governing board of volunteers, knowledgeable of their community and recognized for their personal involvement in civic affairs;



Distinctive Qualities Con't

4. An organizational commitment to provide leadership on pervasive community problems;
5. A commitment to assist donors to create funds and distribute proceeds in accordance with the donors' intent; and
6. Adherence to a sense of "community" that overrides individual interests and objectives.

-Council of Foundations



Three purposes of community foundations:

1. Professionally manage and distribute revenues, and portions of the principal when permitted, from donors' charitable contributions and bequests in a manner consistent with donors' specific and general interests;
2. Maintain and enhance the educational, social, cultural, health and civic resources of the community through support of qualified nonprofit organizations; and



Purposes of community foundations con't:

3. Through actions of the board and staff, provide philanthropic leadership and help create and promote efforts among citizens to improve the quality of life in the community.

-Council on Foundations



Iowa's Community Foundations

Total Number and Assets

- Community Foundations located in metro areas:
Number: 16
Asset total: \$97,245,788
- Community Foundations located in non-metro areas:
Number: 57
Asset total: \$26,750,180

[See Exhibit]



Community Foundations Questionnaire



INRC Research Methodology



INRC Research Methodology

- www.guidestar.org searches:
Key word: "community foundation*"
NTEE (National Taxonomy of Exempt Entities)
- www.FoundationDataBook.com searches
- Returned Questionnaires: Added community foundations noted in returned questionnaires
- Iowa Council of Foundations list

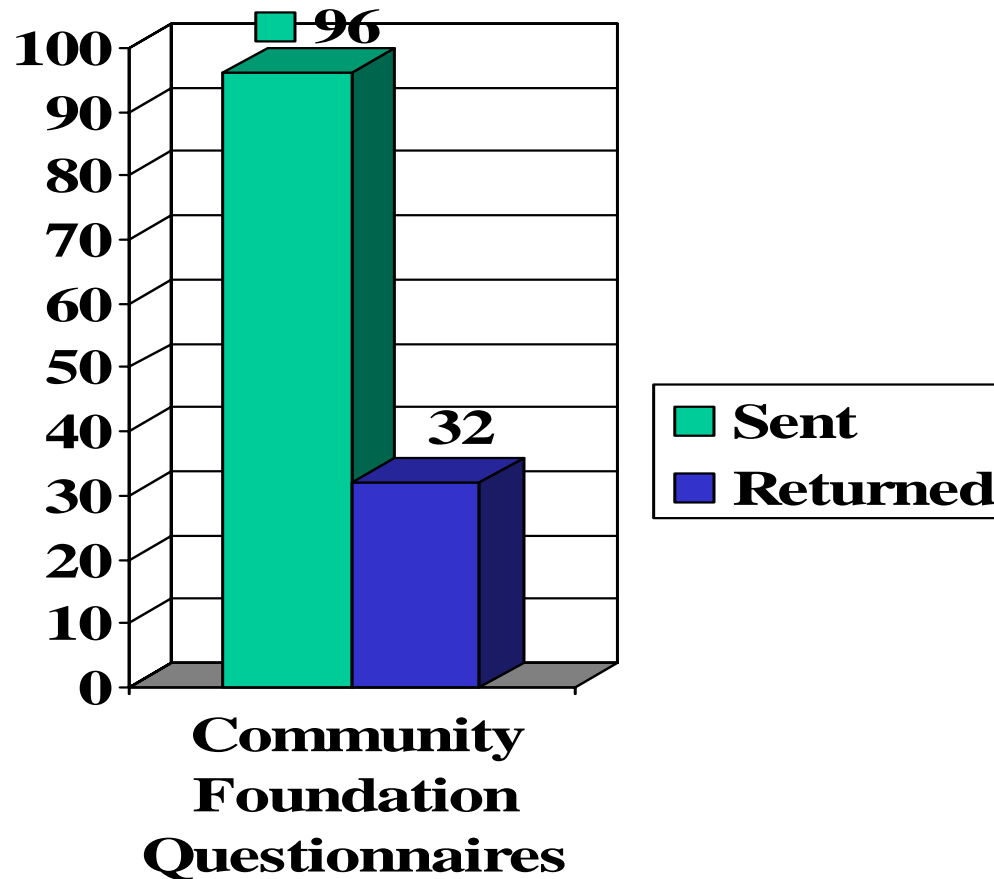


INRC Community Foundation Questionnaires

- Sent out 96 Questionnaires to Foundations listed in initial community foundation search.
- 32 questionnaires were returned.
- Identified number of Community Foundations in Iowa = 72



INRC Research Questionnaires



Major Fundraising Efforts

- Periodic fund-raising drives as community projects develop
- Identified multiple community foundation projects and permanent endowments to provide donor options
- Conduct visits to likely donors of potentially significant gifts
- Direct mail campaigns to local business and residents
- Make decisions on investing community foundation assets

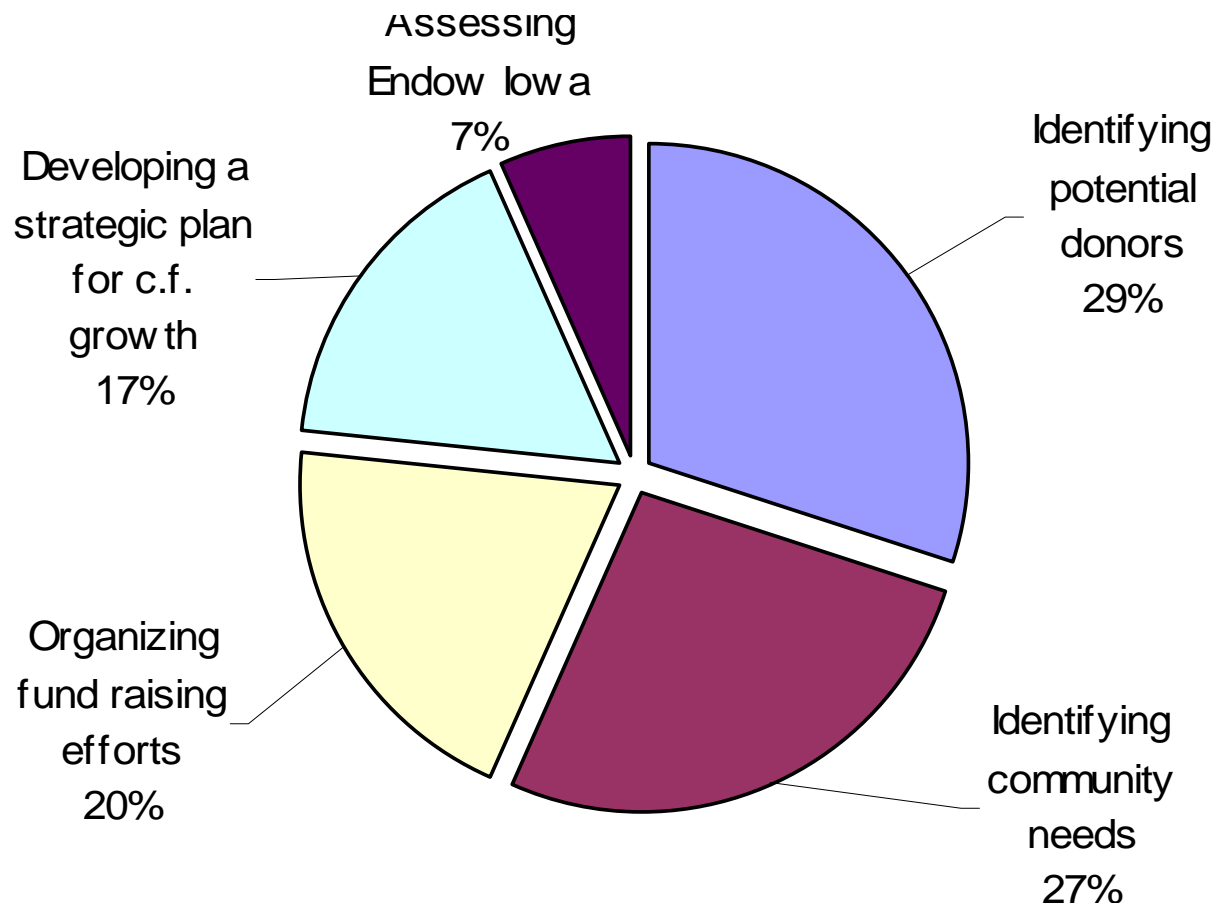


Training Needs and Priorities of Iowa Community Foundations

- Identifying and communicating with potential donors
- Identifying community needs
- Organizing and managing fund raising efforts
- Developing a strategic plan for community foundation growth
- Assessing Endow Iowa matching grants and tax credits



Training Needs and Priorities of Iowa Community Foundations



Specific Training Workshop Desired

- Visits to likely donors of potentially significant gifts
- Direct mail campaigns to local business and residents
- Make decisions on investing community foundation assets
- Direct mail campaigns to school alumni and former residents
- Community project management



Who Should Teach Workshops? (Prioritized)

1. Experienced leaders from successful rural community foundations in Iowa
2. Finance/fund raising/foundation management experts/applied researchers
3. Experienced staff from regional community foundations in Iowa
4. Experienced leaders from university, corporate, or private foundations

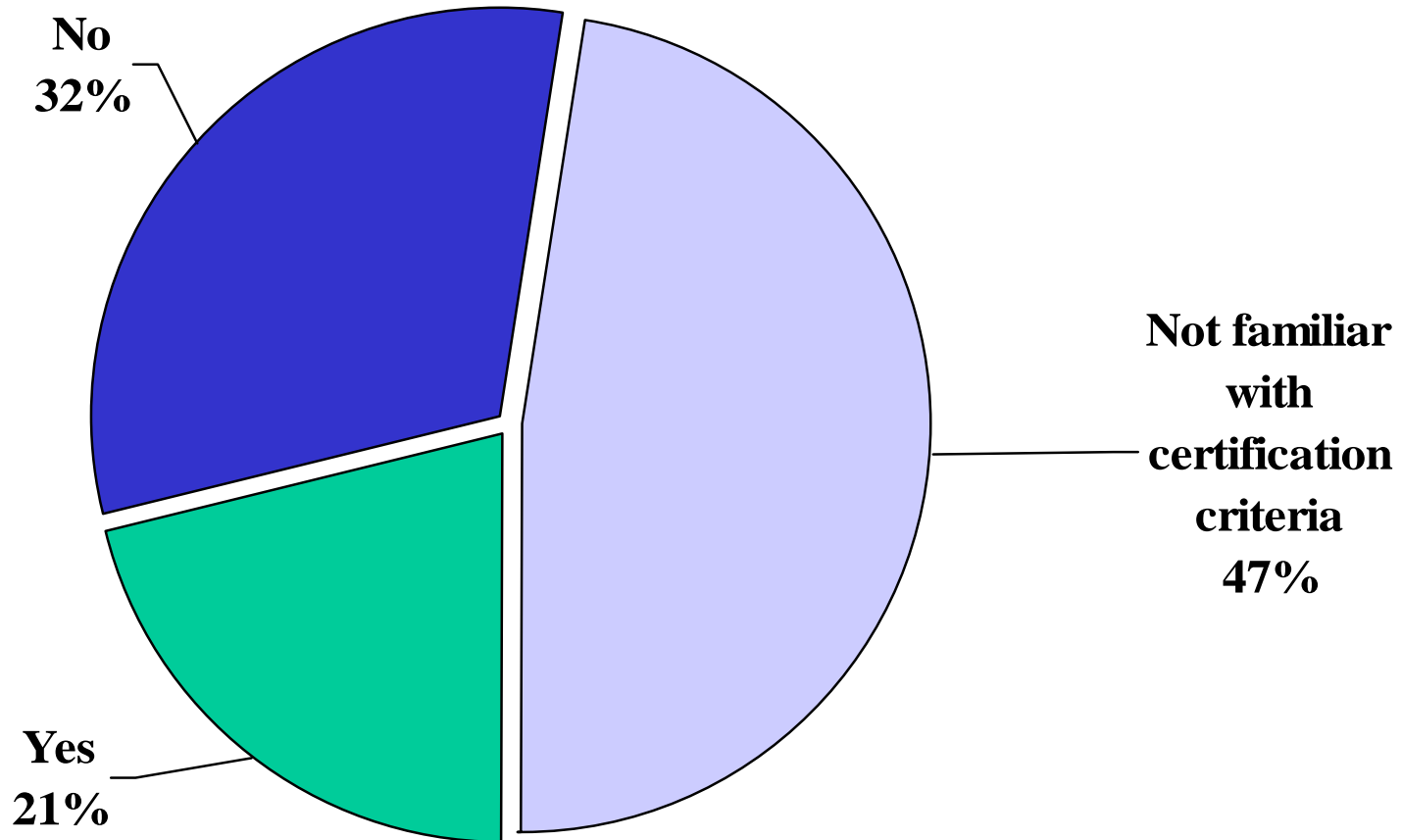


Type of Workshops Desired (Prioritized)

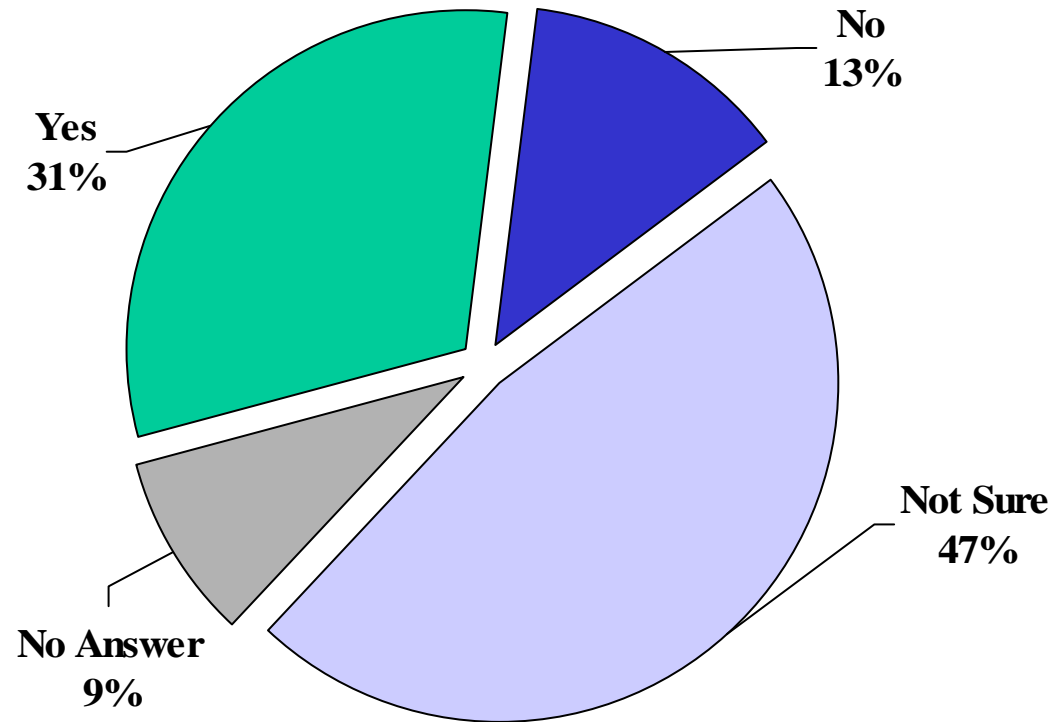
1. A one-day local workshop designed to address local needs
2. A one-day statewide workshop with a wide range of expertise
3. A series of five local workshops over two years designed to address specific local community foundation and/or project needs
4. A two-day statewide workshop with a wide range of expertise



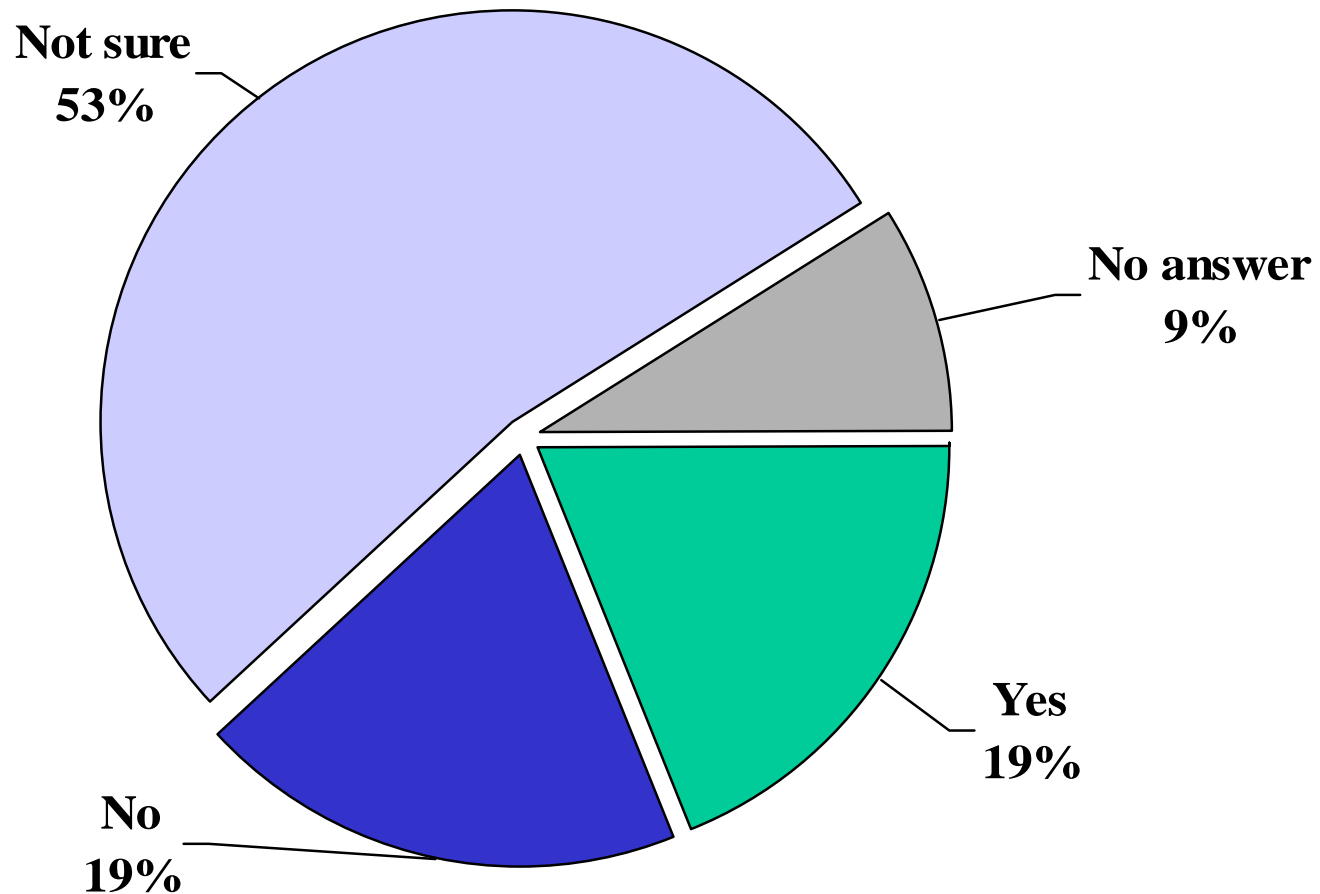
Does your foundation meet the National Council on Foundations certification criteria? (questionnaire answer)



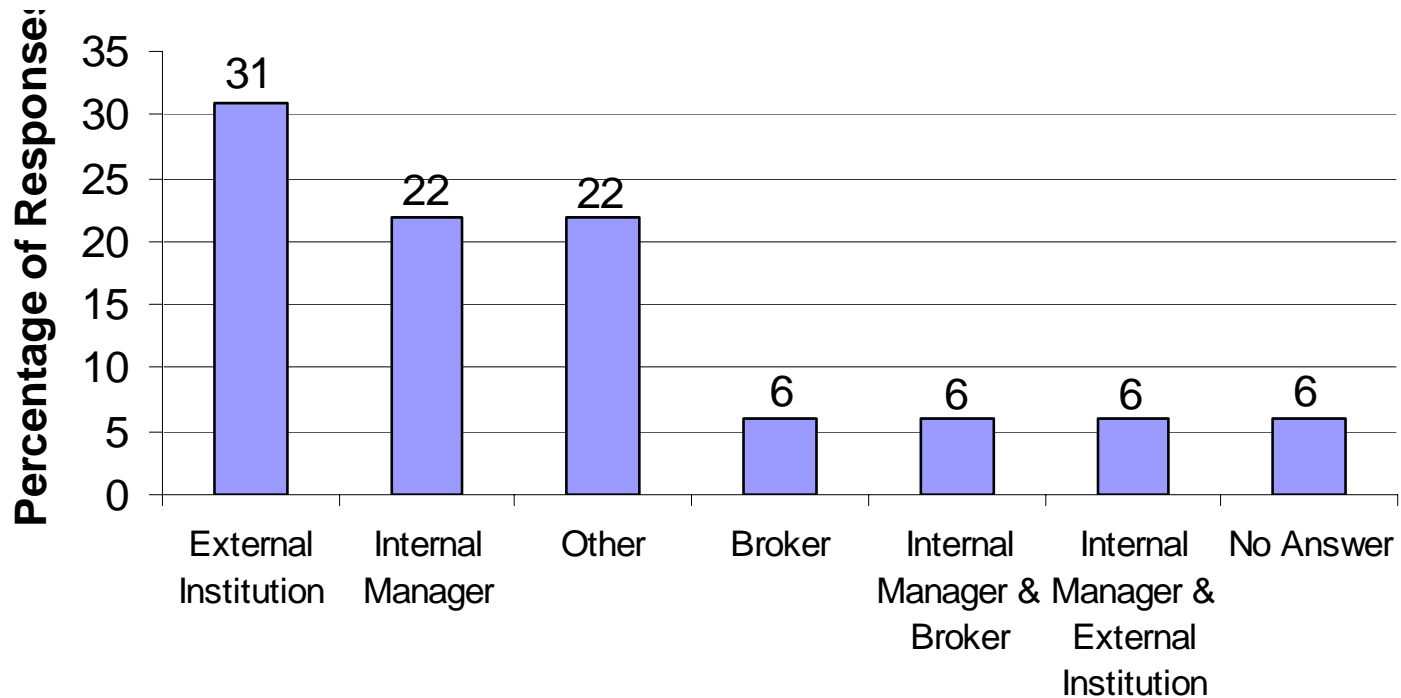
Does your foundation plan to apply for National Council on Foundation certification?



Does your foundation plan to apply for Endow Iowa funds through an affiliated community foundation?



Who manages your community foundation investments?



Donations in 2003

(Community Foundation Questionnaire Responses)

Number of Donors = 0 to 1288

Range of Value of Donations

\$0 – 4,764,753

Total Donations Reported: \$13,028,465



Distribution of grant money by category

(Community Foundation Questionnaire Responses)

- Schools and education
- Community parks and recreation
- Human and social services
- Libraries, arts, culture and humanities
- Community development, vitality and entrepreneurship



Successful Resource Development Projects

- Scholarships
- Direct mail fundraising campaign
- Board lunches -foundation board members bring their friends for lunch to learn about what we do.
- Professional advisor lunches
- Assisted community with application for national community health center funding
- Paid for consultant to determine long term needs for elderly



Other Successful Resource Development Projects

- Administering a capital campaign for the restoration of a historic band shell
- Senior Center matching fund initiative
- Library improvement project
- All Seasons Center – Nearly \$3 million in donations, including planned \$900,000 endowment fund. Total project cost \$9.8 million includes indoor and outdoor pools, all purpose / ice arena, and senior citizens center.
- Habitat for Humanity
- Housing development projects



Barriers to Successful Philanthropic Efforts

- Competition for funds with other community nonprofits
 - Lack of collaboration / cooperation
- Community's awareness of community foundation mission
 - How community foundations benefit individual donors and recipients of funds and programming
- Lack of leadership / professional staff
- Poor economy and stock market performance up until 2003



More Barriers to Successful Philanthropic Efforts

- Community Skepticism / Perception of Nonprofits –
 - In more metro areas:
 - Too many nonprofits and not enough resources to support them all
 - In more non-metro areas:
 - “Not thinking big enough”
 - Lack of community vision



Communities Without Community Foundations Questionnaire Results

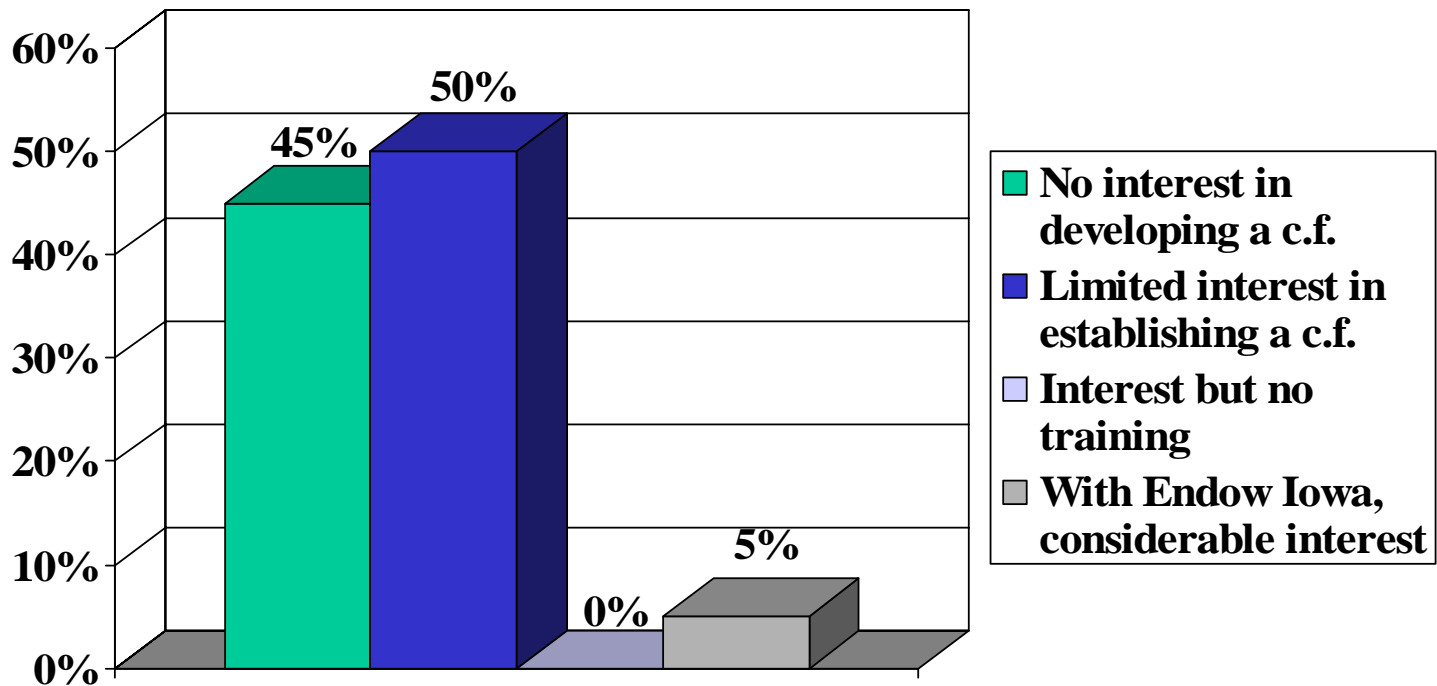


INRC Research Methodology

- Sent out 156 Questionnaires to bankers and lawyers in counties without community foundations
- 34 questionnaires were returned
- 42 counties in Iowa were identified without community foundations



Interest in establishing a community foundation



Top Training Priorities for Community Foundation Founders

- Developing a strategic plan for community foundation growth
- Assessing Endow Iowa matching grants and tax credits
- Create a community foundation communication strategy



Specific Training Workshop Desired

- Direct mail campaigns to local business and residents
- Direct mail campaigns to school alumni and former residents
- Annual fund drive event
- Conduct visits to likely donors of potentially significant gifts



Who Should Teach Workshops? (Prioritized)

- Experienced leaders from successful rural community foundations in Iowa
- Finance/fund raising/foundation management experts/applied researchers
- Experienced leaders from regional community foundations



Type of Workshops Desired (Prioritized)

- A one-day local workshop designed to address local needs
- A one-day statewide workshop with a wide range of expertise
- A two-day statewide workshop with a wide range of expertise
- A series of five local workshops over two years designed to address specific local community foundation and/or project needs



Barriers to Establishing a Community Foundation

- Lack of community leadership
- Finding board members
- Many foundations already exist
- Perception that donors are already “tapped out.”
- Competitions from church groups
- Communication lacking
- Local economy



Future Research

- Updated Data Bases
- Trends in Philanthropy in Iowa
- Asset Identification
- Affiliations
- Leadership





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 - Richard Koontz (Coordinator)
 - Jude West (Co-Director)
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