

The Foundation Review

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Front Matter

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THE FoundationReview®



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THE FoundationReview®

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The Foundation Review is the first peer-reviewed journal of philanthropy, written by and for foundation staff and boards and those who work with them implementing programs. Each quarterly issue of *The Foundation Review* provides peer-reviewed reports about the field of philanthropy, including reports by foundations on their own work.

Our mission: To share evaluation results, tools, and knowledge about the philanthropic sector in order to improve the practice of grantmaking, yielding greater impact and innovation.

The Foundation Review is a proud product of the Dorothy A. Johnson Center for Philanthropy at Grand Valley State University.



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We believe that the forthright sharing of information among foundations and nonprofits builds a knowledge base that strengthens their ability to effectively address critical social issues. We encourage foundation donors, boards, and staff to honor this transparency in their own practices and to support others who do so.



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editorial

Dear Readers,

The articles in this issue explore many of the fundamental issues related to how foundations “show up” in their communities.

Nolan, Souza, Monopoli, and Hughes focus on the work of the DentaQuest Foundation in service of a national movement to improve the delivery of oral health services. The foundation focused on building and maintaining a national network of providers and advocates who were able to significantly impact the delivery of oral health care and close gaps in services. The foundation choosing to play the role of network builder and learning coach was critical to achieving success.

On a very local level, **Riemer, Frank, Rublin, and Merrow-Kehoe** share some early results from the Hartford Foundation for Public Giving making a shift to offer unrestricted general operating support grants in response to grantees’ expressed need. Both the foundation and grantees were changed by this new-to-Hartford grantmaking process. Grantees were able to make progress on strategic goals, strengthen their infrastructure and be nimble in response to changes in the environment. The foundation revised the way it reviews all proposals, focusing more on the grantees’ strategic plans.

Sanders, Galindo, Vega-Marquis, and Milloy draw from a summative evaluation of fifteen years of work by the Marguerite Casey Foundation to highlight the role of evaluation as a learning practice within the field of philanthropy. The foundation’s successes are attributable in some measure to their ability to learn and adapt strategy appropriately.

The Hartford Foundation for Public Giving, with a subset of its grantees and their program recipients, also teamed with the UCLA Center for Healthier Children, Families, & Communities to redesign its evaluation process. **Bowie and Sussman** describe how the foundation’s shift from traditional program evaluation to a participatory, learning-focused approach resulted in new tools to assess variables that were critical to program success. This article examines the redesign process and those new tools.



Teri Behrens

Many foundations are seeking to fundamentally change systems in order to create sustainable positive change. Initiatives that focus on root causes of social issues are typically both technically and socially complicated and past experience is no guarantee of success. **McCarthy, Bornstein, Perrin, James, and Fulton** examine an application of such an emergent strategy at the Colorado Health Foundation. They share tools used to design the funding approach for the foundation's Creating Healthy Schools initiative.

Fine, Raynor, Mowles, and Sood discuss an assessment of 54 foundations that used a new tool, developed for funders by TCC Group, to explore five core capacity areas shown to be central to organizational effectiveness. While foundations have increasingly focused on building grantee capacity, they have not often systematically assessed their own organizational capacity. Understanding how their own strengths and limits impact their ability to effectively work with grantees is an important first step in achieving impact.

Several articles in this issue focus on sector-wide research. **Winkelstein and Whelpton** undertook several research projects to examine risk, contingency funding, and existing foundation policies and procedures related to risk. This article describes the scope of the problem and a framework for philanthropists to adopt risk-management practices that better equip the sector to address the challenges of our time.

Ettinger focuses on an often-overlooked aspect of foundation leadership. Few foundations correctly account for inflation in, for example, analyzing perpetual versus spend-down strategies and in comparing the cost-effectiveness of programs over different time periods. Investment teams are often also provided with return targets, which are highly sensitive to inflation and which in turn determine a risk estimate that must be considered by foundation fiduciaries.

While some foundations have put their entire focus on impact investing, philanthropy still lacks the tools that enable such investments to be made with the same rigor as the best financial investments and philanthropic grants. **Aggarwala and Frasch** propose a framework for evaluating a foundation's blended performance that enables both grantmaking and endowment investing to be evaluated jointly, and thus also allows a complete evaluation of how impact investments could improve — or fail to improve — overall impact.

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editorial

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The largest of the Gordon and Betty Moore Foundation's environmental initiatives is the Andes Amazon Initiative, which has invested nearly \$369 million over its first 15 years to protect the forest cover and biodiversity of the Amazon. **Hardner, Gullison, and O'Neill** examine how the design principles of this major philanthropic initiative influenced its performance, and provides a practical example of strategic philanthropy that can contribute to the ongoing debate over the merits and flaws of this approach.

What foundations do, what roles they choose to play in a community, and how they play those roles matter to those communities. The types of grants they make, their approaches to engaging community and how they structure their funding make a difference in their effectiveness and in the sustainability of results. We hope the articles in this issue will encourage more systematic thinking about these practices and provide tools to support change.



Teresa R. Behrens, Ph.D.

Editor in Chief, *The Foundation Review*

Director, Institute for Foundation and Donor Learning,

Dorothy A. Johnson Center for Philanthropy at Grand Valley State University

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The Institute for Foundation and Donor Learning

Philanthropy is evolving quickly, presenting new opportunities and challenges for effective grantmaking. The Institute for Foundation and Donor Learning at the Dorothy A. Johnson Center for Philanthropy helps grantmakers adopt best practices and interact with other practitioners to strengthen their daily work.

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