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From Charitable Giving to Strategic Impact: The Fremont Area Community Foundation

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Keywords: Strategic philanthropy, theory of change, community engagement, resident engagement; strategic planning; strategic framework; technology of participation; evidence-based outcomes; outcome measurement

Introduction

The Fremont Area Community Foundation primarily serves rural Newaygo County in Western Michigan. With a population under 50,000 and an economy based largely on agriculture, food processing, and tourism, the county is a place of contrasts and contradictions. Newaygo is home to beautiful rivers and lakes, lush forests — and also to rural blight and to small towns that have been losing local businesses for two decades.

Newaygo County is also a place where many have enjoyed success and created wealth. Perhaps the best historical example of its entrepreneurial spirit is Gerber Products Co., now a subsidiary of Nestlé Global. Gerber’s hallmark product, baby food, was created when Dan and Dorothy Gerber’s infant daughter needed special strained foods recommended by her pediatrician. After initially straining fruits and vegetables at home, the Gerbers concluded it could be done more easily at their local business, the Fremont Canning Co. As community demand for the baby food grew, the Gerber brand was born.

In the process of building a company, the founders created significant family wealth and an engine for community prosperity. Local farmers grew crops for the brand and new companies were created to supply the Gerber plant’s needs. Other service providers and retailers emerged and took root. The individuals who found success — even modest success — started what became a rich tradition of community philanthropy dating back to the Great Depression.

The story of the Fremont Area Community Foundation began in 1933, with the generosity of two visionary philanthropists: A gift of \$5,700

Key Points

- In 2011, the Fremont Area Community Foundation launched a community investment strategy, focused on education, poverty, and economic development, that shaped corresponding aspirational goals aimed at improving the quality of life for residents of rural Newaygo County, Mich.
- While there had been significant community involvement and input into foundation planning for a number of years, the announcement of these strategic goals and their implementation created some apprehension among the local nonprofits. The new funding paradigms were a big change, and it took several years for many of the grantees, with assistance in the form of backbone services and tools to monitor impact, to make the transition to new ways of thinking about their work.
- As the foundation moves ahead with its second five-year strategic plan, it is being guided through a continued process of change by research and learning, community feedback, results from key grantee surveys, and evidence of where the work has contributed to positive outcomes for the population it serves.

from the estate of Harry Williams established a fund to support the general well-being of Newaygo County, and a bequest of \$31,000 from J. Andrew Gerber was dedicated to the benefit of the “worthy poor” and “charity patients.” Mattie Gerber added to her husband’s endowment in 1944 and, in 1951, Fremont attorney William J. Branstrom consolidated the Williams and Gerber funds with his own contributions to create the

Since inception, the Fremont Area Community Foundation has granted millions of dollars each year to local organizations and programs. While much of this came through grants in response to community needs, the availability of funds relative to the population base also enabled strategic investments. The most notable of those investments was the 1995 launch of broadband capability. The foundation's \$1.9 million investment leveraged other funding partners to provide the first internet access for schools and public offices.

Fremont Foundation. In 1972, the foundation reorganized as a public community foundation and was established with \$10 million in assets. What began with relatively modest charitable contributions is now one of the largest community foundations per capita in the U.S. While charitable giving and bequests have fueled that growth, the primary impetus has been the power of endowment. Given Newaygo County's relatively small population base of under 50,000, gifts from local donors do not keep pace with community foundations of similar size. The foundation's philanthropy has grown to significance primarily through good stewardship of its investments.

Since inception, the Fremont Area Community Foundation has granted millions of dollars each year to local organizations and programs. While

much of this came through grants in response to community needs, the availability of funds relative to the population base also enabled strategic investments. The most notable of those investments was the 1995 launch of broadband capability. The foundation's \$1.9 million investment leveraged other funding partners to provide the first internet access for schools and public offices. While this capability was far ahead of other rural areas, the local economy nonetheless declined, along with the rest of the state, in the early years of the new century. A national recession triggered by the collapse of the dot-com bubble and exacerbated by the 9/11 terrorist attacks continued its drag on Michigan's economy even as other states began to recover.

As early as 2003, the foundation began to plan how philanthropic interventions could make life better for the residents of Newaygo County. Through surveys and focus groups involving community and nonprofit leaders, the foundation identified three areas for action: social wellness, environment, and economics/job development. But the onset of the Great Recession in 2007 prevented implementation of those plans. The area was not to see significant evidence of economic recovery until around 2015, and Newaygo County was hit hard: According to the U.S. Bureau of Labor Statistics, by 2009 unemployment peaked at 15.1 percent. U.S. Census Bureau data indicated that in 2010 the poverty rate was 19.8 percent; and educational attainment was stagnant with less than 23 percent of the population holding an associate degree or higher. For the foundation, these demographic indicators were the impetus for a bold strategic journey. In 2011, the foundation started on a path toward major changes in grantmaking strategies that had a significant impact on the way the foundation functions and on its relationships with grantees — and, ultimately, on local systems and networks.

The Pivot Point

The foundation had weathered the Great Recession with minimal disruption to grantmaking. The asset base began to recover, but the foundation remained heavily focused on basic human services. Libby Cherin, the

foundation's CEO for almost 17 years, had planted the seeds for strategic change both through the community planning process that started in 2003 and deep trustee engagement with experience economy concepts. The experience economy concepts of Pine and Gilmore (1998) challenge modern companies with the necessity to create memorable experiences for their customers rather than just deliver a product or service.

When Cherin announced her retirement, a national search was launched for her replacement — a bold step for a rural foundation in a tight-knit community — and I was hired as the new CEO. While not local, I was able to bring significant rural experience to the foundation and, together with the board and staff, we began to lay the groundwork for the future. We began to research what our foundation had funded in the past and what had been successful, and to look at other models and solutions that could be adapted to our communities. A planning retreat with trustees and staff in September 2011 produced a strategic framework for 2012 through 2016 that was built upon community surveys, focus groups, and the planning that started in 2003. At the retreat, the foundation was introduced to a facilitation process called the Technology of Participation (ToP), whose methods, developed by the Institute for Cultural Affairs, have been deployed internationally as a consensus-based approach to community development. ToP facilitators led the full staff and board through the process, which produced the strategic framework for 2012–2016. To best prepare for working through the details with community partners, in June 2013 the entire staff was trained first in experience economy marketing concepts and then in the ToP consensus approach. But the journey was not linear, and we continued to refine and hone the framework by working alongside grantee partners and community leaders.

A Lumina Foundation learning session attended by the CEO and board chair at the Council of Foundations 2011 fall conference inspired a new effort in support of local education. In November 2011, we became the first community foundation to embrace Lumina Foundation's Goal 2025, focused on 60 percent postsecondary

One trustee asked, “How can we take on a goal that is probably impossible to achieve within that time frame?” But others understood the power of a goal that would address a community need – a level of education necessary to maintain a vibrant economy. We believed that responding to that need was more important than focusing on where we could claim success. We knew that if we moved postsecondary achievement forward at all, it would be an important milestone for our community. More importantly, if we could change the local mindset to one that valued education, the effort would gain momentum.

achievement by the year 2025. This was a stretch for a county with only 23.1 percent of the population holding at an associate degree or above in 2011. Our definition of postsecondary achievement includes traditional degree granting institutions starting with the associate degree, but also apprenticeship and certificate programs that result in a work credential. The foundation's board was both excited by the notion of a concrete goal and daunted by the task at hand. One trustee asked, “How can we take on a goal that is probably impossible to achieve within that time frame?” But others understood the power

of a goal that would address a community need — a level of education necessary to maintain a vibrant economy. We believed that responding to that need was more important than focusing on where we could claim success. We knew that if we moved postsecondary achievement forward at all, it would be an important milestone for our community. More importantly, if we could change the local mindset to one that valued education, the effort would gain momentum.

Our goal for education was the first to be firmly established at the foundation. Each goal that followed was formed after another period of research and learning.

Research and Learning

The 2011 strategic framework contained a new vision for the future, based on five forward-thinking goals:

- A nonprofit sector working towards positive, evidence-based outcomes;
- A continuum of effective educational systems;
- A sustainable local economy;
- Preservation and promotion of our natural resources; and
- Shifting from poverty to empowerment through revitalized community values and connections.

To implement the framework, we conducted both internal and external research. In the first two years, we funded three graduate fellows from the Stevenson Center for Community and Economic Development at Illinois State University, who examined what the foundation had been funding in three key areas: education, poverty, and economic development. The research included both our historical approaches to grantmaking and their impact, and discussions with our grantee partners about their work. The fellows also looked into effective models and approaches across the country. This

research phase became the basis for a shift in our grantmaking strategy.

Another approach during this early phase was to lift up and enhance the work of the Newaygo County Community Collaborative (NC3), a forum for collective impact. The foundation brought the collaborative in-house, where we could provide more administrative support. A part-time coordinator was hired in June 2012 and the NC3 began to organize subsets of social service and government agencies around specific social problems and to introduce the agencies to the principles of collective impact. The work of the NC3 has been a tremendous supporting effort, through which local nonprofits are engaged collaboratively with other agencies that share or overlap with the primary service population that is their focus.

This effort to address the goal of a nonprofit sector working toward evidence-based outcomes was enhanced by a significant program of training and technical assistance led primarily by the Johnson Center for Philanthropy at Grand Valley State University; work began in 2012 and continues. Several workshop series have been offered, as well as individual organizational technical assistance sessions designed to build the capacity of grantees. These efforts have been coupled with opportunities for grantee partners to learn about new approaches and models through training programs and site visits.

Research and learning launched the change process for trustees and staff and for the foundation's partner agencies. As different phases of this strategic change have unfolded, such learning is expected to continue as evaluation components are more fully implemented.

Phase One: Early-Stage Implementation

Our work is accomplished through community investment — a term that refers not only to grant dollars, but to all of the resources we engage. We invest in building nonprofit partners through training and technical assistance. Our staff invests in the community through

FIGURE 1 Community Investment Strategy

COMMUNITY INVESTMENT STRATEGY

in-kind donations of time and talent. We also invest in research, building public awareness, and advocacy. Our trustees' vision ultimately led us to a community investment strategy that consolidated the five focus areas identified in the 2011 strategic framework into three big goals — Education, Poverty to Prosperity, and Community and Economic Development, each with a specific target:

1. Increase the proportion of local residents who hold college degrees, credentials, or certificates to 60 percent.
2. Reduce the local poverty rate to at or below the national average.
3. Maintain the local unemployment rate at or below the national average.

We refer to these three big goals as our aspirational or decade goals, because we know that they are not easily achieved and will require sustained focus over the next 10 to 20 years. (See Figure 1.) Some, in fact, may not be fully achieved, but our trustees view them as the right goals to move us toward our mission. These goals are generational and will ultimately require mindset shifts and systems change.

Committees were created for the three goals and grantmaking frameworks were introduced to grantees in June 2014. The three frameworks identified the targets for intermediate outcomes and suggested the types of projects that would be most competitive for grants. The frameworks led to the identification of key measures of progress toward each goal. (See Figure 2.)

FIGURE 2 Decade Goals and Measures

Community and Economic Development	Poverty to Prosperity	Education
Outcome measures: <ol style="list-style-type: none"> 1. Total employment 2. Labor force participation rate 3. Median income 4. Households above ALICE threshold 	Outcome measures: <ol style="list-style-type: none"> 1. Households above ALICE threshold 2. Post-high school certificates awarded 3. Total employment 4. Fewer low-birth weight babies 	Outcome measures: <ol style="list-style-type: none"> 1. Kindergarten readiness 2. Third-grade reading level 3. Eighth-grade math skills 4. High school graduation rate 5. Post-high school certificates awarded
Outputs: <ol style="list-style-type: none"> 1. Number of new businesses 2. Number of jobs created 	Outputs: <ol style="list-style-type: none"> 1. Number of people demonstrating skill development 2. Number of people increasing assets or wealth 3. Number of people reporting increased social capital 	Outputs: <ol style="list-style-type: none"> 1. Attendance/participation 2. Academic achievement measured by state and standardized assessments

Outcomes: Level of achievement generated in part by grant-funded programs/partners and initiatives; often long term

Outputs: Data generated during the grant-funded year measuring specific accomplishments, such as the number of people served

Making the Case

While there was significant community involvement and input into foundation planning starting as early as 2003, the announcement of these strategic goals created apprehension among the local nonprofits. However, trustees remained committed to community engagement and moving high-level goals forward as the way to make the greatest impact. We have made the case for these goals by clarifying the importance and interconnectedness of the goals:

- For education, 60 percent postsecondary achievement is needed to have the workforce talent to fuel a healthy economy. Without that talent, our key economic drivers — food processing and agriculture — will not be able to grow and prosper.
- Reducing poverty is critical, and the best way out of poverty is a good job with benefits. We must mitigate barriers that can prevent individuals from making the journey out of poverty and into the middle class.

- The unemployment rate in Newaygo County has declined significantly since the Great Recession. We would like to see unemployment remain at or below the national average. But simply having a job is not enough — we must also focus on increasing the median income and reducing the number of workers who do not earn enough to meet the basic needs of their families — or those at what the United Way terms the ALICE (Asset Limited, Income Constrained, Employed) threshold.

Working With Partners

For each of the three goals, we worked closely with our community partners on implementation. Our staff convened key players to work together on changing how the community gets things done. One example of this is in the area of tourism.

While tourism is a significant economic driver in Newaygo County, it has been a fragmented effort. The foundation addressed this by working with two partner agencies to convene actors in the county's tourism industry, such as the

Newaygo County Convention & Visitors Bureau and local chambers of commerce, to discuss what they could do together to be more effective. These discussions led to the creation of the Newaygo County Tourism Council, which developed a joint marketing campaign. By pooling members' resources and partnering with a printer who had produced an earlier county tourism guide, the council created one central publication; and a new website serves as a one-stop source for information about tourism in the county, including a way for visitors to share their travel stories online.

Unemployment was high when we began this work, but it has steadily declined as the economy continues to improve. The fact that more people are working does not, however, mean that everyone is better off. While the workforce participation rate has improved, the poverty rate is merely inching down. The median annual wage in Newaygo County, \$44,900, remains well below Michigan's, at \$54,700, and the nation's, at \$61,000; more than 40 percent of those in the county who are working still cannot meet basic needs. At the same time, local employers have a desperate need for steady workers with good technical and soft skills. In response, the foundation has recently sought to work more collaboratively with employers; one effort, a local employer resource network, is in the planning stages. The foundation is seizing this moment as an opportunity to mitigate local poverty.

During the change process, we also focused on maintaining the best possible working relationships with grantees. We created more opportunities for personal interaction with potential grantees, successful applicants, and even applicants who did not receive funding. The new funding paradigms were a big change, and it took several years for many of the grantees to make the transition to new ways of thinking about their work. In the words of the executive director of one grantee organization, "I understand where you are headed and I know it will make us stronger, but it was just easier before." Over time, most local agencies came to realize that the new parameters did not require a major shift in their activities, but rather a sharper focus

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on the impact or results of those activities. We have recognized the need to assist with measuring impact. This process has required some significant adjustments from grantee agencies, and some trepidation about our movement to strategic grantmaking was to be expected. In terms of donors and the general public, we routinely receive very positive feedback about the new strategies.

Phase Two: Laying the Groundwork for Implementation

As 2016 drew to a close, the foundation began to plan its next five-year strategic framework. As part of this process, we chose to ask residents what they considered to be the most important focus for our work. To take the pulse of the community, we engaged the Aspen Institute to conduct a comprehensive needs assessment that involved Newaygo and three surrounding counties, Lake, Mecosta, and Osceola, where we operate affiliate community foundations. The

FIGURE 3 Region Reflections and Priorities

The table below shows some of the cross-cutting issues for the region as a whole that were lifted up during the community conversations. It is important to recognize that each “vote” for a topic, like economic development/jobs, reflects the analysis of a table. Individual responses (organized in each county’s conversation journal results file) provide another layer of rich data that will be useful as the four counties explore collaboration. These individual responses — in combination with the survey data — are likely to provide a deeper sense of what is important to most people in the region and are worthy of further analysis.

	Lake			Mecosta			Newaygo			Osceola		
	Before	After	Change	Before	After	Change	Before	After	Change	Before	After	Change
Economic Development/Jobs	23%	29%	5%	40%	22%	-18%	18%	26%	8%	28%	35%	7%
Engagement/Communication	23%	7%	-16%	13%	17%	3%	5%	5%	0%	28%	25%	-3%
Retain Youth	0%	7%	7%	13%	11%	-2%	3%	4%	1%	17%	20%	3%
Health	8%	14%	7%	7%	11%	4%	3%	7%	4%	0%	0%	0%
Education/Training	0%	0%	0%	7%	6%	-1%	26%	18%	-8%	6%	0%	-6%
Broadband	8%	14%	7%	0%	0%	0%	0%	2%	2%	11%	5%	-6%
Poverty	0%	0%	0%	7%	11%	4%	8%	5%	-2%	0%	0%	0%
Environment	0%	0%	0%	7%	11%	4%	3%	5%	3%	0%	0%	0%
Amenities	8%	7%	-1%	0%	6%	6%	0%	4%	4%	0%	0%	0%
Transportation	0%	0%	0%	0%	0%	0%	15%	9%	-7%	0%	0%	0%
Activities for Youth	8%	7%	-1%	0%	0%	0%	5%	0%	-5%	6%	0%	-6%
Safety/Substance Abuse	8%	7%	-1%	0%	0%	0%	3%	0%	-3%	0%	0%	0%
Housing	8%	0%	-8%	7%	0%	-7%	5%	7%	2%	0%	0%	0%
Other	8%	7%	-1%	0%	6%	6%	8%	9%	1%	6%	15%	9%

1. In general, groups of participants maintained or tweaked their community priorities from the beginning of the session.
2. Groups of session participants in all four counties were most likely to name “economic development” or “jobs” as priorities for their counties. Responses included focusing on small entrepreneurship strategies, workforce training, and industrial recruitment. Several groups mentioned “job quality” and “living wages” as critical components of economic development.
3. The priority area that grew the most from the beginning to the end of the presentations was “health” and specifically “health factors.” In Lake, Mecosta, and Newaygo counties, groups were more likely to mention addressing preventative health behaviors.
4. As Lake County participants went through the presentation — and perhaps because they were identifying specific community opportunities and challenges — they were less likely to mention “community engagement” and instead focused on priorities such as “retaining youth.”

assessment compiled key data sets supplemented by resident engagement through an online survey that included open-ended questions.¹ The survey was followed by community conversations, which were summarized in a regional report. (See Figure 3.) Economic development and jobs emerged as the primary concern for residents of all four counties. These results told us to stay the course on our decade goals, with greater emphasis on workforce development.

Which brings us to today. Our big, bold goals will take generations of focus — success won’t happen overnight. But we are confident that maintaining that focus will move the needle on our core issues.

At the outset of this strategic work, the combination of low educational attainment, high poverty rates, and a stagnant economy were creating an ever-widening opportunity gap for local residents. This was especially true for the next generation — and disengaged youth are the hardest population to reach. We took a two-generation approach that addresses unemployed and underemployed adults while also encouraging young people to build local careers. In a key achievement for the current five-year strategic framework, in 2017 we created the Newaygo County Workforce Development Task Force, comprised of key agencies dealing with talent development and barriers to employment. The task force commissioned a report from Talent 2025, an alliance of business and education that

¹ Full reports for all four counties are available at www.facommunityfoundation.org/communityreports.

FIGURE 4 Theory of Change

is focused on ensuring world-class talent for West Michigan. The report provides data on and insights into the state of our local Newaygo County workforce.² The report highlighted the county's "phantom workforce," residents who are able to work but are not employed: Some of these residents are caring for children or other family members, some have barriers to entering the workforce, and some have simply become discouraged. Over the next five years, our goal is to get 200 of these individuals back into the workforce and to help them be successful. That goal requires an average of 40 placements per year, and we are already making progress — there were 24 placements directly attributed to funded activities in 2017.

A Theory of Change

Ultimately, the research and development of these strategic approaches led us to a coherent theory of change. Our theory of change denotes five key roles for the foundation: to catalyze, fund, monitor, evaluate, and report. (See Figure 4.)

In relation to the range of activities and approaches undertaken in our community, the foundation sometimes serves as a leader and at other times as one of the participants at the table. These activities include:

- Identifying relevant data by sharing existing reports and data sets, or by commissioning studies;

²The complete Talent 2025 report can be accessed at www.facommunityfoundation.org/talent2025.

- Identifying key community players and convening them;
- Introducing alternative, effective models or practices;
- Supporting training and travel that allows practitioners to learn new models and see them in action;
- Facilitating purposeful dialogue designed to lead to collective action;
- Providing a support system for the conversations to continue;
- Allowing appropriate individuals and organizations to take the lead in areas where they have greater expertise; and
- Being prepared to support the launch of new activities with financial resources, and then to help sustain them.

While we use the term “catalyze” instead of “leadership,” in some cases the foundation did play a leadership role — in the convening of local tourism industry stakeholders and in the creation of the Workforce Development Task Force, for example. At other times, community leaders approached us; activity around small-business development and retention came from concerns voiced by downtown business owners. And sometimes there has been a shared impetus for action: The foundation and the local education community, for example, are working together on the intersecting issues of educational opportunity and career readiness.

The role of funder is a familiar one in the field of philanthropy. In each of these examples, the foundation funded local agencies or consortia, or even created a new grantee, such as the Newaygo County Tourism Council. We are funding projects we believe will lead to long-term outcomes and the fulfillment of our decade goals. Often our partners’ goals and ideas line up with ours by this point in the process. In other words, they own it and are equally vested in success.

To monitor the results of our catalyzing and funding activities, we needed a shared mechanism to enable our grantees and the public to determine how well the community is progressing toward the intermediate outcomes. The projects we fund won’t immediately produce outcomes, but they will generate activities or outputs to move us closer to our goals. In 2017, we simplified our grant evaluation forms to ask only for information that would be used and to capitalize on data that grantees are already collecting. Results from the annual evaluations submitted by grantees are only part of the picture. We also need to monitor how those outputs are leading to the intermediate outcomes: Are we increasing our third-grade reading scores, eighth-grade math scores, high school graduation rates? Are graduates furthering their education or securing work credentials? And we must evaluate whether the foundation is making a difference: Are we progressing towards higher postsecondary achievement? Do census figures and other indices point to demographic changes?

As we were looking into creating appropriate evaluation tools, we discovered that the West Michigan Regional Prosperity Alliance (WMRPA), or Region 4 representing 13 counties in West Michigan, had already created a regional tool. As one of 10 economic regions identified by Gov. Rick Snyder — who asked leaders from several key sectors regional planning, adult education, workforce development, economic development, transportation, and higher education to undertake activities to promote prosperity — WMRPA established the West Michigan Regional Dashboard under the leadership of The Right Place, an economic development agency serving the 13 counties in Region 4. This tool utilized a set of shared metrics to track progress on 34 critical economic, environmental, and social outcomes.

We commissioned The Right Place to create a Newaygo County Area Dashboard, which collects a comprehensive set of local data in a one-screen format that allows users to focus on specific data points, observe trends, and use the information to assist in their own planning and evaluation. (See Figure 5.) The county

FIGURE 5 Newaygo County Area Dashboard

dashboard has 30 data points, nine of which correspond to the intermediate outcomes in our theory of change.³

To prepare for the evaluation component, grantees were introduced to the principles of evaluation at a practical, hands-on training

provided by the Johnson Center in the fall of 2017. The foundation followed up in January 2018 with a grantee workshop to introduce its theory of change, the Newaygo County Area Dashboard, and its updated online evaluation forms for grant recipients. The new forms were designed to eliminate cumbersome reporting

³The Newaygo County Area Dashboard can be found at www.ncdashboard.org.

requirements for smaller grants, and for larger grants that require comprehensive evaluations, to focus only on measures that advance the work of both the grantee and the foundation. At that time we also introduced policy changes, including a board decision to adopt best practices around general operating support as outlined by Charity Navigator, GuideStar, and the BBB Wise Giving Alliance. The policy clarifies that our foundation will consider appropriate administrative overhead up to 35 percent of total project costs. The response from grantees, expressed in evaluations for the day's sessions, was overwhelmingly positive.

Finally, it is our responsibility to report back to the community: Have more county residents joined the workforce? Have our efforts collectively created the qualified workforce needed to drive economic growth? In most of our communication materials, from annual reports to social media posts, we intentionally include stories that touch on our three decade goals. Data collected from our evaluation work allow us to show forward movement. We also schedule events throughout the year to update donors on our work and solicit their feedback.

Navigating the Change Process

The change process has been difficult for some in the local nonprofit sector, and this has been evidenced by the results of Grantee Perception Surveys conducted by the Center for Effective Philanthropy (CEP). An initial survey was conducted in 2012 before the foundation's shift to a strategic grantmaking approach, and therefore provides good baseline data. Another survey was conducted in the spring of 2017, before we introduced our theory of change, policy changes, and the evaluation component of our work.

In both surveys, grantees rated the foundation in the top 15 percent of the CEP's data sets in having a strong impact in local communities. While ratings on the extent to which the foundation understood grantee work didn't increase much from 2012, they were in line with ratings for a typical funder. A few highlights from the summary report shed light on the challenges and

conflicts that grantees have experienced with the change process:

- Perceptions of the foundation impact on grantees' fields of work are similar to the typical funder in CEP's data set, but trend higher than the typical community foundation. Grantees with our Poverty to Prosperity focus area hold the most positive perceptions of the foundation's impact on their fields of work, rating above the highest-rated funder in the CEP's data set; and ratings from these grantees trend higher throughout the survey. The foundation receives lower than typical ratings, however, for its understanding of grantees' fields — in the bottom 10 percent of CEP's data set.
- The role that the foundation plays in its grantees' organizations emphasizes organizational sustainability more than organizational impact. In the 2017 survey, grantees' ratings of the extent to which the foundation improves their ability to sustain their grant-funded work trend higher than in 2012 — in the top 20 percent of the CEP's data set and toward the top of the community foundation data set. But the grantees' rating of our impact on their organizations is significantly lower than it was in 2012, and ratings are now similar to the typical funder.

Though ratings for the foundation's understanding of our grantees' organizational goals and strategies are higher than in 2012, they remain in the bottom quarter of the CEP's data set. This is important because the CEP's research shows that understanding grantee goals and strategies is one of the strongest predictors of perceived impact on grantee organizations, as well as on funder/grantee relationships.

The foundation now provides a significantly larger proportion of its grantees with intensive nonmonetary assistance — characterized as at least three forms of field-focused assistance or at least seven total types of assistance — than it did in 2012. Notably, grantees receiving

nonmonetary support (from intensive to just one form of support) rate the foundation's impact and the funder/grantee relationship significantly higher than do those receiving no support.

- Grantee perceptions of the helpfulness of the foundation's selection process have significantly improved since 2012 and are now similar to the typical funder in the CEP's data set. Grantees rate the foundation staff as significantly more involved in the proposal development process than they were in 2012, and their ratings on the level of pressure they feel to modify their priorities in order to receive funding are now in the top 10 percent. This increased sense of pressure is notable because foundation grantees experiencing the highest levels of pressure — rating 5, 6, or 7 on the 7-point scale — report a significantly less positive experience with us across the survey.

It is easy to understand that there will be consequences when a funder transitions from open grantmaking — essentially, being responsive to the proposals submitted by grantees — to strategic grantmaking, or being more proactive and oriented toward significant positive impact. While we do not discount the perceptions of grantees, we have significant hands-on expertise in the areas where our strategy is focused and we have examined best practices across the country. We also believe that we are fostering change that is in the best interests of our constituents. In particular, lower scores from grantees engaged with education provide a platform for future learning. Newaygo County has six school districts and no institution of higher education. Schools are stressed in many ways and do not have staff dedicated to maintaining relationships with grantmakers. While we are concerned about the low scores from this sector, we recognize the circumstances and remain focused on developing and building the relationships.

In response to the CEP ratings, the foundation has implemented strategies to improve grantee relationships, primarily via better information and improved communication. To address the

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perception that foundation staff does not understand a particular field, we now intentionally highlight the expertise and skills of staff, board, and community members engaged with grant review through such channels our e-newsletter, posts on social media, and handouts that detail staff and committee members' relevant expertise. To address a perceived lack of responsiveness, we have enhanced our communication throughout the grantmaking process to include an initial email to confirm application receipt and identify the staff member who will be reviewing the grant; an automated notification midway through the grant review period as a reminder of the timeline; and a commitment to respond to a grantee communication within 24 hours, or to send an email or voicemail message to explain when that may not be possible.

FIGURE 6 Newaygo County Community Collaborative (NC3)

We believe that everyone in the community wants the same positive outcomes identified through the resident engagement process, and the foundation is committed to maintaining our positive relationships even as the change process continues.

End Game = Mission Accomplished

The groundwork for most of our activities was laid with a relatively small financial investment from the foundation. We believe our investments of time and thought leadership have been the most important elements to date. We have changed not only how we are funding, but what we are funding, in order to achieve the greatest impact for our community investments; and we have provided tools to monitor impact. We have also invested significantly to promote collective action among grantees around the critical issues in our service area.

For the most part, the foundation's goals have become a shared community agenda. Many of

the goals are implemented through the NC3, which provides backbone services to help local agencies work together toward shared outcomes. The NC3 agencies focused on education are directly pursuing the foundation's decade goals, while other agencies address various barriers faced by residents that indirectly affect the ability to meet those goals. (See Figure 6.)

The goals of the Fremont Area Community Foundation are talked about in the community, embraced by the nonprofit and government partners who do the work, and featured in traditional and social media. We are relentlessly optimistic that we have set a change process in motion that will ultimately provide greater opportunity for residents in Newaygo County. Our mission — “to improve the quality of life” in the county — hasn't changed, but it has come into focus. Through this process, we have defined what we mean by quality of life: a vibrant economy; an effective public sector — government and

nonprofit; and well-being across socioeconomic levels, because everyone must be doing well for any of us to truly thrive.

This is the beginning of a new chapter. The 2017 CEP survey results captured grantee perceptions at a time when all the components of a shift to strategic grantmaking were not yet in place. With the evaluation tools implemented and a clear commitment to enhance relationships with our grantees, it will be instructive to see the results of the next CEP report. We know that we will continue to pursue learning and research phases as subsequent iterations of this community process unfold.

It is our firm belief that this path, and the partners we've secured along the way, will lead to powerful, lasting change in Newaygo County. No one organization or entity can accomplish these goals alone. This is truly a community project, involving individuals from all walks of life and backgrounds. The foundation is not a service provider and must rely upon our partnerships for strategic, collective impact. We are confident that over the next decade (and beyond!), as we actively embrace all of the roles from our theory of change — to catalyze, fund, monitor, evaluate, and report, the community will succeed in improving the quality of life in Newaygo County.

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