

DC Family Policy Seminar

A community service project of Georgetown University

July 23, 1996

Vince Hutchins, MD., M.P.H., Moderator
Distinguished Research Professor
National Center for Education in Maternal and Child Health

We are particularly pleased to present to you this seminar on Fundraising for Family-Centered Organizations in the District. Previous seminar participants have suggested this topic through our evaluation process over the past few months. Given our current political and economic environment, this seminar is timely, relevant, and necessary to help disseminate strategies and success stories to the greater service-providing community in the District. Our goal this morning is two-fold: first, our panelists intend to provide information on how to best raise and leverage funds; and second, our panelists will focus on strategies for strengthening collaborations to maintain service delivery.

Char Mollison
Vice President
INDEPENDENT SECTOR

To succeed, nonprofit organizations and service providers must engage in a strategy of broad public outreach that involves our boards, the wider community, volunteers, and government officials. Both fundraising and broad public outreach require an investment of funds and the attention of the leadership in the organization. Internal, organizational capacity building is not a diversion from service but is more and more necessary to assure and strengthen service.

Main Points:

- What I have to say about fundraising for family-centered organizations in the District comes in large part from my experience on the Board of Directors for the House of Ruth. A few years ago, like everyone else in this room, we saw the handwriting on the wall regarding DC government funding, and we set a goal to diversify our funding base by reaching out to the private sector. In four years time, we went from 90 percent local government support and a budget of just under \$1 million, to 67 percent private sector support and a budget of \$3.6 million.
- The major lesson to be learned from this success story is that before we could even begin to hire a development staff or raise funds from the private sector, the culture of the organization had to change. To change the culture, the Board had to change—not radically, but enough over time until there was a collective willingness to allocate funds for organizational capacity building and to expect or require the CEO's attention to the matter. It's not that our organizations don't want to make these investments—but I think we often feel reluctant because these investments seem to be an expensive diversion from service.

- The main barrier at the House of Ruth was cultural. Investing in internal capacity building was seen as siphoning both funds and the attention of the leadership away from needed services to women. When the cultural shift finally occurred, we really took off, and the bottom line is that we have been able to expand services to women and children despite continuing cutbacks in DC government support.

- The INDEPENDENT SECTOR (IS) notes the following trends in the nonprofit sector:

- 1) Based on current projections, government funding for human services and other areas of nonprofit activity will decline by 18 percent over the next six years. Private sector contributions would have to increase 68 percent to keep pace, and that's not possible.
- 2) Since 1991, human service nonprofits overall have experienced a slight decline in both donations and volunteers.
- 3) IS has charted a significant decline in the percentage of people who trust the way charities in general use their funds.

- Organizations need to engage in "broad public outreach" to succeed. I don't just mean public relations or marketing, but rather active engagement with at least four target audiences. Our audiences are:

- 1) Our own *Boards of Directors*: Our Boards need to be empowered and supported, especially by the CEO's of our organizations, so that they can fulfill one of their most important responsibilities which is to serve as a bridge to the wider community.
- 2) The *wider community*: This broad area includes the media, the neighborhoods where we have facilities, our companion organizations in service, donors, business corporations, and so on, with whom we should take the initiative to forge responsive and collaborative relationships.
- 3) The caring *citizens*: Individuals from all walks of life and of all abilities who want to volunteer their time. We need to involve them wherever our programs can possibly accommodate them. Volunteers give an average dollar contribution that's almost three times higher than the non-volunteer. If you take them seriously, they become valuable emissaries for your cause, and they bring new ideas and that invaluable commodity: warning signals from the field.
- 4) *Government officials*: These officials need to hear from nonprofits how public policy affects the people we serve and our ability to serve them. We can't let government officials overstate the capacity of the private sector to meet basic human needs.

Robin Delany-Shabazz
Program Manager
Office of Juvenile Justice and Delinquency Prevention
U.S. Department of Justice

For nonprofits to make it today, they need to fully research their federal funding options; network and build partnerships with like-minded organizations; build internal fund development capacity; and document outcomes.

Main Points

- While my comments today are generally applicable to many of the federal government departments, there is a great deal of difference and contradictions across the agencies.

- There have been a number of noticeable trends in federal funding:
 - 1) Emphasis on evaluations and outcomes. Because funding is so limited, funders need to demonstrate the outcomes of programs. It is critical for nonprofits to see evaluations as an important piece of what you do and to develop a capacity around outcomes.
 - 2) There is less federal funding, particularly for research and demonstration projects.
 - 3) Much federal money is going to states and local governments via block grant/formula grants. Nonprofits need to work more closely with state and local governments to access these funds.
 - 4) Increased collaboration and partnerships among local agencies. It is very rare for federal grants to go to single organizations; they tend to give more to partnerships and collaborations.
 - 5) Grants are going to longer-term funding projects (e.g. 3-5 year projects).
 - 6) An emerging trend is that partnerships between federal agencies and the nonprofit sector (e.g. foundations) are beginning to occur. We are also beginning to partner with other federal agencies to provide funding.

- In response to funding cutbacks nonprofits have adopted the following strategies:
 - 1) Partner with the federal government. We are looking for people who have ideas about what needs to be done and want to partner with us for funding purposes.
 - 2) Develop a one page proposal. To help federal agencies look at different funding options, agencies can develop a "concept paper" to describe their project.
 - 3) Diversify funding base. Look at funding in two different ways. One set of funds is controllable (e.g. direct mail, yearly donors, partnerships with local businesses) and the other is uncontrollable (foundations, state, federal grants). Move towards a place where you have a larger mix of controllable funds.
 - 4) Do a lot of research. The federal government is huge. There are countless agencies that fund families (e.g. look at the Department of Agriculture and its cooperative extension programs). Also, even if you know about a particular funding source and think it is geared towards one program, there may be some flexibility (e.g. Maternal and Child Health formula grants may have a great deal of flexibility).
 - 5) Network: Nonprofits need to network at both the federal and local level and identify with program officers and offices where their interests converge with theirs and start cultivating relationships. Come and talk to the federal agencies. We have a number of resources and we are not unapproachable.
 - 6) Document outcomes. There are agencies that can help you do this effectively (please refer to handout in this packet for a list of agencies and resources to assist you.)
 - 7) Build fund development capacity.
 - 8) Partner with like minded organizations in public and private sectors.

- *The Catalogue of Federal Domestic Assistance* offers a wealth of resources and lists all of the grants the federal government makes.

- There are many resources from both private and federal sources that can help you in your search for federal funding and technical assistance. For funding, I direct your attention to:
 - 1) The Funding Resources packet distributed today by DC Family Policy Seminar staff;
 - 2) The Selected Resources: Family Centered Programs handout our office has prepared that will be mailed to you with the Highlights from this seminar. In the same handout is a telephone listing of "Who's Who is Federal Grants management".

Some agencies to consider are:

- Department of Health and Human Services
- Department of Agriculture/Cooperative Extension Service
- Office of Juvenile Justice and Delinquency Prevention, Department of Justice
- Office for Victims of Crime Department of Justice

• We also have a good list of technical assistance programs that may help you. It is important to think of technical resources to extend your funding so you may spend more on direct services
Some agencies to consider are:

- Office of Juvenile Justice and Delinquency Prevention National Training and Technical Assistance Center
- Strengthening America's Families
- Institute for Educational Leadership
- Finance Project

Hope Burness Gleicher
Executive Director
Washington Regional Association of Grantmakers

Through these uncertain times, local grantmakers are ready and willing to be your partners. Local grantmakers are open to both requests for general operating support and internal capacity building, and to joint or collaborative funding.

Main Points:

- The Washington Regional Association of Grantmakers (WRAG) is a growing consortium of almost 100 local area foundations and corporate giving programs. Regardless of the kinds of grants WRAG members make (whether in the arts, education, health and human services, public policy, biomedical research, or international economic development), they are bound together by their commitment to the greater Washington, DC community. Our members live and work here.
- The local philanthropic community differs from other communities in that it is not dominated by one or a few known givers with high name recognition. We don't have foundations with high name recognition like Ford, Rockefeller, Kellogg, or MacArthur.
- Our community has 950 documented grantmaking organizations. That is about 175 more than was documented just two years ago. 737 of these organizations are independent foundations with assets of \$3.9 billion and annual giving of about \$225 million. Many of these foundations, especially the newer ones, are family foundations.
- Here are some statistics on the 950 grantmaking organizations in the Washington area:
 - 1) 69 percent have assets under \$1 million and all together make grants of about \$80 million.
 - 2) 18 percent have assets between \$1 and \$5 million and together make grants of \$61 million.
 - 3) Only 27 organizations have assets between \$25 million and \$100 million. They make grants totaling \$115 million.
 - 4) 11 of the grantmaking organizations in the District have assets over \$100 million.

This group makes \$171 million in grants annually.

- Two weeks ago we published, along with The Foundation Center, a directory which lists basic information on each of the 950 foundations here in the Washington area entitled *Guide to Greater Washington DC Grantmakers, 1996-97*. Copies are available at the Foundation Center, or in any foundation office in DC. To order, please call 1-8900-424-9836.

- Here are a couple of trends in local philanthropy--especially among our members;

- 1) Greater openness towards requests for general operating support and internal capacity building.
- 2) Greater openness towards joint or collaborative funding.

- These trends are important for two reasons:

First, general operating support is important to organizations. Foundations have a reputation for liking new projects and new organizations and for having the flexibility to consider riskier or more innovative proposals. If government and United Way funds cover your day-to-day core operating support needs, foundations are freer to make short term, experimental, or one-time only grants. But, as government funds (and, in some cases, United Way funds) shrink, there is a need for day-to-day, core operating support: someone needs to pay the rent, do the bookkeeping, and operate computers.

I believe a growing number of local grantmakers understand the need to cover core operating expenses. Informed funders know that there is little chance that government funding will be available to pick up the on-going costs associated with new projects that were seeded with foundation money.

On the other hand, no amount of philanthropic support can make up for lost government funding. Here is a local example to put foundation giving in perspective: over a recent three year period, local grantmakers gave about \$40 million to area public schools. In the District alone, the annual budget for schools is about \$500 million. So, over the same three year period, DC Public Schools spent \$1.5 billion to our \$40 million.

- Second, with respect to greater openness towards joint funding, funders are seeing advantages to pooling their funds. By making joint decisions and often making larger grants, they have seen the advantages of having greater impact and greater risk tolerance. Here are two examples:

- 1) The Washington AIDS Partnership is now seven years old. It is a group of almost two dozen funders who pool their money and make about \$1 million in prevention and care grants annually to Aids Service Organizations throughout the region. Giving as a group has allowed them to coordinate the small dollars available, to reduce their own administrative costs and to take on some riskier grantees (like needle exchange programs).
- 2) The Community Development Support Collaborative (CDSC) is only three years old. It too, is made up of about two dozen funders, ten of whom are financial institutions. Their strategy has been to make large three year grants to ten DC based Community Development Corporations (CDC's). The goal was to give groups enough money to stabilize their administration so they could concentrate more on the actual work of revitalizing neighborhoods. Many of the very small funders and bankers could not have funded some these groups without sharing the risk.
- 3) There is also a group coming together to support reform and excellence in the DC Public Schools. It is too soon to give you more details.

- The benefits of collaborative or joint giving are:
 - 1) greater efficiency
 - 2) greater risk tolerance
 - 3) more informed giving
 - 4) more sustained giving
- The downsides of joint giving are generally felt by those groups that do not receive funding. Sometimes, groups feel locked out or that they lack a seal of approval.
- Finally, I would like to make two final points regarding local philanthropy:
 - 1) As a group, funders are smarter and more aware of the need to work in true partnership with you. They really do know how very difficult it is to provide services in today's environment. Foundations know that government support is shrinking and that needs are increasing in the community. They know the need to support innovative solutions to very difficult problems. They also know they cannot work at cross purposes with you.
 - 2) There are some survival resources available to those of you being hit by funding cutbacks. The Meyer Foundation, the Washington AIDS Partnership, and Foundation for the National Capital Region have small management assistance grants available. I know many foundations are more willing to consider making small grants to help groups merge, collaborate, downsize or achieve greater efficiencies.

**Russell Simmons
Vice President
Community Reinvestment Division
Riggs Bank**

Organizations must be innovative and look towards collaborations and partnerships with the government, foundations, and the private sector to survive.

Main Points:

- My comments this morning will focus primarily on banks. While some of my talk may be generalized to the greater corporate giving community, I would like to give you specifics of how banks may be a resource to service providers.
- Banks traditionally are not like foundations. Foundations have clear outlines on what they will fund. For banks, giving grants is traditionally a sideline. Differences in grant making reflect the size of the bank. Small banks (less than \$250 million in assets) and large banks (over \$250 million in assets) will each have different philosophies and disciplines in grant making. Riggs is a medium size bank with \$4.7 billion in assets.
- Larger banks tends to have a larger structures for grant-giving and can give more funds. The most common grants across the board for small to medium size banks range between \$500 and \$5,000. Occasionally, small or medium size banks will give larger grants (e.g. \$40,000), but they don't do it regularly since their grants budgets are not that large.

- Most banks operate under the Community Reinvestment Act (CRA) established in 1977. The purpose of the act is to extend credit to the community. In 1989 the rules for CRA changed and examinations of the bank under CRA became public. Banks are now under three tests: lending, investment, and service. If you don't pass the lending test (how much credit did you make available to the entire community—including the low/moderate income populations), the bank doesn't pass the CRA exam. If a bank doesn't pass the exam, a bank can't merge, be acquired, open a branch, or buy an ATM. The exam is extremely important to banks.

- The new investment requirement with the CRA in 1995 means that banks now need to not only lend, but invest in the community. "Investments" are grants, loans, or investments in those items that are considered "community development" (e.g. affordable housing, commercial revitalization, economic development, providing services to low/moderate income people).

- Strategies for nonprofits to tap into funding from banks:

- 1) Go to where your organization banks.

- 2) Look at the corporate strategy for banks by looking at their annual reports. While you won't see a strategy in their giving, you will see a direction. Banks want to be good corporate citizens, like to get good press, and want to be part of the community. However, banks have a very small profit margin due to competition.

- 3) Banks are looking for collaborations. For instance one project already underway with a partnership between the Center for Policy Alternatives, Metro Bankers Association, the District Government, and a number of other nonprofits. We are collaborating on a project to provide loans and grants (of approximately \$1,500 each) for in-home day care providers. The collaboration will work something like this:

- The Washington Child Development Council will provide training for day care providers;

- Banks will make funds available to CDC's;

- DC Government will guarantee a portion of the loan funds; and finally

- Community Development Corporations will make the loans.

The hope is to increase the number of legal day care providers to ensure that enough affordable, quality day care centers exists to support the low-income working family. This is especially relevant during given welfare reform and plans for moving welfare recipients to work.

- Why are banks interested in these types of collaborations?

- 1) Risks are mitigated among the partners.

- 2) They can achieve an economically viable social venture that has a long term future for government, foundations, and private sector funding.

- This is a new age of funding. Traditional funding has changed—the government can not do it all and the private sector cannot be expected to pick up all the excess. Teams and partnerships benefit everyone. Corporations can no longer just give funds to organizations; there needs to be a series of benefits (e.g. tax, corporate image, publicity) to make it a win-win situation for all.

Lloyd Smith
President and CEO
Marshall Heights Community Development Corporation

To achieve self-sufficiency, organizations must think about acquiring “contracts for services” with local government (to provide services in the community) rather than focusing primarily on grants.

Main Points:

- Marshall Heights began in 1989 as a Community Development Corporation (CDC). Back then, we concentrated most on economic development, light-industrial business development, commercial retail, and housing.
- We developed an overall economic development plan in 1991. At that point we decided to look at resource development to build a self-sufficient organization. Part of our overall strategy then was to provide a holistic approach to community development. We believe that you need a holistic approach to rebuild healthy and thriving communities.
- Our goals to develop to self-sufficiency were as follows:
 - 1) Create income streams and diversify independent funding to sustain priority operations.
 - 2) Obtain venture capital and risk capital in order to respond aggressively to development opportunities in our area.
- The following strategies can assist organizations to reach self-sufficiency:
 - 1) Cultivate additional funding sources from local and national foundations and corporations.
 - 2) Look at federal funding sources; especially enterprise zone funding. The District of Columbia currently has a \$3 million award that has yet to be decided. To receive any of this funding, organizations must “be at the table” during the discussion of how to disseminate the funds for economic development. I suggest you look at how economic development relates to family development in your neighborhood.
 - 3) Generate funds from development activities (e.g. charge fees from projects).
 - 4) Build an asset base so that you have collateral to guarantee loans etc.
 - 5) Create venture and investment capital to invest in future projects and leverage additional private sector capital investments.
- In addition, our agency raises more funds by :
 - 1) holding an annual banquet
 - 2) selling property

What have we done with our income streams? We have:

- 1) kept our office open;
- 2) avoided laying off key people;
- 3) supplemented our housing development;
- 4) took over the anti-poverty program that was defunct in our ward;
- 5) helped support our light industrial and business development;
- 6) become one of the 20 CDC's to receive a HUD tax credit award of \$2 million.

What have we done for family and child services and programs?

- 1) We are working with the DC Foster Care receiver to develop a model neighborhood service system delivery system in our ward.
- 2) We are working with the Public Housing receiver to develop 104 new townhouses.
- 3) We are working with DC General and the Public Benefits Corporation to ensure that our public health clinics are not closed in the area before we can figure out a way to put together a cohesive health service delivery system for our families and children.
- 4) We are planning a capital campaign to keep our initiatives going.
- 5) We are looking at welfare reform and want to tie in economic development to ensure that families have economic stability to make sure reform works.
- 6) We are developing, along with Community First Bank, a community development bank. This bank will only serve the undeserved population in DC and provide more capital to this population.

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Community Announcements and Discussion

The DC Family Policy Seminar graciously acknowledges the generous space and facilities offered by the Academy for Educational Development, and the help provided by the Center for Youth Development in obtaining the space.

COMMUNITY ANNOUNCEMENTS:

Patricia Pasqual, Director, The Foundation Center

The Foundation Center's library provides nonprofit organizations with research resources and access to the funding materials mentioned in today's discussion, including the *Catalog of Federal Domestic Assistance*. The Center also provides Internet access at their library. If you don't have an Internet account and want to research foundations, the Center provides a terminal to enable visitors to "surf the net". The Center has its own home page on the World Wide Web. The address is <http://fdncenter.org>. On the homepage you can find information about the Center and links to grantmakers on the Web. The Center makes available its own CD ROM products, as well as those from other companies in the library at no charge, to aid people in their fundraising endeavors. Center staff feel their tracking system will revolutionize organizations' fundraising experience! Searching their system using keywords will result in a list of targeted, potential funders. Patricia Pasqual cautions users to remember that the lists won't get organizations money. Good ideas and public relations will.

The Foundation center recently released the latest edition of the *Guide to Greater Washington D.C. Grantmakers*, which contains a new section on funders located outside of the District of Columbia (in the greater metropolitan area) who have a social interest in the District. The publication is available in the Center's library or for purchase.

The Center also offers training programs. Its newest series, "Beyond the Basics," begins July 24th with a course entitled, "Keeping Current with Funding Trends: News and Trends" which offers information on locating resources on the Internet. It will take place between 9:00 a.m. and 10:00 a.m. at the library and is offered free of charge. On August 7, 1996, the Center will sponsor a course on "Introductions to Individual Donor Research" to help organizations expand their funding base. Every Tuesday morning the Center offers an orientation from 9:00 a.m. to 10:00 a.m. which does not require registration, and on Friday mornings there is an orientation on the Center's electronic resources. The latter session is limited to 12 people; please call in advance to register.

The Center is open on Mondays from 10:00 a.m. to 7:00 p.m. and Tuesday through Friday, 10:00 a.m. to 5:00 p.m. The telephone number is (202) 331-1400. The Center is located at 1001 Connecticut Ave. N.W., Suite 938. The entrance to the building is on K Street between 17th and Connecticut.

The Washington DC Agenda Project

The Washington DC Agenda Project will hold the "Washington, D.C., Dialogue on Poverty on Wednesday, July 31, from 11:30 a.m. - 4:30 p.m. It is co-sponsored by the DC Agenda Project and the United Planning Organization. This project is part of a major national effort of the National Association of Community Action Agencies. The goal of the project is to arrive at consensus statements on the critical issues facing the poor in our community. For further information, please call Cheryl Christmas at the UPO at (202) 289-9100, ext. 301, or the DC Agenda Project at (202) 223-2598, ext. 14.

DC Forum for Collaboration and Support

The DC Forum for Collaboration and Support is a newly formed public-private partnership which employs comprehensive community-building strategies to actively support and increase opportunities for children, youth, and families in the District. Contact Melissa O'Neill for more information at (202) 223-2598 at the DC Agenda Project.

Fair Budget Coalition

The Fair Budget Coalition, a group of human services and legal services providers working together on issues of poverty in the District, is currently examining the transition of AFDC recipients to Medicaid managed care. If you are interested in discussing these issues you can attend the monthly meetings on the fourth Friday of every month. For more information contact Leigh Goodmark or Patty Mullahy-Fugere at the Washington Legal Clinic for the Homeless at (202) 872-1494.

QUESTION & ANSWER/DISCUSSION

Funding Specific Projects

Q: How can a school district or the DC Public School System, specifically, get a CRA (community reinvestment act) grant to invest in educational reform or school programs?

Karen Mackey, DC Public Schools

A: The "CRA" may not be the appropriate heading for the kind of assistance you are seeking. Although under CRA, Riggs has been able to establish a program that supports an education initiative. Riggs received approval from the Department of Education to administer a savings program in three of DC's elementary schools in Southeast, Adams Morgan, and on the H Street corridor. As a vehicle for meeting their CRA obligation, Riggs provides free savings accounts for elementary school students as well as instruction on math and investment saving. Riggs has received exclusive authorization to provide this community service. If we could join a combined unified effort we might consider going even further to adopt a school. Again, it's a matter of what's needed: whether it's hardware or software. Also, many bank employees have useful skills and are interested in volunteering in schools.

In terms of reforming the entire public school system, I think banks, as corporate partners, would be likely to step forward along with other corporation partners in the District as part of a broad scale effort. You need the Bell Atlantics, the Washington Gas companies—all of the major corporations in the District—to participate. You also need to connect with the DC Chamber of Commerce and the DC Board of Trade. Together, this collaboration could collectively apply the necessary resources to do what it takes to change the educational system in the District. The problem is that it is just that broad. Capital expenditures needed to repair the District's schools are estimated at \$5 billion. To engage in this tremendous undertaking requires a community-wide effort. Grant funding alone won't allow you to accomplish anything substantial.

We also need to look at creative ways in which we can use the District budget as a financial tool to borrow against to access capital faster than by leveraging capital improvement dollars.

Bonding or multi-year commitment financing are other strategies you can pursue to get banks and other financial institutions to provide funding up front. The whole corporate sector should play a role.

Russell Simmons

A: The partnership notion is important. At OJJDP we fund education initiatives. You wouldn't think so—we are not the Department of Education. So I urge you to identify *all* of the people—the corporate sector, the banks, District government agencies, and agencies that have an interest in your area—and bring them together into a funding coalition. Program officers at other federal agencies have reported that the District actually enjoys an advantage, in terms of demonstration

projects, over other areas in the country because many federal agencies have limited or no travel budgets. Federal agencies like to fund demonstration projects they can monitor .

Robin Delany-Shabazz

Q: We provide social services to about 800 gay and lesbian teens in the District. Sixty-five percent of those youth are African Americans, most 15–16 years of age. We don't have a controversial mission, in my opinion. We provide much needed, critical services, but on the surface there is a perception that we are doing something that is very controversial. So we have a very difficult time approaching federal funding agencies, private foundations, and corporations. We have had a lot of success in obtaining support from the community—65% of our funding comes from private donations—but we need to diversify our funding base in a different way. We need to involve corporations although it may not appear that we are in a position to offer them good press. How do you make the transition? How do you get folks interested?

Craig Bowman, Executive Director, SMYAL (Sexual Minority Youth Assistance League)

A: The days have passed when private funders are afraid of issues which address gay/lesbian needs. Jim Graham, Executive Director at the Whitman-Walker Clinic, has been very successful. Initially he ran into these kinds of barriers, but it does not seem to be as much of a barrier any more. Talk to him because he has been down the same road.

Knock on doors until you get a yes. Corporations have limited budgets, but you must persevere. Tell your story effectively. Describe your audience clearly. Numbers sell the project to corporations. Learn about your funders. Read the corporation's annual report. Talk to insiders before you meet with the corporation. Then you can relate what you are doing to what they are doing. Discuss employee volunteerism. If a kid in your program has parents who work for a corporation, that is a way in the door. Use all of that.

Russell Simmons

A: First, I want to compliment you. SMYAL has done well. SMYAL has enjoyed a lot of esteem and respect from the foundation community, particularly from the Washington AIDS Partnership. I encourage you to look at the funders of the Washington AIDS Partnership. Also test your assumptions about why you were turned down. If you do get a "no," ask the funder why you weren't funded.

Hope Burness Gleicher

A: Be sure to document your success—what have you done? What have your outcomes been? How have your services worked? Bring that to the table.

Robin Delany-Shabazz

Q: We have a studio theater for dance, and we seat 180 people. We also collaborate with the Lincoln Theater and the District Theater Foundation which seats 1100. We have had some very successful collaborations with other nonprofit organizations. Our latest venture was with Housing Opportunities for Women. We sell organizations tickets at a reduced rate. The organizations can resell the tickets as a fundraising opportunity. We do free performances for children as part of our families series. We sponsor interactive, educational, and cultural programs in all of the performing arts and provide programs in the DC public schools and in our theater during school hours.

My question for Mr. Smith is: how can we get information on enterprise zones?

Carla Perlo, Executive Director, Dance Place

A: Contact Judy Kohall, Office of Economic Development, 441 4th Street at (202) 727-6365 for information on enterprise communities.

Lloyd Smith

A: Contact Wes Biles at (202) 645-7088 for information on *development zones. (* The District uses the term, "development" zones, rather than enterprise zones.)

Building Partnerships

Q: At AHCA (the Ambulatory Health Care Administration) we run the 8 health centers in the city. The speakers have mentioned that we need to form private and public partnerships Yet, it is very difficult to forge these partnerships here. I don't know if it is because of turf or fear or what it is. I would like the panel to address how you suggest forming partnerships.

Cynthia Harris, the Ambulatory Health Care Administration, DC government, and Chairperson, the DC United Way Board.

A: We are always open to forging partnerships. Marshall Heights is the only CDC (community development corporation) in Ward 7. We are the only CAP (community action program) in Ward 7. So, we are always looking for partners. Our problem is trying to get somebody to partner with us. I work with the child welfare receivers and the housing receivers. We are pushing to meet with HUD, as I speak, to get funds for some of our initiatives. We are partnering with foundations.

Collaboration is a buzz word and a cliché used over and over again, and people believe it is a silver bullet. But collaborations and partnerships are only as good as their lead agency and the people who contribute to them. A lot of resources have been lost trying to develop projects that people did not think through very well. There were many ideas that were not well thought-out but that everyone thought were wonderful. If a project is not practical, not well thought-out, not something you would have probably done, but the partnership supports it, you need to rethink your participation. We'll partner and collaborate with anybody who wants to bring something to the table, mean what they say, and do what they say they were going to do. Then we'll do what whatever we need to do.

Lloyd Smith

A: Banks are approached by various partnerships on a daily basis. Very few of their ideas work. The principal reason that very few of them work is that the partnerships cannot adequately respond to questions such as: Is it (the program) going to last? Is it sustainable? These questions boil down to the basic question: are the basic economics of the project and the partnership sound. When a partnership's financial background is not sound, most corporations are going to back out on the project because: 1) they don't want to support an effort that's going to fail, 2) they don't want to get negative publicity for their participation in the project, and 3) they are motivated by a business mentality when they evaluate a project's success and will refuse to support economically unfeasible projects. One thing that we do fairly well on the private side is to look at business ventures and look at them hard. We look at the numbers and then question whether they are going to work or not. We make those same kinds of decisions when we approach partnerships. The project has to have basic and sound economics. Lloyd spoke to this, too. We have all been in projects in which we wish we had not been involved. The key failure each time was economics that just weren't sound.

Russell Simmons

A: DC just missed out on a \$10 million, 7-year initiative from the Robert Wood Johnson (RWJ) Foundation to support the safety and health of children. This is why I emphasize that you must put the right mix together in forming partnerships. Marshall Heights has been an RWJ foundation grantee since 1990. We know what they want and what they look for.

Lloyd Smith

A: It is dangerous to rush to judgment when it comes to collaboration. Know your partners when you join a collaboration. Know whether your partners' agenda is your agenda. Sometimes the agendas change. It's not the money as much as it is personalities and expectations and perceptions. So please be sure that you know your partners.

Ruth Rucker, Chair, Executive Management Committee, Edward C. Mazique Parent Child Care Center

Board Development

Q: Char mentioned that the board culture of the House of Ruth changed. Can you tell us more about what it was like before, what changed, and what it is like now?

Trudy Perry, Wider Opportunities for Women

A: Before the shift, the board was a group of well meaning people from the community who didn't want to see women living on the street. Members of the board were also friends of the founder. They were very dedicated and volunteered a lot of time. Gradually, in response to a financial problem, the board started to bring on people who made better management decisions. I can tell you that the one thing that is very destructive for a board is to bring on a high-powered person with big expectations to bring about immediate change in the organization. I think the thing that worked well for us was that change was gradual. At some point there was a teachable moment—something happened. Funding from a source dried up and suddenly everyone turned to the one board member who had been talking for five or six years but was just never heard.

Headway was made then.

Char Mollison

Locating Funding Sources

Q: I represent the Healthy Babies Project, a support program for pregnant women with a focus on pregnant mothers. To date we have had no federal funding and very little money from the District. Yet we deal with families who have the highest infant mortality rates in the nation. My question is for Robin. You said we should tap different funding sources. Are you really encouraging us to go to the District?

Beth Evans, Healthy Babies Project

A: Yes. I understand that there are specific problems in the District that make it more difficult to fund projects here than it would be perhaps in other states. But a lot of federal funding goes directly to the District, and in order to tap it you must work with District agencies. OJJDP provides both discretionary funds and formula grants to states and the District. Maternal and Child Health is the same way. You need to identify the key players and who has control of the money, and you need to use your federal resources to help you if you are having difficulty finding out this information. In doing this, you position yourself at the table when decisions are made about the distribution of funding and you can shape how funding is used. There is a lot of flexibility about the program emphases of maternal and child health, health and human services, and family preservation and family support money.

Yes, I am encouraging you to work at the District level but also to work to build the partnerships among the local service providers so that you are in a stronger position when you go to the District agencies. You have to build these relationships over time. It's not something you can do when an RFP or RFA comes through the door.

Robin Delany-Shabazz

A: I invite participants to begin a discussion to inform our program about the problems facing DC children and families. We provide services to 9000 children. The question arose, why would you want to do business with the District government. Good question. Let's create a partnership of District and federal funders and community organizations. Please contact Karen Kushner, Project Director for Public Information at the Commission on Social Services at (202) 673-9340.

Farouk Hosein, Office of Jerome Miller, Federal Receiver, Foster Care, Commission on Social Services

A: Yes. Go out to the District. Seventy percent of the women in the child welfare system have substance abuse problems. We are meeting this afternoon with Jasper Ormon and others about how we can provide transitional housing for this population. We are bringing six units to the table and others are providing different services. You need to go to the Addictions Prevention and Recovery Association (APRA) first and talk to them. Then tap the state agency that receives the alcohol and drug abuse funding. Start there and then branch out.

Lloyd Smith

A: I don't think enough people know that APRA (The Addictions Prevention and Recovery Administration, located at 24th Place) which works with pregnant women and women with children who are substance abusers. They provide child care for the children of the substance abusing mothers and a program for preschoolers. There is also a center for infants that is connected to Head Start. So there are services in the District.

Ruth Rucker, Chair, Executive Management Committee, Edward C. Mazique Parent Child Care Center

Q: My question regards funding. So often you can go to major businesses and corporations and if they give to the United Way they won't give to an organization who is a United Way recipient. Is it possible for the foundations and major corporation to relax their policies as to whether or not they can give to an organization regardless of whether that agency is participating in United Way?

Ruth Rucker, Chair, Executive Management Committee, Edward C. Mazique Parent Child Care Center

A: As the United Way's pattern of giving changes, all funders will need to reexamine their policies. There is no longer a "United Way organization." If you find that the corporations you approach have not re-analyzed their policies, you ought to encourage them to do so. A George Washington University researcher is currently conducting a survey of 300 not-for-profit organizations to investigate the impact of recent changes in United Way giving on their ability to provide services. If you get this survey, please complete it so that the report can reflect patterns of services delivery.

Hope Burness Gleicher

Q: Which are the foundations and grants that are hot? Who is giving the money? Who do you turn to in this city?

Patsy Pressley, Church Association for Community Services

A: I would do a disservice by hand-picking a couple of foundations. The Foundation Center tracks new foundations and most current information on foundations.

Hope Burness Gleicher

A: Foundations must give away their money. Therefore all of them are hot. So it is a good idea to go to them and sell them hard. There are no easy answers. It requires hard work. Just get out there with your great idea.

Bonnie Wahiba, Family Impact Seminar

A: To get the insider pulse, comb through the trade association journals such as the *Chronicle of Philanthropy* and *Foundation News*.
Hope Burness Gleicher

A: The DC community must get more creative and more entrepreneurial in how we raise money for children and families and communities in this city. There are 600 units of surplus, city-owned property that produce almost nothing. In Cincinnati, the city sold a defunct school for \$1 to a community development corporation (CDC). The city loaned the CDC money to renovate part of the facility to house a social service agency, then forgave the loan in return for the CDC's promise to remain at the facility for five years. Next the city provided funding to place offices in the building. The CDC then leased the property across the street (that the city had given them) to Burger King, who renovated the property. The CDC was building in self sufficiency in connection with the city.

I was on the zoning commission and worked to develop a zoning linkage initiative for the Mazique Center. We also worked on the Franklin School which was renovated on the outside, but not on the inside. The developer was funded \$2 - 3 million to develop the inside of the school but never received approval to move ahead from the school system. The funding was then redirected elsewhere. The Carter Woodson closed after significant capital investment had been spent to renovate roof repairs. The school closed and is now a demolition candidate.

These anecdotes provide lessons from which organizations can learn. We need to lease surplus properties to non profit organizations for \$1 per year so that they can make use of them.
Lloyd Smith

A: My final comment is that Federal program officers are accessible. People in the federal government want to help. They are looking for ideas. They can be receptive to yours. Call them and schedule an appointment.
Robin Delany-Shabazz

A: The private sector, particularly the banking sector, is willing to work on community collaboratives. Banks are looking for quality community investment and opportunities that will have a lasting impact and which meet the community development criteria (e.g. affordable housing, economic development).
Russell Simmons

Evaluating Projects to Attract Funders

Several of you emphasized that organizations should stress their outcomes when making requests to funders. The program that I work with pairs lawyers and social workers to go into schools and work with families in a holistic way. It is hard for us to quantify our results. Funders are dissatisfied with the outcomes we provide. What can we do?
Leigh Goodmark, Bread for the City/Zacchaeus Free Clinic

A: Link with a university to use their resources to help you develop an evaluation design. It's not always necessary to have an experimental evaluation conducted with quantifiable hard data. But it is necessary to have a thorough and rigorous evaluation to show that you have developed appropriate measures (given what you are trying to do) that will work, regardless of whether or not you have the numbers. There are local organizations that can help with evaluations, too. Please refer to the resource packet distributed to you today and the one we will mail to you.
Robin Delany-Shabazz