

Measuring What Counts: Meaningful Evaluation for Family Foundations

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Editor's note: this paper is based on research conducted for the National Center for Family Philanthropy by Janice Molnar.

PASSAGES

EXPLORING KEY ISSUES IN FAMILY GIVING

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*F*amily foundations are in business to make a difference. As one family foundation leader put it, creating a family foundation is a “powerful statement about wanting to achieve impact.” Yet family foundations often get painted unfairly as not having impact, perhaps because they aren’t always very good at understanding or describing the impact they have, even to themselves.

Much has been written about how foundations can better understand their impact. But little of the published work deals with the particular characteristics of family foundations. Philanthropic families tend to take a more personal approach to grantmaking. This approach reflects both their passions for causes and organizations, as well as the donor’s intent. Family trustees often have close relationships with—and knowledge of—the work of their grantees. For that reason, many family foundations take a more informal approach in their evaluation efforts.

The use of formal evaluations to measure impact varies widely among family foundations, but a growing number employ some form of assessment strategy. Some family funders find that the evaluation process can be useful for articulating

how they want to make a difference and what differences they believe their grantmaking will produce—in other words, what, in their view, is worth measuring.

Unfortunately, formal evaluation can be very expensive. Many family foundations believe they lack the resources to evaluate the work they support. A question for all funders is: how do we assess impact in cost-effective ways? If formal evaluation is not the answer, or not the whole answer, what are our alternatives?

This *Passages* issue paper focuses on techniques for family foundations interested in cost-effective assessments of their giving. It begins with a basic introduction to evaluation and trends in the field. Then, drawing on a set of short case studies, it describes practices being used by family foundations to assess their grantmaking.



The highlighted practices include both activities that look a lot like formal evaluation, as well as others that are more informal in nature. All show an underlying commitment by a family foundation to being intentional and consistent about considering the impact of its giving.

A note on methods

This paper draws on three focus group discussions with family philanthropy leaders in Baltimore, Chicago, and New York; 15 telephone interviews with selected family foundation trustees, staff, and consultants; and several in-depth conversations with the board members of the National Center for Family Philanthropy.

Their views on evaluation run the gamut, from committed users of formal, external evaluation to one person who proclaimed bluntly, “I don’t believe in evaluation.” The National Center is grateful to them for their time, candor, and insight.

TRENDS DRIVING THE EMPHASIS ON EVALUATION AND IMPACT

As the nonprofit world settles into the 21st century, a growing chorus of experts, practitioners, recipients and observers in philanthropy are calling for a renewed emphasis on assessment and effectiveness. The emergence of organizations such as Grantmakers for Effective Organizations and the Center for Effective Philanthropy reflects and reinforces this trend, and today measuring impact is near the top of most foundation board to do lists.

One important reason for this is the increasingly resource scarce situation societies are facing. Writing for *Alliance* magazine in 2007, former Ford Foundation vice president Barry Gaberman noted that, “In this environment, a government’s search for new streams of revenue becomes a driving force, and the asset base of organized philanthropy, sheltered by its preferential tax treatment, becomes an attractive target.”

Family foundations—and family philanthropy in general—should be mindful of the need to understand and communicate their accomplishments to government and the public. According to many, the onus for explaining philanthropy’s contributions—and justifying its survival—falls in large part at the feet of the foundation sector. Understanding impact and communicating the message of foundation effectiveness are not just good ideas; they’re crucial.

This does not necessarily imply a demand for more formal evaluation. Indeed, the mantra of “assessment, effectiveness and impact” has been applied to evaluation itself. An emerging consensus, even in the largest foundations, says that evaluation should be used carefully, with a keen eye toward spending money on what’s actually valuable to grantees and foundations. Foundations are paying closer attention to what they and their grantees want to find out. They’re starting evaluations earlier, when clarity about a project’s desired outcomes can shape the course of the work. They’re asking how evaluation can help projects stay on track, make mid-course corrections, and achieve more. Grantmakers and grantees are looking for opportunities to learn through participation in the evaluation process. And they’re being more creative about reporting meaningful results to audiences that matter. In *A Funder’s Guide to Evaluation*, Peter York summarized the change in this way: “More and more funders and nonprofit leaders are shifting away from proving something to someone else, and toward improving what they do so they can achieve their mission and share how they succeeded with others.”

A WIDE RANGE OF APPROACHES

The new consensus position on evaluation—including an interest in demonstrating effectiveness, a desire to be intentional about how one’s work contributes to reaching desired outcomes, and skepticism about evaluation for its own sake—aligns well with the attitudes of many in family philanthropy. Family foundation donors, trustees, and staff typically have

strong views about what they want their grantmaking to accomplish, and a clear picture of their intended beneficiaries and the constituencies with which they want to communicate. They may also lack enthusiasm for evaluation that does not have a pragmatic purpose.

In focus groups and interviews, family foundation grantmakers described a range of practices that demonstrate a commitment to “assessment, effectiveness and impact,” even among those who don’t use external evaluators or formal evaluation methods.

A few examples illustrate the spectrum of approaches family foundations are using, and the questions they’re asking, as they try to bring assessment techniques into their work without incurring high costs or making unrealistic demands on grantees or themselves.

- *A family foundation grantmaker explained that he doesn’t read routine reports from grantees but is scrupulous about making site visits, and learns a lot from them.* The message: He doesn’t learn much that’s useful from the reports, but he gets valuable insights from site visits. Some questions: Could the site visits be more intentional while also preserving their spontaneity? How can the visits generate reporting that promotes meaningful discussion of impact among the foundation’s trustees?
- *The donor of another family foundation reported spending five years “and three tries” to come up with a good way to involve the board in evaluating the foundation’s strategy in its major program areas.* The trustees review each program every few years. In the company of staff members and a topical expert, the board participates over several days in discussions, visits, and presentations by grantees. The exercise gives the board a better picture of the challenges and opportunities grantees are facing, and thus a better idea of how to fine tune the foundation’s strategy. The trade-off is that the board had to stop looking so closely at individual grant requests and budgets. Everyone is happy with the system, but questions remain: Do the program reviews add enough value to justify the expenditure of time, money, and talent by the foundation and its grantees? Are the reviews crowding out other, equally important oversight activities?

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- *A family foundation that focuses on early childhood education uses evaluation techniques upfront to set priorities and retrospectively to look for evidence of impact.* The foundation’s president established a commitment to evaluation early on, when an influx of capital forced him to adopt a more formal approach to grantmaking and a more explicit strategy for the foundation’s work. Having learned about a method for analyzing community needs by soliciting anecdotes, he built his initial program plan by talking his way through a long list of contacts in his home city. Seven years later, he hired consultants to look back over the foundation’s community-building approach, using focus group discussions and interviews with parents and others; he also commissioned a statistical analysis of student outcomes, even though he knows it’s unlikely to produce firm evidence of impact. Some ongoing questions: Are the evaluation techniques powerful enough to uncover evidence (if it exists) that would force the foundation to question the efficacy of its strategies? Do they tell enough about the impact of the foundation’s investment on students? How can the findings inform the foundation’s next round of grantmaking?

In short, as in other branches of philanthropy, family foundations are feeling the need to use evidence and analysis to guide them toward wise decisions and effective use of resources. They struggle with questions about how to achieve impact, where to look for evidence, how to analyze rigorously, and how to look critically at their own programmatic and spending decisions.

DECIDING WHAT YOU HOPE TO ACHIEVE

A number of years ago, the Association of Baltimore Area Grantmakers hired a specialist to help its member organizations think more systematically about impact at both the “front end” and “back end” of their grants. (See page 5). What she found as she talked with family foundation members was that vague grant guidelines often contribute to a feeling of disappointment—on the part of the foundations and their grantees. She worked individually with ABAG members to figure out what each foundation really hoped to achieve, then helped their trustees to establish customized funding guidelines. She also urged each of the foundations to be especially sensitive to family preferences in how grantees were asked to report on their accomplishments.

Good reports might include a written document, a photograph, a video, a presentation, or a financial report. What matters is that trustees get feedback that speaks to them about the effectiveness of their giving and how they might achieve even greater impact.

Asking hard questions about impact isn't easy, and it often takes time. The profile on page 6 describes the process followed by the Drescher Foundation over several years as its trustees sought to establish new routines for managing a suddenly much larger grants budget. The board and staff relied on their instincts in selecting a focus, to carefully and collectively articulate their goals and assumptions. Then, with help from their executive director, they developed a reporting process that has kept them in touch with grantees and provided a feedback loop between the foundation and the community. Grantees' final reports are customized to suit the project. That, and the candor grantees sometimes show in their comments on the foundation's performance, suggest that the foundation has managed to make this routine procedure anything but routine.

Some family foundations find it difficult to articulate a focus that's narrow enough to be meaningful to prospective grantees while allowing real discussion of impact. When a board can't agree, a foundation consultant explained, it's often because they don't know where to begin. She helps by asking them to be clear about “who the donor was”—a process that often involves talking with family members and examining the donor's tax returns over 5 to 10 years. In the ensuing discussion, a consensus may emerge. Focusing on impact may also force differences into the open—a mixed blessing when, as a family foundation CEO put it, “four members of the board have four different rationales for making a grant.” When funding guidelines get narrower, it's inevitable that some grantees will no longer fit within them.

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Clear intentions don't necessarily mean being more narrow or prescriptive with grantees. It depends on what you're trying to accomplish. A foundation may well decide that “the best kind of money is unrestricted money,” as one family foundation leader explained. His board reflected carefully on how best to help local organizations with annual grants of roughly \$50,000. They decided to provide general support grants based on confidence in the organization, a desire to see it thrive, and a reluctance to take up grantees' scarce staff time with proposal writing and reporting. Another grantmaker cited a similar philosophy at her foundation: “We ask our grantees, ‘What are you trying to accomplish as an organization? What markers are you using to indicate progress?’ We consider ourselves faith-based grantmakers. We have faith in the grantees in which we invest.”

ASSOCIATION OF BALTIMORE AREA GRANTMAKERS: THE FUNDERS EVALUATION INITIATIVE

The Association of Baltimore Area Grantmakers (www.abagrants.org) serves the needs of local grantmakers through one-on-one assistance, educational programming, professional development, skill-building, and peer networking. Approximately half of ABAG's members are family foundations.

"In the late 1990s, there was a buzz around outcome measurement," recalls Betsy Nelson, ABAG's president. "People would think about evaluation in these mega terms. We knew it wasn't a one-size-fits-all, and we applauded their interest, but we didn't know enough to help them." So, in 1999, ABAG provided a workshop on evaluation. One of the attendees was Tom Kelly, associate director, evaluation, for the Annie E. Casey Foundation. He recognized both the local funders' interest in evaluation and the potential for helping them approach evaluation in a different way. He subsequently invited a proposal from ABAG for what became the Funders Evaluation Initiative, a 4 ½-year technical assistance and capacity-building project housed at ABAG.

Tracey Rutnik was hired in late 2000 as director of ABAG's Funders Evaluation Initiative. Her work focused on the "bookends" of the grant-making process:

- At the front end: How do you make a good grant?
- At the back end: How do you know whether or not a grant was successful?

First she helped ABAG members winnow down their guidelines to better prioritize their grantmaking. She also facilitated sessions on reading grant proposals and undertook a revision of the local common grant application (accepted by a number of ABAG members) to include questions to help funders make judgments about the success of a grant.

In Rutnik's view, helping funders clarify their guidelines was the most important aspect of the work. In Baltimore, as elsewhere, she explained, many family foundations lack funding guidelines for a simple reason: "They care so deeply about their communi-

ties that they want to be open to all proposals that come their way." Unfortunately, their desire to be open meant that some foundations were making grants without knowing explicitly what they hoped to see accomplished. When responses came back about results, funders were often disappointed. "I didn't really get what I thought I was funding," they reported. Time and again, the funder was left feeling that the grant wasn't successful, and the grantee was left wondering why the funder was unhappy.

At the back end, Rutnik helped Baltimore area grantmakers be specific about what information they would need to assess the success of a grant. "Would I make this grant again?" she encouraged them to ask, and "What would I need to know to answer that?" The key, she said, was to help people recognize that there's a continuum of approaches to evaluation and reporting.

When Rutnik arrived, she found that some foundations were making very small grants yet wanted a robust evaluation portfolio. Others had compared themselves with larger, national foundations and concluded that anything they did would be insufficient and so settled on doing nothing at all. Then Rutnik came across a New York City-based donor who operates with no staff or office and asks for photographs of the international projects she supports. That, said Rutnik, "is when the light went on. It's getting family foundations to see that's okay. If you're not going to read a report, you don't need to require it. You have to know the family and what information they'll want to see."

For example, a family in the banking business might want quantitative information, while a family interested in the arts might respond better to a video or photo essay. Instead of requiring a report, a foundation might ask a grantee to come to a board meeting to talk about its grant or the organization in general. What's important, Rutnik concluded, is that the information collected should reflect the foundation's culture, size, and approach and be aligned with the size and nature of the grants.

FINDING MEASUREMENTS AND REPORTS THAT FIT YOUR GOALS

The reasoning sounds circular, but the organizational message is straightforward: a well-designed system for measuring and reporting on impact can make a foundation much more effective at achieving impact. An ongoing focus on impact raises questions about what a foundation needs to know about the work of its grantees, how often it needs to know it, and at what level of detail. As the foundation's key decision makers discuss these questions, they clarify their organizational goals and make connections between their own work and the impact they hope to achieve.

For board members, the discussion usually begins with questions about what information they need in order to make good decisions about grants, assure themselves that ongoing work meets their expectations, and learn lessons to guide future decisions. Trustees may receive information exactly as it comes from grantees, or they may prefer to have the information prepared or digested by foundation staff. In either case, the board must weigh its own information needs against two factors: limits on their time and attention, and costs (whether borne by grantees or the foundation itself) associated with producing the information. In addition, board members need information that allows them to discuss the foundation's strategy and approach in a considered and deliberate way.

THE DRESHER FOUNDATION: PATIENCE LEADS TO SHARED FOCUS

The early story of the Dresher Foundation follows a familiar pattern. Established in 1988, the foundation held relatively modest assets and made grants mainly to organizations known to its trustees. Then, upon the death of the donor in 1999, the foundation's assets went from \$10 million to \$65 million virtually overnight. For the next year or two, the trustees weren't sure how to proceed. They eventually adopted a focus on human services and education and decided to fund only local groups in Harford County and the Baltimore area.

The trustees are extremely busy people, says Robin Platts, the foundation's executive director and sole staff member, but they were "very receptive to wanting to do this right. They were slowed down initially," she recalled, because they were "hesitant to rule things out." It took them a couple of years to accept that it was okay to agree that they wouldn't fund certain things.

The process of adopting a focus was helped enormously by the trustees' first retreat, which was facilitated by an external consultant. Soft-spoken, laid back, and open-ended, the facilitator

basically let the board members do all the talking. "They heard things from themselves that they wouldn't have heard from others," said Platts. Her advice to other foundations struggling to find a direction is "patience".

The Dresher Foundation sees itself as mission driven, proactive, and committed to assessment and learning. With one staff member, how do they manage? First, the trustees recognize that not all outcomes are measurable and not all activities need to be assessed. As residents of the community where their funding is directed, the trustees see the impact of their grants. They're touched by the people they serve. The board is often "more interested in anecdote than empirical data." So, for example, it mattered that the donor's wife had the experience of meeting an employee of a local nail salon whose son had received a Dresher Foundation scholarship.

Where the foundation really zeroes in on assessment is in its customized post-grant reports. Each post grant report includes a list of approximately 10 questions, to be answered at the end of the grant.

Foundation boards often appreciate a mix of routine reporting and special reporting, which keeps them up to date and helps them fulfill their oversight responsibilities. Special reporting enables them to look deeply or broadly into important topics, programs, fields, or communities. Developing the right combination, timing, and format often takes time and experimentation.

The founder of the Helen Bader Foundation, for example, spent more than a decade developing a set of reporting mechanisms that feed information about impact from grantees to the foundation's board, with support from staff and minimal but strategic use of outside expertise [see page 7]. The quest for the right combination of routine and special reports was driven mainly by the founder's desire to provoke reflection among staff and trustees. But he was also inspired by a belief that a small family foundation could evaluate its work without relying heavily on professional evaluators.

The Bader Foundation eventually arrived at a four-part reporting system:

- **Grantee program and financial reports**, prepared by grantees using the foundation's short formats and reviewed by foundation staff
- **Summaries of funded work**, prepared by foundation staff and reviewed by trustees at their regular meetings
- **Program reviews**, carried out regularly but infrequently (i.e., every 2-3 years) and organized by foundation staff to help trustees get close to the work and consider future strategy
- **Program area assessments**, carried out occasionally by independent evaluators to consider the foundation's past work, drawing on findings from focus groups with grantees

At each stage, assessment comes into play both in the preparation of the reports and in the ensuing review and discussion. Each part of the reporting system is further enlivened by the need to balance good information with the imperative to spend time and money as efficiently as possible.

One executive director asks the foundation's trustees to look carefully each year at one or two of their "less successful" grants.

TAKING FRONT AND BACK END VIEWS

The value of reporting grows when a foundation takes both a "front end" and a "back end" view. At the front end, reporting takes place when grantees propose projects or staff members make recommendations to the board. At the back end, reporting happens when grantees describe their accomplishments, staff members brief the board on progress, or a foundation's leadership examines the impact of past work.

To engage the board in evaluation, learning, and strategy, foundation leaders stress the importance of pulling back from assessing individual grants. For one family foundation, this means managing "front end" reporting by "moving the grant docket as a consent agenda," with little discussion of individual grants and more time dedicated to conversations that inform overall strategy. Another family foundation handles annual "back end" reporting by "looking across grants to see whether we've moved the needle on all the issues we care about," using the foundation's mission statement as a reference point.

Some foundations deepen their retrospective reporting by selecting a few grants for closer examination by the board. One executive director asks the foundation's trustees to look carefully each year at one or two of their "less successful" grants. Another family foundation reviews grants that support "long-term, strategic partnerships," but not more routine grants that support "organizations that are just doing good stuff." A trustee pointed to a tension that sometimes emerges when deciding which grants to review in depth: if a grant is associated with a particular trustee, other trustees may be "reluctant to talk about progress or mistakes because of not wanting such feedback" about "their own grants."

THE HELEN BADER FOUNDATION: DESIGNING EFFECTIVE FEEDBACK TOOLS

The Milwaukee-based Helen Bader Foundation works in six program areas: Alzheimer's and aging, economic development, Israel, city youth, Jewish education, and community initiatives. With a staff of 12, the foundation makes approximately 250 grants per year, averaging \$40,000 each.

The foundation was established in 1991 by Daniel J. Bader, who named it to honor his late mother. He continues to serve as president. Looking back over two decades, Bader says that the most important lesson he has learned has to do with the power of focus. At first, he recalls, the foundation's work "was too broad, too messy. We just couldn't focus. We couldn't figure out what it all meant." Dissatisfied, he involved the board in settling on a more coherent set of programs and strategies. To staff each area, the foundation hired an expert in the field. "They know the players, and they know the landscape," he explained.

Bader also believes in the value of evaluation, although he's not an advocate of formal evaluation techniques. Instead, he works with the foundation's board and staff to establish routine reporting mechanisms that instill an evaluative ethic. "It's okay," Bader stressed, to use simple evaluation methods. "Why pay \$100,000 to a consultant to evaluate a \$25,000 grant?"

The foundation gathers feedback on the effectiveness of grants using two simple mechanisms: an expenditure report, which grantees use to itemize how the grant was spent, and a project activity report. To complete the latter report, the grantee describes in four pages or less how the project progressed toward meeting its stated objectives; then, in four more pages, the grantee discusses problems that came up, unexpected benefits of the grant, and lessons learned.

Having developed the feedback mechanisms, however, it wasn't entirely clear what the foundation ought to do with the information it was gathering. It took 10 years, says Bader, to figure it out. At one point, the staff compiled all the

reports into a book and distributed it to the board. The board wasn't happy. The reports included too much information and didn't present a coherent picture. The staff then produced a report on a sample of grants, which didn't work either. The next idea was to synthesize the reports, an approach the board liked and continues to use. In Bader's view, the grantee reports—and the process of synthesizing them—are primarily tools for the foundation's staff.

The foundation also conducts program area assessments every two to three years. A program review entails a multi-day series of activities, with guest speakers, roundtable discussions involving community stakeholders, and formal presentations, all designed to get the board involved with the work and give them a chance to meet people from the front lines. At the end, the board considers a set of recommendations for the foundation's strategy going forward. "It comes down to the foundation feeling that money is being well spent," Bader explained. "And not just the board also: grantees, trustees, and staff."

Bader pushed for five years to develop processes that could produce the sort of "reflective moments" he was aiming for: moments when the board looks hard at the effectiveness of past work and makes considered decisions about future strategy. To get beyond an "input/output approach to grantmaking," he challenged the board to "let go a bit of the grant approval process." They've learned, he says, not to "spend hours debating the minutiae." Still, he admits, he and the board do sometimes slip into micromanaging.

The Helen Bader Foundation uses outside evaluators for one specific purpose: to conduct "area assessments," in which an evaluator coordinates focus groups with the foundation's grantees to review strategies in a specific program area. These are "a good reality check," Bader reported. He counsels small foundations to learn from evaluation techniques used by large foundations but not be intimidated by them.

Still, all these activities make sense only if they're carried out diligently and with a commitment to learning. One consultant made a strong case for building resources for these activities into a foundation's annual budget and work plan. She knows

from experience that each organization is different and that there's no "one-size-fits-all" routine for measuring effectiveness. What should be common, though, is a tangible commitment of time and dollars to activities that promote ongoing learning.

THE W. CLEMENT AND JESSIE V. STONE FOUNDATION: ALIGNING EVALUATION WITH VALUES

When Sandra Treacy came on as executive director of the W. Clement and Jessie V. Stone Foundation, the trustees assured her that they were fully engaged and prepared for growth. "Be strategic," they urged.

Treacy responded by organizing a "learning journey" for herself and the board. They settled on three program areas, as well as a specific focus within each. They also agreed that they would give preference to projects that foster innovation and scale up good practice.

With a staff of three, including herself, and assets of approximately \$108 million, Treacy leads the foundation in awarding between 50 and 60 grants per year, averaging about \$50,000 each. The lean staffing model fits well with the foundation's commitment to fund organizations rather than projects, Treacy observed, but it also poses a problem: "Projects are much easier to assess than the overall health of an organization."

Over time, the foundation has learned to identify organizational characteristics that tend to align with the foundation's values in its fields of interest. The staff and board look for evidence of these attributes when assessing potential grantees or considering how much an organization has grown over the course of a grant. Characteristics include:

- **Leverage.** One grantee piloted a writing curriculum. The local school district was convinced of its effectiveness and expanded the pilot throughout the district.

- **Scale-up.** Two organizations involved non-profit intermediaries in supporting school innovation. Having figured out how to "embed" nonprofits in the work of school reform, the groups scaled up the strategy to reach more schools.
- **Partnership/linkage.** Three grantees are moving together on a shared agenda.
- **Learning.** The foundation prefers to fund organizations that are willing to grapple with complex issues and share their lessons with the field.

The foundation's grantees are required to submit annual reports, summarizing their activities and what they're learning. But reports don't necessarily encourage deep reflection by grantees or yield lessons that help the foundation understand the complexity of issues like improving teacher quality or building a cadre of leaders for early childhood education. The foundation is therefore experimenting with tactics to promote learning among grantees and its own staff and board including grantee convenings, site visits before and during a grant and use of expert panels.

"If we knew what the silver bullet was, we'd all be funding it," says Treacy, referring to her grant making peers. "There is no one meta answer. What we can do is chip away at the problem and share what we're learning."

HOW FOUNDATIONS LEARN, ANALYZE AND EVALUATE

An interest in impact can lead a family foundation to look for ways to extend its own learning, through both conventional and unconventional means. For example, some use independent evaluators to assess the projects they support, often with explicit, ongoing learning objectives for both grantees and the foundation. Some develop expertise at tracking and analyzing data in their fields or communities to inform their own grantmaking and the efforts of their grantees. Some cultivate candid dialogue with grantees about organizational effectiveness and invest in building their organizational capacity. For these foundations, small size and proximity to local institutions can be real assets.

A hard look at costs and benefits can sometimes lead a foundation to decide against evaluation, but not necessarily at the expense of structured reflection. For example, the Seabury Foundation devoted the majority of its funding over a five-year period to a community-building program in a Midwestern city. The foundation helped local agencies build organizational and leadership capacity, in hopes of having an impact on the neighborhood as a whole. At the end of the initiative, the foundation's trustees asked themselves how they would know if they had accomplished anything. They came up with three potential ways to find out: hire a consultant to interview the agency heads and write a report, develop a questionnaire that grant recipients could respond to anonymously, and spend a day together reviewing what they did.

"We costed it out," said Boyd McDowell III, the foundation's director, "and realized that the consultant could cost \$35,000. We decided we'd rather give that money away." A questionnaire, they agreed, wouldn't produce good retrospective information. The trustees therefore decided to conduct their own internal review. They uncovered a few indicators of success that seemed significant. First, they found evidence of the sustainability of their work in the fact that the local Leadership Forum, formerly sponsored by the foundation, was continuing to meet 18 months after the last grants were made. Second, they knew that they had played a role in solidifying a handful of weak but

Sample Questions to Gauge Impact

Here are some sample questions that have been used by family foundations to evaluate projects they have funded:

- Who was helped and/or what was accomplished as a result of this grant?
- Did we achieve the change we intended?
- What problems arose or challenges were faced during the project?
- What are the lasting benefits of this grant?
- What plans are there, if any, for continuing this project?

important organizations. Third, they had seen "the community rally around the community," an intangible outcome that was nonetheless visible to their local eyes.

The Seabury Foundation has also made a considered decision to devote relatively little of its own resources to tracking "what's happened and whether or not what the grantee did with our money worked or not. We're of the belief," McDowell explained, "that we're not experts in what these programs do. We can educate ourselves, but the people out there know the most." Instead, the foundation prefers to ask how its grantees assess themselves—something, McDowell noted, "a good agency will always be doing."

In his book, *The Foundation: A Great American Secret: How Private Wealth is Changing the World* (Public Affairs, 2007) Joel Fleishman describes family foundations as "powerful testimony to enduring values in individual families. Where families are deeply rooted in particular communities, whether geographical, religious, or particular cause-related, they have been known to help sustain and improve communities across generations."

To achieve this goal of improving communities, foundations must ask themselves what impact they are having. Those featured in this paper have chosen a variety of paths to evaluation, but each foundation made its choice with a disciplined eye toward the value of what would be learned and the integrity of the process of inquiry.



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- **Grantmakers for Effective Organizations** is an affinity group of 350 grantmakers who promote and share strategies and practices that contribute to the effectiveness and success of their grantees. At www.geofunders.org you can download free executive summaries and purchase full copies of their reports.
- **Project Streamline** (www.projectstreamline.org) is a collaborative effort of grantmakers and grantseekers working to improve grant application and reporting practices. Its publications are available as free downloads.
- **The National Center for Family Philanthropy's April 2011 teleconference, "Keeping Grantmakers and Grantseekers from Drowning in Paperwork,"** Explains how to simplify methods of evaluating grants. To listen, log in to the Family Philanthropy Online Knowledge Center (www.ncfp.org/sign-in/fp_online_login).

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The National Center for Family Philanthropy is the **ONLY** national resource focused solely on advancing the work of giving families. Our research, advocacy, special projects and operations are made possible by those who believe in the power of family giving and choose to support the National Center.

WHO IS ELIGIBLE? Family foundations, funds and trusts, family offices and family businesses that manage the family's giving, and individual donors are all eligible to become **Friends of the Family** Members.

WHY BECOME A FRIEND OF THE FAMILY MEMBER? Members of our **Friends** network share our commitment to thoughtful, effective family philanthropy. They want access to their colleagues and leaders in the field as well as the highest quality resources developed specifically with their interests and circumstances in mind. Further, **Friends** want to ensure that those resources continue to be developed for all giving families, now and for generations to come.

WHAT ARE SOME OF THE BENEFITS OF BEING A MEMBER OF FRIENDS OF THE FAMILY? **Friends** enjoy special access to National Center programming and staff. In addition, many opportunities are available exclusively to **Friends**. More information on benefits is featured on the back of this form.

WHAT DOES IT COST TO BE A FRIEND OF THE FAMILY MEMBER AND CAN IT BE COUNTED AS A GRANT TO THE NATIONAL CENTER? We recommend that **Friends** contribute to the National Center based on their assets (or equivalent grantmaking). As we are a 501(c)3 organization, all of your contribution less \$100 (cost of materials) can be counted as a grant. A chart of **Friends** membership categories is featured on the back of this form.

YES! I want to be a member of **Friends of the Family!**
Based on the suggested contribution chart, I wish to be a:

- Leadership Circle Member \$10,000 – \$50,000
Sustaining Member \$10,000
Legacy Member \$5,000
Supporting Member \$2,500
Contributing Member \$1,000
Family Member \$500 (minimum contribution)
Other

Name of Organization: _____

Name of Primary Contact: _____

Title: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Phone: _____

Fax: _____

Email for Primary Contact: _____

Checks should be made payable to the
NATIONAL CENTER FOR FAMILY PHILANTHROPY.

The National Center for Family Philanthropy is a 501©3 organization

National Center for Family Philanthropy
1101 Connecticut Avenue, Suite 220
Washington, DC 20036
202-293-3424 FAX 202-293-3395
www.ncfp.org

Please provide email addresses of trustees and staff of the organization who wish to receive issue papers, reports, etc. (Attach list)

I wish to keep this support anonymous.

Benefits *for* Those Becoming A Friend *of the* Family!

- ▶ **National Center Teleconference Series:** Monthly presentation by experts and family philanthropists on a wide range of topics including grantmaking, raising charitable children, effective governance and so much more
- ▶ **Family Philanthropy Online Knowledge Center:** A searchable, comprehensive and constantly updated database of information available with unlimited access – anytime, anywhere – for trustees and staff – including case studies, sample policies, teleconference audio files and transcripts, and so much more
- ▶ **Friends Forum** – featuring interactive discussions, Book Club and Monthly Conversations with experts and National Center staff available exclusively to Friends *of the* Family
- ▶ **Access to National Center staff for your questions** – draw on our expertise and experience by email or phone.
- ▶ **Family Giving News**, our monthly e-newsletter, with special features, profiles, and articles developed especially for family foundations and funds
- ▶ **Invitations to Exclusive Peer Gatherings and Other Special Events**
- ▶ *Passages*, the National Center Issue Paper Series
- ▶ **20% Discount on all National Center Publications**

CONTRIBUTIONS SCHEDULE

Your contribution supports our research and leadership in developing new educational programs and materials while providing your foundation access to resources, teleconferences, and the most current thinking on family giving. Your generous contribution is greatly appreciated.

CATEGORY	RECOMMENDED FOR	RECOMMENDED CONTRIBUTION
Leadership Circle Member	Please join our Leadership Circle and Ensure the Future of the National Center's work	\$10,000 - \$50,000
Sustaining Member	Those with Assets over \$250 million*	\$10,000
Legacy Member	Those with Assets up to \$250 million*	\$5,000
Supporting Member	Those with Assets up to \$100 million*	\$2,500
Contributing Member	Those with Assets up to \$50 million*	\$1,000
Family Member	Those with Assets up to \$20 million*	\$500



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