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SOUNDING BOARD

PERSPECTIVES ON NONPROFIT STRATEGIES FROM WOLFBROWN

Community Foundations and Cultural Development

By Thomas Wolf Principal

Community foundations have long been a critical component of the support network for arts and culture. Even as a child, I was hearing about the work of our local community foundation from my father who started a new community-based visual arts education organization with major help from the Philadelphia Foundation. Many years later, my experiences as an arts administrator and a consultant involved projects and organizations underwritten by community foundations.

Today, many community foundations appear to be approaching arts and cultural development with new vigor, vitality, and creativity. They still give grants like they used to but there seem to be many more ambitious projects affecting whole communities. So what's going on?

In Birmingham, Alabama, we worked with a local community foundation that spearheaded a cultural plan. It resulted in a new dedicated funding stream from county government and a new local arts agency for planning and regranting, among many other developments. In Dallas, the community foundation has been a major player in launching one of the largest arts education initiatives in the United States – involving nearly 200 cultural providers, the City of Dallas, and the public school system. In Boston, the community foundation studied the challenges and opportunities facing the cultural sector, issued a major report and call for action, and is currently supporting an effort to assist a dozen service organizations improve service delivery and efficiency.

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Kathleen Cerveny

Program Director Arts and Culture The Cleveland Foundation

Lisa Cremin Director Metropolitan Atlanta Arts Fund

Rose Meissner

President Community Foundation of St. Joseph County

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We have asked three leaders associated with community foundations if they could help us understand the new role community foundations seem to be playing in arts development. From The Cleveland Foundation, Kathleen Cerveny shares insights from her long and patient experience in attempting to deal with the unintended consequences of the rampant growth in the arts in the Cleveland area in the 1970s and 1980s. She and her colleagues have been behind some remarkable accomplishments including a successful effort to secure a new dedicated county-wide tax for the arts.

From Atlanta, we have asked Lisa Cremin to talk about her work with the Metropolitan Atlanta Arts Fund. There the challenge was to deal with the instability of small and midsized arts organizations. The Coca-Cola Company challenged the business community through the Metro Atlanta Chamber to build a unique partnership and an endowment at The Community Foundation for Greater Atlanta. The money raised went not only for grants, but for an arts loan fund, technical assistance and other tool-box strategies, as well as a higher profile for the needs of the cultural sector.

Finally, in St. Joseph County, Indiana, we have asked Rose Meissner to tell us about the ArtsEverywhere Initiative. There the goal was to develop significant, permanent resources for the arts and to advance arts and culture as a community strength. But ArtsEverywhere seems to have gone well beyond its initial expectations and now boasts a web site, a quarterly magazine (in collaboration with the South Bend Tribune), and other strategies to showcase the rich local offerings, expand audiences, foster pride, and generate energy.

Clearly, as arts and cultural organizations wake up to the potential synergies that can only be realized on a collaborative basis, community foundations are leveraging the collective value of the cultural assets in the regions they serve. And as the economic environment continues to change, it is likely that collaborations, alliances, and consolidations will become even more necessary, and that community foundations will be called upon to broker an increasing number of transitions.

Kathleen Cerveny

Program Director, Arts and Culture The Cleveland Foundation

In the mid-1990s, The Cleveland Foundation was faced with a major challenge. How could we help mid-sized arts organizations that we had pushed to scale and were now in crisis? After much research, we designed a ten-year strategic framework with internal approaches and an external, public policy agenda.

Internally, we focused on building operational, management, and financial capacity. We learn that:

• An external assessment, shared with the organization – but not with us - is a powerful launching pad for truth telling and strategic planning.

Jointly negotiated goals work better than funder-imposed goals.

• If rescue and turnaround is the course chosen, the organization's board must lead the way.

• Funders must set clear progress measures and have the will to say "no." Technical assistance, added resources, and patience are required.

• Jointly negotiated goals work better than funder-imposed goals.

• Operating support plus high expectations and measurable outcomes are powerful capacity-building tools.

• Capacity building takes a long time. Five years may be just a start.

HOW WILL YOU ENGAGE THE FUTURE?

WolfBrown guides foundations, government agencies, and nonprofit organizations in fulfilling their missions. Services include program design and evaluation, strategy development and sustainability planning, resource development, impact assessment, audience and cultural participation research. We invite you to visit our new website at wolfbrown.com. Externally, we convened other funders and created a research, advocacy, and service organization to secure substantial local public support for the arts. We learned that:

• Hard data, analyzed in formats familiar to business and policy-makers, opens eyes.

• The arts community must unite as a sector to organize, raise money (more than \$1 million in our campaign), and knock on doors.

• Bi-partisan coalitions are necessary and do-able. Republicans and Democrats alike have arts-loving constituents.

• If at first you don't succeed, try, try again. It took nearly ten years, but last November voters approved a county-wide cigarette tax that will yield \$20 million a year for the arts for the next ten years.

Lisa Cremin

Director Metropolitan Atlanta Arts Fund

The greatest success of the Arts Fund at The Community Foundation for Greater Atlanta is its stabilization focus. We have found that stabilization grants can establish permanent operating capital reserves, eliminate debt, or establish new non-artistic staff positions. In 14 years of grantmaking, Arts Fund grants have established 48 new employee positions in the Atlanta arts community.

One of the lessons learned through the Arts Fund is that stabilization grants are most effective when they are relatively large and multiyear. Another

We have found that stabilization grants can establish permanent operating capital reserves, eliminate debt, or establish new non-artistic staff positions. is that they are effective because they come with coaching by Arts Fund staff, convening of groups with shared challenges, and the assistance of connecting grantees to other resources. Arts Fund board members meet applicant staff and board members on site visits and develop an authentic understanding of their needs. Strategic plans are required in grant applications, as are a staff and board with a shared vision. Dubbed as a "Good Housekeeping Seal of Approval," a grant from the Arts Fund often opens new doors to other funders.

Lack of access to loan capital can destabilize a smaller organization and this has been addressed by the Arts Fund as well. Through the Arts Loan Fund, organizations can borrow money in anticipation of a contracted grant, seasonal income, or ticket income. But money isn't always the answer. Through he Toolbox program, the Arts Fund offers comprehensive professional management consulting to strengthen boards, facilitate strategic planning and diversity, and prepare organizations to maximize their substantial Arts Fund grants.

Rose Meissner President

Community Foundation of St. Joseph County

South Bend, Indiana has rich and varied local arts offerings. What we didn't have was a local arts agency working collectively to advance the needs of the arts community. So the Community Foundation of St. Joseph County undertook this role launching "ArtsEverywhere." Half of what we raise by matching an initial \$3 million challenge gift is seeding a growing \$4.5 million arts endowment. The other half is being used for grants and programs, combining immediate impact with long-term sustainability. To promote local arts, we launched ArtsEvery.com, a customized website, along with a companion publication produced in collaboration with the South Bend Tribune – the ArtsEverywhere quarterly magazine.

Through this effort we have learned that community foundations can indeed leverage influence and resources to be major contributors to the arts community. As funders, they can be powerful conveners because grantseekers consistently come to our table. But we have also learned that initiatives should be big and bold enough to win support. Arts groups must realize they will likely gain more

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than they lose if some resources are diverted to a community foundation arts endowment.

Seek regular input, feedback, and participation from arts organizations. Provide some quick wins to signal that the commitment to change and progress is real. Go for the low-hanging fruit and work toward more comprehensive plans as the initiative progresses. And, finally, each year, make sure that you always have something new and significant to point to as a measure of progress.



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