



FAMILIES FUNDING CHANGE

How Social Justice Giving Honors Our Roots
and Strengthens Communities

By Niki Jagpal and Ryan Schlegel

Acknowledgments

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About the Authors

Niki Jagpal is senior director of research and policy at NCRP. She joined NCRP in 2007 as research and policy director after serving in the research department at Media Matters for America, a web-based nonprofit progressive research and information center. Previously, Niki worked at Ipas, an international organization that works to enhance women's reproductive rights and health. She holds a bachelor's degree in history and cultural anthropology from Duke University and a master's degree in public policy from Georgetown University, with a concentration in education, social and family policy. She has studied community organizing and social change with Marshall Ganz at the Harvard Kennedy School of Government. Her thesis on racial inequality in the United States was accepted for an inaugural institute on race and wealth funded by the Ford Foundation at Howard University's economics department. At Georgetown, she assisted with research at the Center for Juvenile Justice Reform and Systems Integration and studied advocacy and social change with Pablo Eisenberg. Niki's research interests include structural racialization, which she has studied with John A. Powell, director of the Haas Institute for a Fair and Inclusive Society and Robert D. Haas Chancellor's Chair in Equity and Inclusion at the University of California, Berkeley. She is an alumna of the Center for American Progress's Leadership Institute.

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**Organizational affiliations for identification purposes only*

Introduction

Each year, grantmakers invest roughly \$50 billion in our communities for efforts focused on commendable goals including justice, peace and an end to poverty. Their strategies and objectives vary widely, and all this work is done with the public's trust. This plurality of vision and passion drives American philanthropy. Almost half of all grantmaking dollars come from family foundations and, for centuries, families have channeled their private wealth and influence back into the public domain. Names like Rockefeller, Carnegie, Ford and Gates are associated with significant changes in the lives of those most in need.

Family philanthropy has enormous potential, and family funders' strategies differ widely. Some family foundations have made the journey to funding social justice heavily — work including advocacy, community organizing and civic engagement. Others have not. This paper provides a description of strategic social justice philanthropy among family funders, attempts to explain some reasons why family funders currently might not be funding social justice work, and makes the case that family funders are particularly well-equipped to embrace this opportunity.

The world of family philanthropy is “diverse, large and vibrant.”¹ American tax policy incentivizes charitable giving, leading to a proliferation of foundations, donor-advised funds, and other charitable vehicles run by wealthy families seeking to give back to the community. Institutionalized norms around wealth and responsibility run deep in a country with an economy based on free market principles and public programs that often are insufficient in meeting community needs. An enormous and diverse nonprofit sector in need of funding provides families with a plethora of options for their giving.

WHAT IS SOCIAL JUSTICE PHILANTHROPY?

NCRP helped to craft the Foundation Center's definition of social justice philanthropy as “the granting of philanthropic contributions to nonprofit organizations based in the United States and other countries that work for structural change in order to increase the opportunity of those who are the least well off politically, economically and socially.” When social justice philanthropy is married with strategic philanthropy, the latter's focus on short-term evidence-based strategy and goals, narrow issue areas and linear theories of change is made more flexible, responsive and effective. For more information, check out NCRP's report, [*Why Strategic Philanthropy is Social Justice Philanthropy*](#).

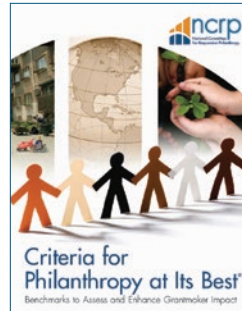
WHAT IS A FAMILY FOUNDATION?

There is no standardized definition of a family foundation. NCRP's research relies on the Foundation Center's application of criteria that assigns “family” status to foundations based on the foundation name and donors or trustee names. As such, foundations may carry that identification in our data, but not in other sources, and the distinction may change over time. In a more abstract sense, the National Center for Family Philanthropy's [*conception*](#) of family philanthropy is helpful for understanding our research: “[NCFP] thinks of family philanthropy as the organized commitment of a family's private wealth — time, talent or treasure — to public purposes.”

All this makes American family philanthropy unique. Many of the nation's most storied funders are currently active family foundations: the Surdna Foundation, the Z. Smith Reynolds Foundation, the William Penn Foundation, the Evelyn and Walter Haas, Jr. Fund and the Nathan Cummings Foundation, to name just a few, are among the oldest of the large American foundations. Small family funders, like the Tow Foundation, The Sheltering Arms Foundation and the Clark Foundation of New York, fill the family foundation ecosystem with passion and diversity on a small, often local, scale. Family funders — small, medium and large — are major players in the philanthropic sector.

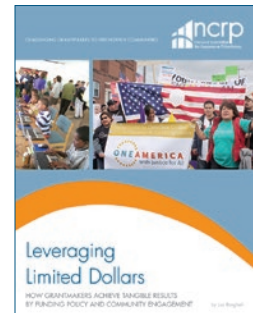
In this paper, we offer a snapshot of family philanthropy as it often is practiced today, including what makes traditional family philanthropy different from other forms. It is our hope that our suggestions will be considered when developing strategy, both by family funders for whom our research rings true, and for those whose experiences differ. A significant reason that social justice grantmaking is a powerful means to bolster impact is that it can be integrated into ongoing work regardless of the point of the path that a specific foundation is on.

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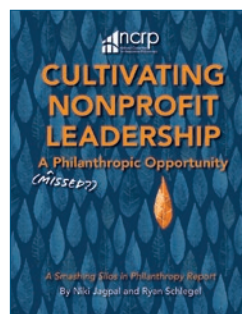
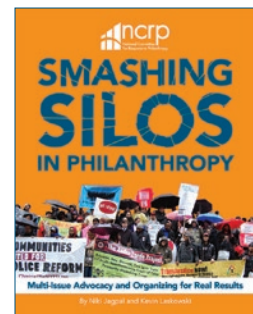
Criteria for Philanthropy at Its Best

Leveraging Limited Dollars



Why Strategic Philanthropy is Social Justice Philanthropy

Smashing Silos in Philanthropy



Cultivating Nonprofit Leadership

Some Background on Family Philanthropy

More than any other iteration of philanthropy, family philanthropy is solidly grounded in tradition, family history and sometimes legacy maintenance. Family funders tend to give to the geographic areas, constituents and issues valued by their predecessors. Unlike their public and independent peers, family philanthropists have a family name that can add reputational capital to their assets. Family philanthropy combines personal passions, public interest and emotional family dynamics, and may be discussed as often at the dinner table as in the board room or staff meetings.

These conditions create an environment for giving that is very different from other types of philanthropy. Family foundations often feel a sense of obligation to a particular place or issue, and can nurture deep ties with a specific community or constituency. Family philanthropists also carry the weight of a name and a story; the family legacy can be a primary consideration in devising grantmaking strategy. Because family foundations are rooted so deeply in obligation and tradition, funding work to organize underserved communities and influence policy change on social problems does not seem to be at the forefront of their strategy.

However, history shows us that family foundations can and have invested in grassroots organizing and systems change. In fact, many of the leading funders of the Civil Rights Movement were family foundations. The Field Foundation, the Norman Foundation, the Stern Family Fund, the Taconic Foundation and the New World Foundation all provided much-needed support to the grassroots work of building infrastructure and organizing those affected by injustice — the work that made a broader movement possible. While movements often are associated with individuals, it was the combined strat-

egy of top-down and bottom-up organizing and advocacy that led to passage of the Civil Rights Act. These foundations gave critical funding to grassroots groups that social sector leaders of the day saw as “too risky” or lacking in infrastructure, such as the Southern Christian Leadership Conference and the Student Nonviolent Coordinating Committee. Their contribution to advancing justice and equity was remarkable. Today, some of the most committed social justice funders are family foundations: for example, the Jessie Smith Noyes Foundation, Melville Charitable Trust and the Moriah Fund, as well as many small family funders operating on a local level. As a group, however, family foundations are not consistently funding this work.

By the Numbers

NCRP's analysis of the FC 1000 data set² between 2004 and 2012 offers a mixed picture of social justice giving by family foundations.³ Between 2004 and 2012, family foundations gave \$4.0 billion to social justice work out of their total grantmaking of \$37.4 billion.⁴ In these years, only 9 percent of grant dollars from family foundations in the United States were classified as serving a social justice purpose. This number reflects the share of all the dollars distributed between 2004 and 2012 by the family funders included in a sample of the 1,000 largest foundations whose purpose was social justice work. In comparison, the sector as a whole devoted 14 percent of grant dollars to social justice work (excluding the outlying Bill & Melinda Gates Foundation).⁵

Being a family foundation clearly does not preclude funders from focusing on social justice work. In fact, dozens of family funders have signed on to NCRP's Philanthropy's Promise initiative, committing to devote at least a quarter of their grant dollars to social justice strategies. Seven of the 10 top social justice family funders (by their share of funding to social justice work) are Philanthropy's Promise signatories.



TOP SOCIAL JUSTICE FUNDERS BY SHARE, 2004-2012

Foundation	Share of Funding for Social Justice Work
Unbound Philanthropy	99% ⁶
Jessie Smith Noyes Foundation, Inc.*	74%
The Melville Charitable Trust*	71%
The Libra Foundation*	58%
Moriah Fund	58%
Evelyn and Walter Haas, Jr. Fund*	49%
The Arca Foundation*	42%
The Overbrook Foundation*	37%
Mary Reynolds Babcock Foundation, Inc.*	36%
The Weberg Trust	36%

TOP SOCIAL JUSTICE FAMILY FUNDERS BY TOTAL AMOUNT, 2004-2012

Foundation	Total Amount for Social Justice Work
Bill & Melinda Gates Foundation	\$2,041,352,433
The Susan Thompson Buffett Foundation	\$206,541,403
The David and Lucile Packard Foundation	\$87,433,273
Evelyn and Walter Haas, Jr. Fund*	\$57,568,436
The McKnight Foundation*	\$57,282,556
The Oak Foundation U.S.A.	\$52,996,989
Lilly Endowment Inc.	\$44,292,690
Surdna Foundation, Inc.	\$41,424,930
The William Penn Foundation	\$40,966,270
Walton Family Foundation, Inc.	\$38,880,238

*Philanthropy's Promise signatories

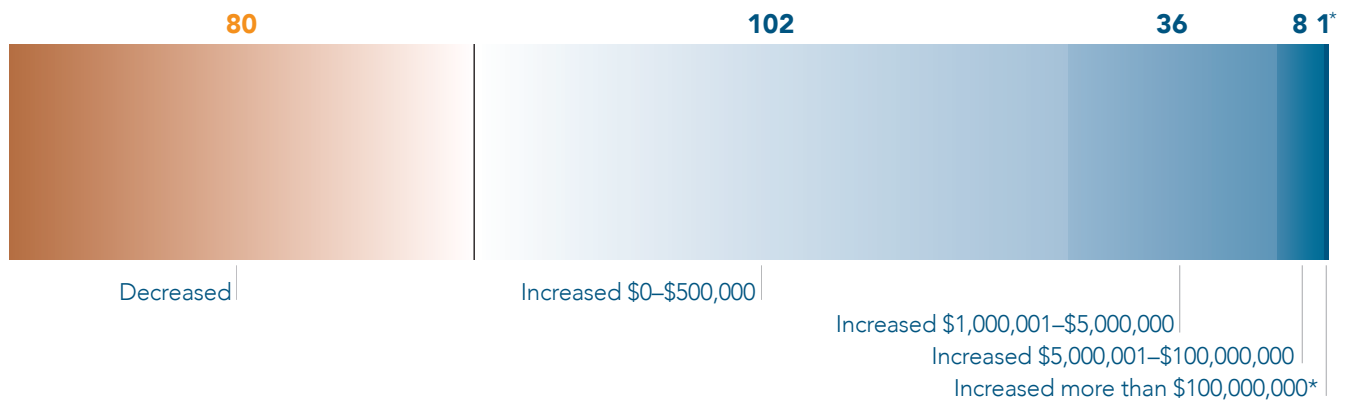
Foundation size is a factor in how and where funders choose to give, and it is tempting to conclude that family foundations — often smaller than their nonfamily counterparts — are giving less to social justice work because of their size. In fact, the family funders in the sample are no smaller on average than the sample at large. Many of the leading funders of advocacy and organizing among family foundations — including Unbound Philanthropy, the Melville Charitable Trust and the Arca Foundation — are on the smaller side (each gave less than \$10 million in 2012).⁷

Since 2004, about two thirds of the family funders in our sample have increased their percentage of funding for social justice work, though these increases vary widely. The share of family foundation grant dollars devoted to advocacy and organizing has been increasing slowly, from 2 percent in 2004 to 6 percent in 2012, but this increase has been driven by a small subset of family funders. In those years, just 20 foundations were responsible for 62 percent of all family foundations’ increase in social justice funding.

When it comes to social justice giving, family foundations still lag behind their peers. What is it that keeps more family foundations from funding this work?

Providing grant dollars is not the only way foundations can contribute to social justice work. In particular, smaller family funders with more limited grantmaking resources might use their political or social influence to be a voice for a more just and equitable society in their communities.⁸ This direct advocacy on the part of funders is not measured here; indeed, it cannot be measured with the research tools currently at our disposal. Development of research into this special role of funders would enhance our understanding of social justice work, especially among small foundations not included in most analyses of the sector.

CHANGE IN SOCIAL JUSTICE GRANTMAKING AMONG FAMILY FUNDERS, 2004–2012
Measured in number of funders



*Only the Bill and Melinda Gates Foundation increased its social justice grantmaking by more than \$100,000,000 in this period.

Perceived Barriers to Funding Social Justice Work and Suggestions to Overcome Them

While some family foundations fund social justice work heavily, many still do not. There are probably as many reasons for this behavior as there are family foundations, but one stands out: social justice grantmaking often is perceived as a political third rail. It can stir up interfamily political divisions and worry those family philanthropists for whom humility and

charity are primary concerns. Other reasons, such as lack of awareness about what is and is not legally permissible, concerns about measurability and complicated family dynamics, also undoubtedly play a role. Table 1 identifies some of these issues and possible ways to address them.

TABLE 1: PERCEIVED BARRIERS TO FUNDING SOCIAL JUSTICE WORK AND SUGGESTIONS TO OVERCOME THEM

CHALLENGE	SOLUTION
Some members of our family believe foundations are not legally allowed to engage in advocacy.	There are no limits to the amount of non-lobbying advocacy that 501(c)3 organizations can engage in. Some common definitions can be found on the Key Definitions page of our Grantmaking for Community Impact (GCIP) report series. ⁹ Additional resources for funding social justice work can be found in the Resources list of the GCIP series. ¹⁰
Some members of our family are unaware of what social justice funding is really all about.	Advocacy, community organizing and community leadership building are among some of the best tried and true tactics for social justice work. They motivate those affected by injustice to find solutions, build infrastructure and political power among disempowered communities, and help generate long-term change for the better.
Some think this work is difficult if not impossible to measure.	Several groups offer resources to help measure this work, including the TCC Group, the Alliance for Justice and more. Further, NCRP's research on the impacts of advocacy and organizing found an aggregate return of \$115 for each dollar invested in this work. For a summary of findings from the seven reports across states and regions, see NCRP's Leveraging Limited Dollars report. ¹¹

CHALLENGE	SOLUTION
<p>Our foundation focuses on a specific issue.</p>	<p>Regardless of issue area, there are ways to include a social justice lens to grantmaking strategy. For example, an arts funder can choose to fund work that crosses racial and economic boundaries to serve constituencies that would otherwise be unable to access an important cultural element.</p>
<p>Family dynamics are hard to navigate and we don't have any experience with this type of work.</p>	<p>Research demonstrates that the best solutions evolve from diverse groups. Some foundations have found value in bringing a neutral and knowledgeable external perspective to help negotiate differences of opinion and help decision makers come to consensus.</p>
<p>We prefer to conduct our own research and set strategy and then look for grantees who can execute that strategy.</p>	<p>When we understand the most important issues our communities face, we are more likely to develop strategies that will result in long-term changes that benefit all of us. As such, a central tenet of social justice grantmaking is ensuring the voices of those most impacted by structural barriers to equity are included in developing strategy to combat these barriers.</p>
<p>Our assets are finite; we can't fund on the level of the largest foundations. We are concerned this work will divert resources that could better be used on direct service grantmaking.</p>	<p>Funding for advocacy, organizing and policy change work actually amplifies other efforts because it empowers people to continue the hard work of social change outside the scope of the grant. Research has shown that social justice grantmaking is high-leverage grantmaking (see <i>Leveraging Limited Dollars</i> research, above). Further, <u>strategic philanthropy</u> — including clearly defined goals and evidence-based strategy — is perfectly compatible with philanthropy that identifies the beneficiaries of funding and empowers them to organize and push for change.</p>

Conclusion

Remembering their public trust, family foundations must integrate their obligations to family relationships, legacy, privacy and the vastness of their options with the opportunity presented by funding for advocacy and organizing. Our research — especially the funder profiles that follow — demonstrates that family funders' sense of obligation and legacy can align naturally with social justice goals. Because the billions of dollars provided to grantees by institutional philanthropy comprises only some 16 percent¹² of total giving, it is imperative for all foundations to leverage their limited contributions for maximal impact. Our [previous research](#) on measuring the impacts of social justice grantmaking found a return on investment of \$115 for every dollar that was invested in advocacy and organizing across the country.

Family foundations have a tremendous opportunity to fund advocacy and organizing, similar to some of their historical and contemporary counterparts. Their flexibility and values-driven

approach to philanthropy can empower them to make bolder, systems-changing investments. Just as the family foundations that funded grassroots civil rights organizations and current funders engaged in social justice philanthropy see notable impact and results from investing in social change, so too can the rest of the family philanthropy ecosystem.

Each foundation will find a different entry point into this work because what works for one family does not necessarily work for another. Building on the very assets that family philanthropy possesses — diversity, vibrancy, passion — we have the potential to make significant long-term contributions to the causes and communities we care about. That impact would be bolstered significantly by embracing the strategies and tactics of social justice philanthropy. It is our hope that the analysis and stories of the foundations presented here will help family foundations to embrace the freedom, flexibility and vibrancy of their uniquely positioned institutions.

DISCUSSION QUESTIONS

- 1) What role do we want our foundation to have in contributing to a robust, participatory democracy?
- 2) What investments have we made in advocacy, community organizing and civic engagement (social justice) work? Should we be doing more? Less?
- 3) How might social justice philanthropy strategies align with our mission and passions?
- 4) What percentage of our foundation's grant dollars are intended for social justice work? Are we satisfied with that amount? How did we establish our current position?
- 5) How can the information presented in this document inform our current grantmaking priorities?
- 6) How would we benefit from hiring outsiders to engage with our foundation and inform our strategy?
- 7) If we want to start funding social justice work based on the information in this document, what steps do we need to make this happen?

Surdna Foundation

The Surdna Foundation is one of the country's oldest family foundations. Founded in 1917 by John Emory Andrus, the foundation has emerged as a leader in social justice philanthropy. In an interview with Phil Henderson, president of the foundation for more than eight years, we asked him to describe the journey that led the foundation to focus on underserved communities and systemic change.

Henderson stated that the impetus for change really came during a transition from the foundation's preprofessional to its professional era. During the 1980s, Surdna transitioned from an unstaffed foundation comprising only a few family members to one that is professionally managed. In 1989, the board hired Ed Skloot as the first executive director. Skloot played a significant role in helping the family understand social justice as the philosophy guiding the foundation's work. Over the course of his 18-year tenure, Skloot worked with the board to develop an approach to strategic philanthropy premised on addressing persistent patterns of inequality and transforming systems that exclude people from opportunity. The foundation believed that addressing root causes of problems was critical to achieving its mission of creating a more just and equitable society. There were some difficult conversations, but eventually the family recognized that everything it was funding addressed some form of inequality and that creating sustainable communities was not possible without empowering underserved communities. In the ensuing years, Surdna has become a voice for social justice in the world of strategic philanthropy.

One of the most important things that Henderson accomplished during his first year was changing the foundation's mission statement to match the values that permeated all of the foundation's work, explicitly naming its



SURDNA FOUNDATION

New York, NY

Founded: 1917

Executive Director: Phillip Henderson

Staff: 25

Grantmaking Priorities:

- Sustainable Environments – an equitable approach to next-generation infrastructure to strengthen communities.
- Strong Local Economies – improving access to sustainable jobs and encouraging diverse business growth.
- Thriving Cultures – funding for robust arts and culture that drives economic success and creates social change.

Website: <http://surdna.org/>

Twitter: [@Surdna_Fndn](https://twitter.com/Surdna_Fndn)

core social justice principles. While the work reflected a focus on social justice and equity, these values were not always clearly articulated. Henderson described the importance of naming the work and calling it what it is. Henderson noted the foundation realigned its staff and programming in accordance with the mission statement. "Everything we fund is rooted in equity and social justice. Naming this was crucial."

As is the case with many founding donors, John E. Andrus had a broad vision of what the Surdna Foundation could do. During the process of change Henderson initiated upon his arrival, he and the family realized that the old mission did not adequately address the foundation's work and the values it is grounded in. They grappled with how to describe the work of the previous 20 years and whether it correctly defined Surdna. In Henderson's words, "We're not going to fund grandiose things. We knew it comes down to communities, equity, values and social justice. It was a careful process that reviewed the evolution of

the work over generations and remained true to the original values of modesty and thrift. The mission had to be true to what it was and what it is now.”

Henderson shared an anecdote from the day the new mission statement was being crafted. The board members and he were working with a facilitator who asked them to consider whether the equity that was explicitly part of its sustainable communities work was in fact embedded in all the work that the foundation funds. This led to the confirmation that social justice is indeed embedded in all of the foundation’s work — it informs the Sustainable Environments and Strong Local Economies programming, as well as the Thriving Cultures work. Social justice is not viewed as a separate challenge — it is embedded in everything the foundation does. The new mission statement reflects just that:

“The Surdna Foundation seeks to foster sustainable communities in the United States — communities guided by principles of social justice and distinguished by healthy environments, strong local economies, and thriving cultures.”

Of course, challenges emerged as the foundation wrestled with this new mission. As a family-governed institution, there was some initial tension distinguishing projects favored by family members that had been funded by the foundation, and those projects best characterized as high-quality, mission-driven philanthropy. Skloot and Henderson helped the board see the bigger picture of root causes. But getting more purposeful about focusing on root causes was difficult because it sometimes required managing differences among family members who were still getting comfortable with an explicit social justice orientation. Family politics are never easy to navigate, especially when working with small groups of family members, which Henderson believes is actually more difficult than conversations among large family groups.

“Listen and learn.” Henderson offered this as an important lesson for a family foundation seeking to enter the social justice space.

At Surdna, the board brought in many peers and experts from the philanthropic sector, a practice Henderson still engages in. It takes time to achieve clarity among family board members because few are familiar with the workings of philanthropy when they join. Yet, board members have instilled a culture of learning at the foundation, regularly looking to both staff and outside experts to better understand the complex issues it addresses. And for the last ten years, the board has included nonfamily members whose perspectives have enriched trustee learning, improved governance and helped to keep family issues and dynamics in check.

In particular, nonfamily board members have influenced the dialogue around the board table by offering their expert voices — especially on topics related to sound philanthropic practice — as well as cutting-edge ideas and an ability to change the nature of board conversations. By offering more disinterested perspectives, nonfamily board members have helped the board in myriad ways — building knowledge of trends in the field and managing the family tensions often inherent in family foundations.

Coming from a place of humility, the family and its foundation staff took on a significant challenge when they revamped their mission and vision statement. The foundation’s strong sense of values, the family’s courage and the expertise of the staff and outsiders helped make the process a success — and now Surdna is one of the leaders of the social change grantmaking space, among family funders and beyond. Changing the mission statement was a historic move. As Henderson said, “it’s bold but let’s do it!”

The Hill-Snowdon Foundation

Arthur Hill established his foundation in 1959, with his wife Marguerite and his daughter Lee joining him on the board of directors. From its inception, the foundation was a family endeavor. The foundation's transitions over the decades from generation to generation and from checkbook charity to strategic social justice philanthropy are illustrative of the incredible potential that lies in family philanthropy.

For decades, the family used the foundation as an instrument for its personal charity, funding great work in impoverished communities in their native state of New Jersey and projects in their new hometowns around the country. Their outlook on the foundation changed, however, in the 1990s, when its assets grew dramatically and a new generation of family members began taking leadership roles.

"When I became involved and participated in some meetings, it was pretty clear that we were functioning like a mom-and-pop shop but giving away more serious dollars," said current board vice president and fourth-generation family member Ashley Snowdon Blanchard. "It seemed like we could do a lot more if we focused our energies."

The family realized that the growth in the foundation's assets, coupled with a board full of passionate family members focused on alleviating poverty, made it imperative to reassess the foundation's activities. Understanding that grantmaking and all its related components are complicated work, they embarked on a journey to focus their activities and develop a strategy. Arthur Hill's heirs wisely, humbly, asked for help.

They asked the Tides Foundation to work with them to create a vision and strategy for a new phase of Hill-Snowdon Foundation (HSF) grantmaking. Tides, a nonprofit that



Washington, D.C.

Founded: 1959

Executive Director: Nat Chioke Williams, Ph.D.

Staff: 4

Grantmaking Priorities:

- Economic Justice Organizing – building multi-racial coalitions of low-income workers for access to better jobs and to secure the social safety net.
- Youth Organizing – multi-generational leadership development among youth of color to build power and counter prevailing stereotypes.
- Fund for DC – strengthening the community organizing infrastructure in the District of Columbia.

Philanthropy's Promise signatory

NCRP Impact Award winner

Website: <http://hillsnowdon.org/>.

facilitates grantmaking programs and offers nonprofit management consulting, helped the Snowdons navigate family dynamics and find shared values — the bedrock of their motivation for giving. The family acknowledged differences in opinion within their ranks, but these emotional conversations were guided by their commitment to more intentional grantmaking informed by their shared values. They agreed their myriad goals, political perspectives and interests were all represented well by work to create a more just and equitable society — especially work focused on the poor and racial minorities. More work with Tides identified a focus for their grantmaking going forward: youth organizing.

Tides staff had already introduced the Snowdons to the concept of grantmaking for systemic change, instead of just direct services. Greater impact could be achieved,

they asserted, by investing in work to change policy and institutions that perpetuated poverty, racism and other issues the family cared deeply about. HSF's new program officer, Leticia Alcantar, arranged for panel discussions and site visits with organizations that focused their efforts on systems change. It would be a challenge to convince the tight-knit family to so dramatically shift their grantmaking paradigm away from provision of direct services, but Alcantar "knew the family had a high tolerance for risk," and pushed ahead.

Alcantar's work was rewarded. "We didn't all get it at the same time or with the same initial enthusiasm," said board member Elizabeth Snowdon Bonner. "And for all of us, this transition was scary." Discussions of systemic change also brought up tough topics like power dynamics, and many in the family felt their relatively small foundation could not possibly have the impact necessary for such lofty goals. Unlike funding for services, the tangible effects of social justice work can often be delayed, indirect and nonlinear. Family members were concerned about the difficulty of measuring the impact of social change work. In the end, however, the family members' laser focus on their values, and their belief in the power of the grassroots, led them to conclude that funding for advocacy and organizing was the best way for them to accomplish their goals.

Said Ashley Snowdon Blanchard of the shift:

"One of the reasons we finally agreed on organizing was because we all agreed on the fundamental democratic nature of it. And in some ways, it's a lot easier for a family with divergent views to agree on community organizing and the basic idea that the people who are most affected by a problem should have some say in the solutions. We may not agree on education reform — whether charter schools or standardized testing are good or bad — but we can agree that the families with kids who are falling behind in failing schools know best about what they need to achieve."

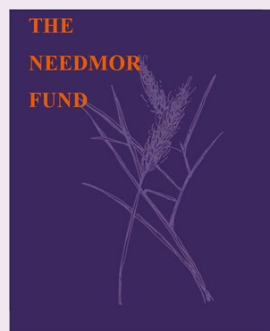
The Hill-Snowdon Foundation's journey did not stop with this watershed moment, of course. In the years since the family decided to begin funding systemic change, the foundation has struggled with — and then embraced — its public leadership role. It has strived to continue learning about the landscape of the issues the family cares most about, and foundation staff and the family have developed the essential patience that must accompany any work on long-term social change. But HSF's transformation from a family-run charitable foundation, sharing generously with its community and alleviating the suffering of the poor, to a leader in the world of social justice philanthropy whose objective is a more fair and just society, is an instructive and inspiring example for other family foundations.

Needmor Fund

The journey taken by the Needmor Fund of Toledo, Ohio, in many ways resembles that of the Hill-Snowdon Foundation. What sets this family foundation apart, however, is the family's intense commitment to democratizing the grantmaking and grantseeking processes, and its long-standing preference for funding community organizing. It exemplifies the tremendous impact a small family foundation can have when it leverages the passions of its family members and the power of social justice to achieve lasting changes.

The foundation began, as many family foundations do, as an outlet for the myriad charitable activities of the members of the Secor Stranahan family. With deep roots in the Toledo, Ohio, community, the family has since spread around the country. As with many families as large and as dispersed as the Stranahans, political perspectives spanned the spectrum from conservative to progressive. Especially during the 1960s and 70s when the country's politics became more and more divided, consensus on the foundation's grantmaking became a major challenge. The family was full of politically engaged, passionate members with strong charitable goals and even stronger opinions.

With the help of Frank Sanchez, who would eventually become Needmor's executive director, the family was able to navigate the personal political differences and reach consensus about what to focus on: community organizing. The board realized that funding organizing and the development of grassroots networks was a way to circumvent fraught political issues. "We couldn't agree on whether nuclear power was good or bad. We could agree on people in communities that were affected by nuclear power getting to have a say in what happened in the community," said board member Molly Stranahan. "[Fund-



Toledo, OH

Founded: 1956

Executive Director: Frank Sanchez

Staff: 3

Grantmaking Priorities:

Needmor's grantmaking priorities can best be summed up by their vision for a democracy where all people are free to fully participate and where the basic necessities of life are available to all regardless of race, class, gender, disability, etc.

Philanthropy's Promise signatory

NCRP Impact Award winner

Website: <http://www.needmorfund.org>

ing organizing] helped us to make decisions where our basic philosophies disagreed." By shifting the focus of the foundation's work to community organizing, the family no longer had to come up with all the answers to tough social, political and economic issues themselves.

This humility extended to all aspects of the Needmor Fund's grantmaking in large part because of the legacy passed down by elder members of the family. One of the foundation's first leaders, Virginia "Dinny" Stranahan, was "very comfortable not knowing everything," said Daniel and Molly Stranahan of their late aunt. More importantly, she insisted that other family members and foundation partners learn to deal with uncertainty. Her personality and leadership have been honored by successive generations of the Stranahan family in their egalitarian approach to grantmaking. This culture made the shift to organizing smoother and also played a large role in the addition of nonfamily members to the Needmor board of directors. This courageous step broadened the foundation's

perspective and enhanced its work. It makes the Needmor Fund a pioneer among family foundations.

The Needmor Fund hasn't just been in the forefront of the shift to strategic social justice grantmaking, however. It also began emphasizing shareholder activism, socially responsible investment practices, and support for small local credit unions before it became a broad movement among philanthropists. As far back as the 1980s, the fund began thoughtfully screening its investment portfolio and pressuring companies to eliminate business practices that ran counter to the family's egalitarian values. As Frank Sanchez put it, "We try to use every dime we have for social justice." The family and staff's commitment to progress extended beyond their funding priorities — a truly holistic view of a foundation's role in promoting social change.

As the [Stranahan family](#) said:

"Certainly, any family working together with common cause might fund similar rewards. But we are convinced that working in relationship with gifted community organizers has imparted a unique energy, honesty, and clarity of purpose to our enterprise."

For the Needmor Fund and the Stranahan family, social justice grantmaking is an exercise in humility and practicality, and one that has wrought enormous impact on the issues the family cares most about.

Resource List

- [*Leveraging Limited Dollars: How Grantmakers Achieve Tangible Results by Funding Policy and Community Engagement*](#)
- [*Grantmaking for Community Impact Project*](#)
- [*Real Results: Why Strategic Philanthropy is Social Justice Philanthropy*](#)
- [*Criteria for Philanthropy at Its Best*](#)
- [*Smashing Silos in Philanthropy: Multi-Issue Advocacy and Organizing for Real Results*](#)
- [*Values to Vision to Action: The Hill-Snowdon Foundation Journey*](#)
- [*The Needmor Fund: 50 years, 50 Stories*](#)
- [*Small Foundation Leadership: A Portrait Emerges*](#)
- [*Small Foundations Embrace Advocacy to Catalyze Change*](#)

Endnotes

1. National Center for Family Philanthropy, “The Power to Produce Wonders: The Value of Family in Philanthropy,” 2010, <https://www.ncfp.org/export/sites/ncfp/knowledge/reports/2010/downloads/Power-to-Produce-Wonders-Value-of-Family-in-Philanthropy-NCFP-2010.pdf>.
2. Based on all grants of \$10,000 or more awarded by the FC 1000 — a set of 1,000 of the largest U.S. foundations by giving. For community foundations, discretionary grants are included, as well as donor-advised grants when provided by the foundation. Grants to U.S.-based private and community foundations are excluded to avoid double-counting grant dollars awarded. Grants to individuals are not included in the sample.
3. Based on NCRP’s analysis of the FC 1000 dataset provided by the Foundation Center for years 2004–2006, 2008–2010, 2011 and 2012. The sample excludes 2007, but NCRP is confident the exclusion does not affect the trend in social justice giving or the overall share of grant dollars designated for social justice work. Note that this dataset is of the largest 1,000 foundations by asset size. Therefore, the social justice work of smaller foundations is not included in this analysis. NCRP uses social justice grantmaking as a proxy for those grants intended to benefit organizing, advocacy and structural change.
4. Here and in future references, grantmaking totals refer to aggregate grant dollars awarded, because the FC 1000 data set includes only grants of more than \$10,000 and excludes some multiyear commitments.
5. For reference, about 44 percent of the funders in the FC 1000 dataset are family foundations.
6. Unbound Philanthropy does not appear in every year of the FC 1000 data set because it is a relatively new funder. Its outlier status here is influenced in part by this fact, however NCRP is encouraged by Unbound’s robust commitment to social justice funding to date and hopes the trend continues.
7. It should be noted these “smaller” funders are still included in the FC 1000 data set, which is a subset of the nation’s largest grantmakers. Small, as we use it here, is relative. About half of the funders in the 2012 FC 1000, and the same proportion of family funders therein, gave less than \$10 million. But 12 percent of total grantmaking in the 2012 FC 1000 came from these same “smaller” funders (and 8 percent from the smaller family funders).
8. Andy Carroll, “Pioneering a Unique Kind of Changemaking,” PhilanthroFiles.org, December 2014, <http://philanthrofiles.org/2014/12/04/pioneering-a-unique-kind-of-changemaking/>.
9. See <http://ncrp.org/campaigns-research-policy/communities/gcip/gcip-definitions>.
10. See <http://ncrp.org/campaigns-research-policy/communities/gcip/gcip-resources>.
11. Lisa Rangelhelli, *Leveraging Limited Dollars*, National Committee for Responsive Philanthropy, January 2012, <http://ncrp.org/files/publications/LeveragingLimitedDollars.pdf>.
12. See <http://foundationcenter.org/gainknowledge/research/keyfacts2014/foundation-focus.html>.

ABOUT NCRP

Since 1976, the National Committee for Responsive Philanthropy (NCRP) has served as the voice of nonprofits and the communities they serve in philanthropy. Through research and advocacy, NCRP works to ensure that philanthropy contributes in meaningful ways to the creation of a fair, just and equitable world. Visit www.ncrp.org for more information. For more information, please contact us at:

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