



Bonfils-Stanton Foundation Final Report Executive Summary



March 2015

Objectives and Methods

Changing Our World conducted an assessment of the Bonfils-Stanton Foundation to provide input on:

- Strengths of grantmaking and innovation in its core arts focus
- Challenges in its grantmaking strategies and overall processes
- Strategies for measurement of impact and the communication of its work
- The Awards program and its continuation or alteration

In carrying out this work, Changing Our World:

- Examined the last 10 years of grantmaking
- Conducted 10 internal interviews of staff and Board members
- Conducted 24 external interviews of community leaders and grantees
- Fielded a survey of grantees from the past 10 years
- Conducted best-in-class analysis of nine peer Foundations with an arts focus to benchmark the Foundation in grantmaking, communications, and impact parameters
- Examined the range of ways in which arts grantmakers are using innovative financing mechanism to support and grow the arts

Key Strengths

- **Reputation:** The Foundation is well-known and respected as an arts funder in the Denver community. In Changing Our World's experience, it is extremely rare to conduct broad community interviews and find a unanimous expression of trust and support for an institution.
- **Subject Matter:** As other funders have shifted their philanthropic priorities, the Foundation has been credited with keeping arts and culture alive and a continued priority in Denver. This in turn means that many arts organizations look to, and rely on, philanthropic support from the Bonfils-Stanton Foundation.
- **Influence:** As a funder, the Foundation is viewed as having a significant amount of influence and, because of its relationships, a significant impact within the arts.
- **Innovation:** The Foundation is known for pushing organizations, even its long-term partners, to innovate and take risks.

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The Foundation has been instrumental in making 'big things' happen in the Denver arts community.”

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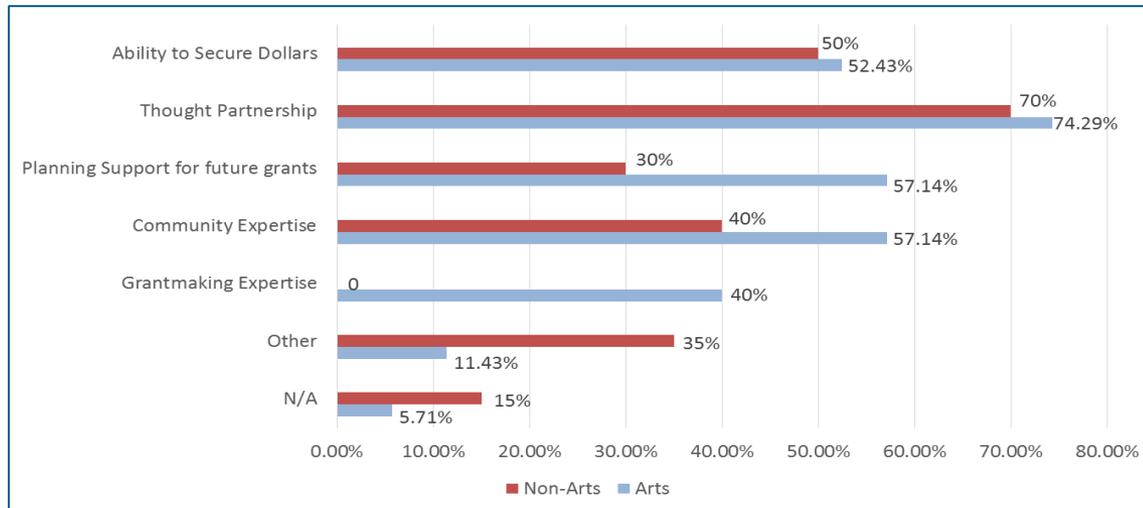
The innovation funding helped us reimagine our organization from the ground up.”

Key Strengths

- **Approach to Grantmaking:** The Foundation is perceived as a relational funder; there is open dialogue between the Foundation and its grantees, and prospective grantees. Thought partnership with staff throughout the grantmaking process is valued tremendously.
- **Grantee/Funder Relationship:** Compared to other funders, most grantees felt their strongest relationship was with the Bonfils-Stanton Foundation. The open dialogue with the Foundation has pushed many grantees to pursue similar relationships with other funders.

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The thought partnership that I have received from the Foundation has been as valuable, if not more valuable, than the dollars they have awarded us.”



Key Strengths

- **Fairness and Appropriateness:** The Foundation’s grantmaking process is perceived as reasonable and fair. Grantees noted how prepared they were to complete the application based on initial conversations and meetings with staff members, as well as the ability to speak to the Foundation with candor, speaking open and honestly about questions as well as successes and failures throughout.
- **Type of Support:** General operating support is considered the greatest need among arts organizations. This need was echoed from leading arts and community experts to the grantees themselves.

	1 Area of Most Need	2	3	4	5 Area of Least Need	Average Ranking
Core operating support	75.00%	16.67%	2.78%	5.56%	0.00%	4.61
Programmatic support	16.67%	50.00%	19.44%	13.89%	0.00%	3.69
Sponsorship	2.78%	13.89%	52.78%	25.00%	5.56%	2.83
Capital support	5.56%	16.67%	13.89%	47.22%	16.67%	2.47
Other	0.00%	2.78%	11.11%	8.33%	77.78%	1.39

Key Strengths

- **The Staff:** The staff is respected by the board, grantees, and members of the community in all respects. The staff is perceived as incredibly skilled and qualified well connected in both Denver's business and nonprofit communities. Overwhelmingly, the leadership transition has been described as going extremely well.
- **The Board:** The Board is viewed as an asset, and responsible for bringing stature and credibility to the Foundation. Many members of the board are viewed as highly committed to the Denver arts community, as demonstrated through their philanthropy and service.

“

It took us a long time to be ready for a grant. The staff committed many years to providing us with guidance and support... we were pushed until we were ready to do something truly transformative.”

Key Challenges

- **Goals:** The Foundation lacks clearly stated and measurable goals that can be leveraged to make decisions about grantmaking and other initiatives.
- **The Community:** The Foundation is faced with how to balance the history of support for traditional excellence in the arts in Denver with participation in new and emerging arts opportunities.
 - **Growing Arts Community:** The Foundation has a long history of support to major arts organizations in the Denver area. Yet the number of arts nonprofits in the area is growing; the Foundation’s support portfolio represent 19% of all Denver arts nonprofits.
 - **Growing Diversity:** There continues to be a shift in the demographics of Denver, which influences arts and culture. This is reflected both in rising ethnicity of the population, and in the growth in younger adults. The arts preferences may be changing, and arts awareness itself may be shifting.

“ I think we need a framework for how we look at things. I think it would make it easier to evaluate our grantmaking and rule out things outside of the framework, and dive deeper into those that are within it.”

Key Challenges

- **Resources:**
 - **Balance:** The Foundation is the leading arts funder in Denver. Yet, it is not a large foundation. However a balance is struck through a grantmaking framework, the demand for support will outstrip the Foundation’s ability to fund.
 - **Resource Augmentation:** With the growing size of the arts sector in Denver and the need for funding, there is a desire to find new ways for the Bonfils-Stanton Foundation to continue to “punch above its weight” in the sector.
 - Some interviewees expressed a desire for the Foundation to consider ways in which it might augment its assets – perhaps through a planned giving program allowing arts supporters and advocates, and those closest to the Foundation, to contribute to that corpus through their estates.
 - Others raised the potential for the Foundation to partner with others in funding the arts, perhaps as a co-funding strategy with Foundations which are not necessarily focused on the arts, but where there may be complementarities (e.g., community engagement).
 - **Communications:** There is a desire for the Foundation to bring visibility to its great work and accomplishments.

Key Challenges

- **Aligned Foundation Programs:**

- **The Livingston Fellowship:** The Fellowship assessment indicated that many Fellows working outside of the arts, included an arts component in the their leadership plans. There is emerging and natural interrelationship between the leadership and arts focus.
- **The Annual Awards Program:** There was particular confusion about the Awards Program, its criteria, and its relationship to the Foundation’s focus on the arts. There was a very broad difference of opinion about the future focus of the Program, its utility to the Foundation and the Denver community, and how (or whether) it should be altered to align more exclusively with the arts.

- **Governance:**

- **Board members:** There was a general sense that the Board should be expanded and the Foundation has already begun addressing this issue. Feedback on the “right” individuals to add, varied, but many agreed a “younger perspective” would be beneficial.
- **Term limits:** There were different views on the implementation of Board term limits. It is considered a best practice for Foundations to have term-limits; according to a 2012 BoardSource Index, 73% of boards have term limits.

Best-in-class Perspectives

- **The Proposal Process:** Nearly two-thirds of arts grantmakers nationally do not accept unsolicited proposals. Among the nine foundations examined during this assessment, most do not have an open application process.
- **Subject Matter:** Only three of nine funders examined place an explicit priority on general operating support. Also, three of nine explicitly prioritized technical assistance to assist arts organizations with business or strategy planning and systems.
- **Targets:** There was not general commonality in the organizational or audience targets of the funders studied. Youth and diversity are included, but are usually a sole focus. Most emphasized innovation in identifying and reaching audiences.
- **Communication:** Most funders put grantee stories on their websites, have an active social media presence and use news sections and blogs to raise the visibility of their work.
- **Collaboration and Leverage:** Several funders studied have proactive collaboration strategies, either with other foundation funders for specific large-scale efforts or with non-arts nonprofits to engage the public in the arts in new ways. The focus of funding collaboration is usually to get an initiative to scale. It is unclear whether the intent is to bring into the arts-space traditionally non-arts funders.

Best-in-class Perspectives (cont'd)

- **Thought Leadership:** The majority of funders studied are prioritizing and leveraging thought leadership as a way to feature the work of their organizations to attract attention and added funding, raise the visibility of their own leadership in the arts sector, and be seen as area experts among arts funders.
- **Measurement:** Most are just starting to focus on performance assessment. This comes in the form of specifying very clearly to grantees the dimensions of results (data as well as storytelling) that are required for grant receipt. There are different approaches. One funder is using program clustering to look at similar grants in similar ways. One has a “what we are learning” section to its website. Some are partnering for data comparison, other leveraging outside evaluators. There is no common method and no common way of talking about performance. This may be an area in which the Bonfils-Stanton could take a position as a thought leader and convener, especially for small to medium-sized foundations.

Considerations

As the Foundation sets out to become a premier funder of the arts in the metro-Denver community, it must continue to be mindful of these challenges, while at the same time, more purposeful in its approach. There are three categories of consideration for the Foundation to reflect on as it considers its approach to grantmaking moving into the future.

WHY

Clarifying the “why” – aligning decisions, expectations and grant content clearly with the Foundation’s goals.

WHAT

Examining and clarifying the “what” – establishing strategic and transparent grant criteria relative to the diversity of arts (organizations and demography) and the role of innovation to guide decisions about resource allocation.

HOW

Tailoring the “how” in order to align the grantmaking process with goals and content in ways that are efficient, transparent, measurable, and maximize limited resources relative to desired results. Additionally, determining internal financing strategies and external partnerships.

All of which are necessary to establish and support a performance measurement system.

WHY

Key Recommendations

GOALS

Issue: The Foundation articulates multiple goals in multiple places. This results in confusion about its intentions and an inability to articulate results that express those goals.

Recommendation: Develop a clear articulation of a limited number of measurable goals.

ACTIONS

(1) A facilitated discussion at the Board level about the articulation of a limited number of measureable goals (perhaps three) that will provide direction to program decisions and the framework for performance assessment, both qualitative and quantitative.

WHAT

Key Recommendations

GRANTMAKING FOCUS

Issue: There are no clear criteria, either relative to organizations or relative to substance, that guide grantmaking. Lack of clarity and lack of a grantmaking framework means that new applicants cannot easily orient themselves to Foundation intentions, and the Foundation cannot measure its interface with the arts community relative to a set of standards that underpin its grantmaking.

Recommendation: Organize grantmaking around an explicit framework of grantee characteristics and substance or audience priorities.

ACTIONS

- (1) Develop a logic model linked to the measurable goals.
- (2) Develop a clear and explicit set of performance indicators derived from the logic model, and build reporting into grant agreements.
- (3) Develop an inquiry or proposal form that incorporate these performance indicators so that all overtures can be compared relative to goal achievement and/or all Foundation-initiated overtures can be compared to other initiatives and to external inquiries for support.

WHAT

Key Recommendations

ALIGNED FOUNDATION PROGRAMS

Issue: The alignment between the Annual Awards Program and the Foundation’s goals and grantmaking directions are unclear, and the return on the investment is debated.

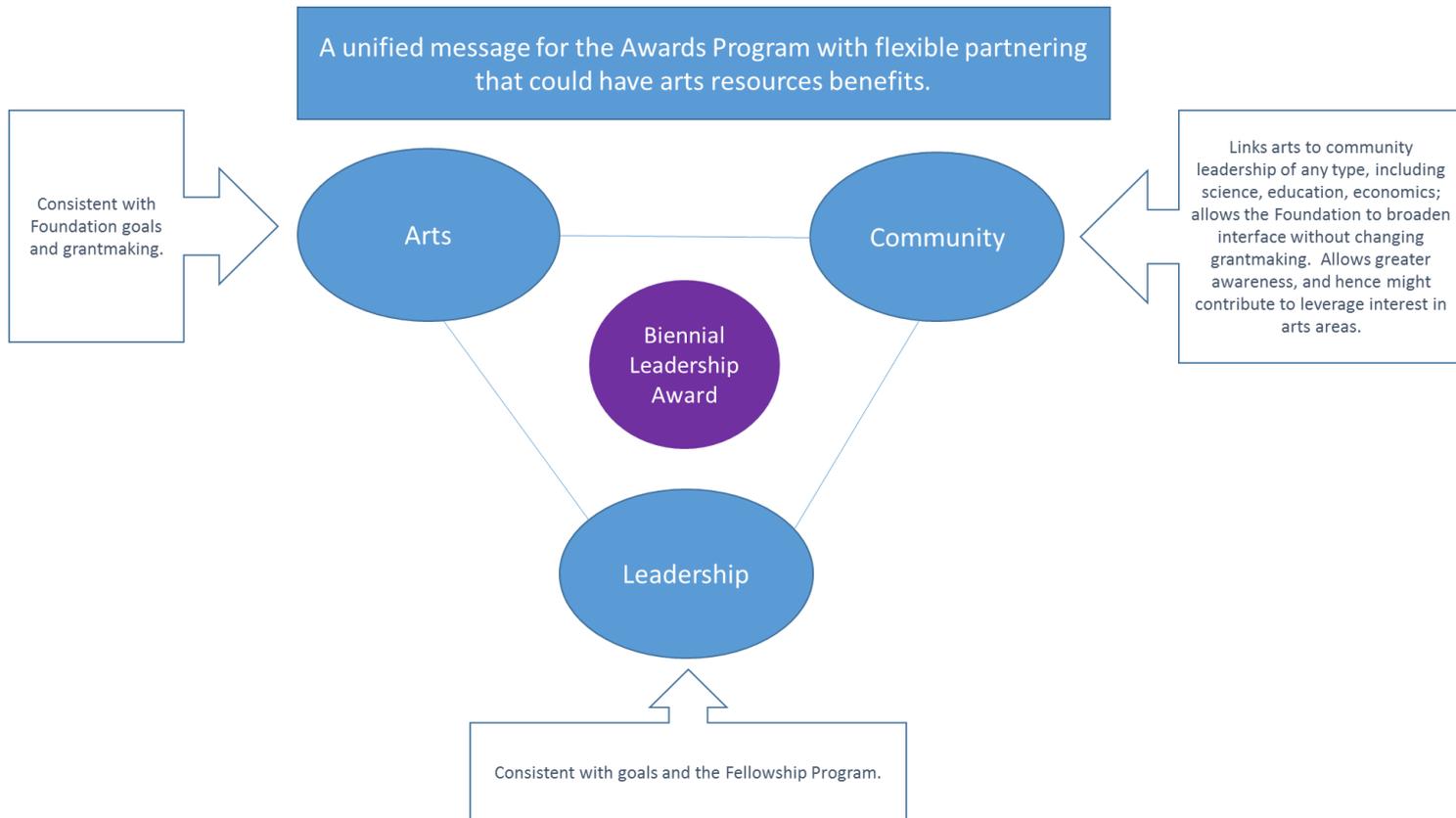
Recommendation: There is no perfect solution. Changing Our World recommends reducing costs by going to biennial format and aligning tightly with the Foundation’s focus by tying criteria to **Arts in Community Leadership**.

ACTIONS

- (1) Document possible cost savings from biennial format.
- (2) Create a Task Force of two Board members, two leaders from Denver’s arts community and two Fellowship alumni to redesign criteria and nominations process. Begin the restructured biennial process in 2016.

WHAT The Annual Awards Program

Changing Our World proposes a revised model for the Awards Program that will more strongly align with the focus of the Foundation and touch on three specific elements: arts, leadership, and the community. While this means adjustments to the Award’s current categories and criteria for selection, it helps maintain the legacy of the Program while at the same time broadening the Foundation’s reach.



HOW

Key Recommendations

INTERNAL SYSTEMS

Issue: Grant application, processing, and performance tracking are increasingly electronic in the philanthropy field. This promotes efficiency on the part of applicants and foundations and allows ease of performance tracking across grants and institutions.

Recommendation: Move to an electronic platform, and tie both applications, reporting, and performance measurement of grantees into a single system.

ACTIONS

- (1) Develop a clear outline of the characteristics of an electronic system that will align with Foundation’s needs and processes. It is important to have a clear view of what is required in order to ensure that the system meets the Foundation’s needs and not the other way around.
- (2) Issue an RFP to vendors with that outlines the Foundation’s specific needs.
- (3) Set a specific transition date as a goal (e.g., January 1, 2016) and establish a detailed work and grantee communications plan against that deadline.

HOW

Key Recommendations

GOVERNANCE

Issue: The Foundation has begun the process of Board expansion. Continuing to feed that process by surfacing a new and diverse leadership pool, and ensuring opportunity through some type of term limits mechanisms is the next step.

Recommendation: Create Advisory Groups for new initiatives (e.g., an Innovation Fund) to encourage engagement of and visibility to a range of Denver leaders.

Establish a staggered roll-out of term limits over the next six years with no more than one-third of the Board changing in any turnover year.

Create an Emeritus structure so that Board members rotating off active Board duty can stay informed and engaged in programs.

ACTIONS

- (1) Redraft the Board bylaws and governance documents to enable term limits.
- (2) Develop a roles document for an Emeritus structure.

HOW

Key Recommendations

INNOVATION

Issue: The Foundation has a reputation for encouraging innovation in its grantees, but its innovation funding embedded in its larger grantmaking and therefore may not be stimulating the full capacity of the arts community for innovative thinking.

Recommendation: Give innovation its own brand and public identity/visibility at the Foundation by creating free-standing Innovation Fund for which arts organizations compete on the basis of clear organizational and performance criteria tied back to Foundation goals.

ACTIONS

- (1) Create a dedicated application and reporting system for the Innovation Fund.
- (2) Dedicate a portion of the Foundation’s website to the Innovation Fund. Feature Innovation grantees and the outcomes of their efforts as a result of Foundation funding.
- (3) Wrap the dedicated Innovation Fund into the communications strategy currently under development.

HOW

Key Recommendations

RESOURCE GROWTH

Issue: The Foundation is now the only arts-focused institutional funder in Denver. While others may have arts components, there is no other dedicated funder. The needs and opportunities are great and diversifying. The Foundation's resources will not alone be able to capitalize on emerging opportunities or meet needs.

Recommendation: Develop and implement a conscious and purposeful leverage strategy to partner with other philanthropies in areas of complementary interest, bringing new diversity into grantmaking and gradually attracting more funders to the space. Use expansive communications strategy to broaden knowledge of Foundation programs in order to surface partners.

ACTIONS

- (1) Inventory Denver funders' grantmaking for last five years and identify potential areas of subject-matter complementarity.
- (2) Based on goal articulation and grantmaking framework, identify opportunities aligned with the Foundation that intersect complementarity.
- (3) Beta-test a co-funding or collaborative funding approach for at least three initiatives in the next two years.
- (4) Include the philanthropic community, in Denver and nationally, as a target audience for the communications plan currently being developed.