

“Acting Bigger” by Partnering with Government

SUSAN ZEPEDA, PH.D.

President and CEO, Foundation for a Healthy Kentucky

JANINE LEE

President and CEO, Southeastern Council of Foundations

In the spring of 2014, the Southeastern Council of Foundations (SECF) convened more than a dozen health legacy foundation CEOs from throughout the southeastern United States to reflect on the Monitor Institute’s monograph, *What’s Next for Philanthropy: Acting Bigger and Adapting Better in a Networked World*.

SECF’s session focused specifically on ways in which foundations “act bigger” by partnering with government—at the local, state, and national levels. The panel participants included Jim Kimmey, former President and CEO of the Missouri Foundation for Health; Joe Rosier, President and CEO of the Rapides Foundation; and Susan Zepeda, President and CEO of the Foundation for a Healthy Kentucky. Grantmakers In Health President and CEO Faith Mitchell joined the panel as a discussant.

KEY THEMES

► ***If you’re going to work with government, set and maintain boundaries.*** Participants grappled with issues of nonsupplantation—not letting foundation funds supplant a government appropriation—and, at the other end of the engagement continuum, a need to step in and actually fund a position within the government, where none existed previously. For example:

- Jim Kimmey described how the Missouri Foundation for Health hired the state’s first Emergency Medical Services Director with a three-year grant; the state ultimately assumed full funding of the position. They also hired a respected lobbyist, knowledgeable of the Affordable Care Act, and granted him to the governor’s office to be the administration’s point person on the new law.
- Susan Zepeda shared how the Foundation for a Healthy Kentucky helped fund the first year of a Food Policy position in the Lexington (Kentucky) Mayor’s Office.
- Williamsburg Health Foundation President and CEO Jeanne Zeidler noted that they funded an opportunity for the school district to hire six staff members to serve as mentor teachers, incorporating nutrition and physical activity into daily lesson plans.

While the CEOs recognized the value of helping grantees grow infrastructure through indirect cost allocations, some drew the line with the hefty indirect rates at local universities—either declining to fund university work, or capping indirect at a lower rate than schools customarily sought.

Funders in Virginia and Kentucky shared experiences where government openly sought to tap into philanthropic resources to advance government-initiated programs and projects; the value of philanthropic autonomy was a topic of concern.

In an exchange separate from the convening, Karl Stauber, President and CEO of the Danville Regional Foundation, offered a cautionary note that conversations about “scaling”—a core concept in the federal Social Innovation Fund—may mean taking what works elsewhere and imposing it in a new locale, rather than doing the harder work of growing the core competencies and distinct voice of some in the under-resourced communities we seek to advance.

► ***Let community partners lead.*** Spurred by Karl Stauber’s caution, a number of foundations shared stories of grant programs that avoid imposing their will on the grantees—helping local solutions flourish.

- When the Missouri Foundation for Health offered one-time grants to every local health department, one grantee used the funds to pave its parking lot (something the foundation board would not have identified on their own as a priority). The badly rutted parking lot had been a barrier to senior citizens seeking care, and when the community led, they were able to directly identify and address a critical issue.
- Foundation for a Healthy Kentucky, in its Investing in Kentucky’s Future Initiative, selected communities based on the strength of local cross-sector commitment to children’s health. Funding over a five-year period let each community identify its top children’s health priority and develop (by the end of the first phase) a “bankable business plan to make kids healthier.” The foundation then offers the “risk capital” to start up this new, sustainable community effort.

- **Look for opportunities to leverage funding.** Even the largest foundations in the room recognized that government grants offer funding on a scale that few can match. Funders spoke of ways they have sought to help local grantees tap into these resources, from the Missouri Capture program of the Missouri Foundation for Health, to a more modest matching grant effort at the Foundation for a Healthy Kentucky (providing local match funds required by national foundations or federal grantmakers). Several had experience with developing a grant proposal on behalf of communities they serve, and “placing” it at a suitable community-based nonprofit.
- **Fund advocacy.** One of the largest opportunities for leverage identified by participants was engagement at the policy level. A pilot effort may fund teachers in schools to teach healthy eating or plan for meals differently. A change in school policy can “hard wire” these transformed methods of doing business for generations. Funders spoke of engaging in policy work directly, convening key stakeholders, and funding studies that inform or advocate for the advancement of health policy.

OTHER CONSIDERATIONS

- **Direct Engagement:** Foundation for a Healthy Kentucky, after years of dissatisfaction working with an external communications firm, increased its policy resources by creating a Director of Communications and a Director of Health Policy position. Together, along with the CEO, the staff create relationships with media and elected officials to share information on projects and polling funded by the foundation, and to inform key stakeholders on how these relate to a policy issue under consideration. Many funders in the room take an active part in Foundations on the Hill, with the delegation from SECF, building relationships with elected representatives and staff to help them better understand the work of philanthropy in their home district and the ways tax reform proposals—for example—can impact the nonprofit sector.
- **Convening:** Several foundations reported that they play the role of neutral convener, providing a safe place for conversations that advance health policy, lifting up examples from other states, as well as successful models or demonstration projects funded locally. The Missouri Foundation for Health provides use of the Rotunda at the State Capitol for one day each year to lift up the work of grantees, and to show legislators the important work going on in their own districts. The Williamsburg Health Foundation leads an initiative on children and poverty, where they financially support a facilitator to create a forum for constructive collaboration of city social workers and child development resources; they also compensate staff who attend.
- **Studies and Polls:** The Rapides Foundation funded a study by the Lewin Group in 2004, out of concern for the

declining charity care system. The findings were available to share with key decisionmakers when Louisiana’s Governor determined in 2013 to close the charity hospitals. Foundation for a Healthy Kentucky and Cincinnati-based Interact for Health contract with the Institute for Policy Research at the University of Cincinnati each year to conduct a joint phone survey of Kentuckians’ views of key health policy issues, which is shared with legislators, local policymakers, and the media.

- **Funding Advocates:** The Missouri Foundation for Health offered general operating support over a multiyear period to strong statewide health advocacy groups, boosting their impact in areas of shared concern. Foundation for a Healthy Kentucky took a similar approach. In each case, a further aim was for these advocacy entities to coalesce and develop shared messaging on key policy issues under consideration in the state. While both funders steered clear of direct lobbying, they were able to support grantees in becoming more effective policy communicators.
- **Relationships and Trust:** Throughout the day’s discussion, the essentiality of building more trusting relationships rose to the surface as a common theme—between foundations, with the media, and with the governmental entities funders choose to assist.
 - For the Richmond Memorial Health Foundation, that means having a staff member whose pre-existing community ties assure “her calls are always answered.”
 - Baptist Healing Trust shared the relationships they have built with other Tennessee funders—originally to respond to the state’s intent to develop a health insurance exchange. As a result, that advisory group and the funders “have become fabulous collaborators.”
 - Several funders spoke of ways they have engaged with the media, funding access to national and regional gatherings of health reporters to hone their skills.

As the meeting drew to a close, some funders began exploring ways to collaborate across Southern states, in their media work on health policy issues, creating collaboration that casts a hopeful look to the future as we head toward a more dynamic, interconnected landscape.

For more information, contact Susan Zepeda at szepeda@healthy-ky.org or Janine Lee at janine@secf.org.

VIEWS FROM THE FIELD is offered by GIH as a forum for health grantmakers to share insights and experiences. If you are interested in participating, please contact Osula Rushing at 202.452.8331 or orushing@gih.org.