

# Building a Foundation to Support a Movement

*“There are no blueprints to guide movements of the poor. But if organizers and leaders want to help those movements emerge, they must always proceed as if protest were possible. They may fail. The time may not be right. But then, they may sometimes succeed.”*

- Frances Fox Piven. Poor People's Movements.

FERN TIGER  
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## **A Report to the Marguerite Casey Foundation**

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## Foreword

*“Winning the mayor’s seat was a moment in time. That’s what I’ve tried to get people to understand. People say, ‘Rosa Parks was just tired that day she refused to give up her seat.’ No, she wasn’t tired. She was prepared... It was a moment in time.”*

Dianne Freelon-Foster  
Director of Activists with a Purpose  
and Mayor of Grenada, Mississippi

FOR THE MARGUERITE CASEY FOUNDATION, it too was a *moment in time* for a new vision of philanthropy.

The turn of the century and start of the millennium provided both exciting opportunities and formidable challenges for a startup foundation that would – in short time – dedicate itself to supporting a movement of low-income families in targeted communities throughout the nation.

Recognizing the value of understanding its own growing pains and initial thinking, the Foundation committed early on to documenting the reflections of the key decisionmakers who were responsible for the Foundation’s structure, programmatic thrust, and philosophical underpinnings. As such, the body of this report reflects a fixed but significant period in the Foundation’s history – most specifically a nine month period in 2003. As with any nascent organization, changes and adjustments were inevitable.

The **Postscript** (*page 21*) provides a brief follow-up to some of the thoughts and opinions that underwent change since the initial discussions.

# Marguerite Casey Foundation: Building a Foundation to Support a Movement

*This report is one of three documents being prepared for the Marguerite Casey Foundation by Fern Tiger Associates (FTA). The information for this project is based on qualitative interviews\* with staff, board, and grantees as well as observations of a year-long cycle of grantee convenings. Foundation documents, records, and other materials on decisionmaking efforts were also reviewed. This particular document is intended as a point of discussion for those responsible for the organization's future.*

\*Unless otherwise indicated, all quotes are from interviews conducted by Fern Tiger Associates.

## Process

Over the course of approximately 14 months (May 2003 through July 2004), Fern Tiger Associates<sup>1</sup> worked to understand the challenges and opportunities confronting the Marguerite Casey Foundation<sup>2</sup>. The tasks involved:

- ▶ a review and analysis of Foundation documents and materials (including initial grantee write-ups, board docket and board meeting packets, etc.); press coverage; and literature about the evolution of diverse approaches to community organizing
- ▶ in-person interviews with approximately 45 individuals, representing about 14 grantee organizations plus five Foundation staff and seven board members; additional interviews were conducted with others closely related to the Foundation or select grantees<sup>3</sup>
- ▶ observation of Foundation-sponsored “convenings” of organizers, grantees, grantmakers, and Native American constituents
- ▶ site visits to more than a dozen grantee organizations in Arizona, California, Illinois, Mississippi, New Mexico, Washington (including interviews, tours of operations, and discussions on the context of communities being served)
- ▶ informal conversations with successful, unsuccessful, and potential grantees reflecting a broad cross section of nonprofit organizations working with low income families
- ▶ specific, in-depth interviews and multi-day visits with two Foundation-selected grantee organizations in preparation for sample case study reports<sup>4</sup>
- ▶ periodic discussions with the Communications Director and other Foundation officials.

1. Fern Tiger Associates (FTA) is an Oakland-based organization with deep roots in progressive issues and a long-standing commitment to the purpose of the nonprofit sector. FTA's skills have been honed over 25 years and integrated into all of its work. The firm focuses on advocacy documentation, organizational effectiveness, research and public policy, and strategic outreach and communications.
2. Fern Tiger Associates' contract with Marguerite Casey Foundation includes:
  - this report, reflecting observations culled from interviews with board members, staff, and grantees;
  - a history of the Foundation's decisionmaking evolution; and
  - case studies (including photo documentation) of two grantee organizations (Labor Community Strategy Center and Southern Echo).
3. It should be noted that these in-person interviews were conducted over the course of about nine months. Each interviews took approximately 90 minutes. The responses reflect a moment in time during a dynamic period of decisionmaking and development within the Foundation.
4. Labor Community Strategy Center, L.A., California and Southern Echo, Jackson, Mississippi

## Introduction

*“Workers at the edge of poverty are essential to America’s prosperity, but their well-being is not treated as an integral part of the whole. Instead, ‘the forgotten’ wage a daily struggle to keep themselves from falling over the cliff. It is time to be ashamed.”*

– David Shieler. *The Working Poor*. 2004

When the Marguerite Casey Foundation (MCF) asked for a proposal to research and write the story of a year in its early development and to develop a case study framework by spending time with two specific grantees, we understood what a challenging proposition that would be. Fern Tiger Associates has worked for more than 25 years with nonprofit, community-based, and philanthropic organizations communicating the broad impact of public policy on individuals and their communities; developing creative solutions which strategically address agency challenges; and demonstrating to organizations and their communities how successful projects can be expanded, documented, funded, and shared with one another and with the public at large.

This three-part project for MCF would require summing up the complex and varied thinking of many people involved with the start-up years of this new foundation intent on making its mark by building a power base for low-income families and children. MCF has engaged in groundbreaking grantmaking and, as such, the documentation could be important and relevant for many individuals and organizations engaged in philanthropy, community organizing, and advocacy.

We recognized that, along with our work, the Foundation itself would be documenting its work in many ways – through board dockets, reports from grantees, grantee convenings, quantitative and qualitative evaluations, and in the countless discussions and interventions staff would have with grantee organizations and the communities in which they worked. Many times, we thought that the passion of the grantees – the individuals and the organizations who confront the ramifications of poverty and disenfranchisement every day – would be the more compelling story to tell. But as we met with those who helped to shape and guide the formation of the Foundation, we were drawn to a different kind of drive and passion: a desire to create something impactful for low-income families which would be sustainable, and reflective of the genuine needs of communities.

In developing this report (which will be accompanied by both a history of MCF’s initial decisions and case studies of two select grantee organizations), we relied heavily on interviews with three distinct groups: staff, board, and grantees; and on observations of grantee meetings. We conducted about 45 in-person interviews with grantees from Alabama, Arizona, California, Illinois, Mississippi, New Mexico, Washington D.C., and Washington state. Most interviews lasted approximately an hour and a half. Each interviewee was asked a unique set of questions based on his or her background and involvement with the Foundation. Key themes addressed in the interviews included the Foundation’s approach to grantmaking, its focus on advocacy as a way to support the needs of low income families, and the challenges associated with such an undertaking. We also concentrated on the challenges of coordinating and evaluating this kind of grantmaking and on philanthropic support for movement-building.

More specifically, interviews with board members focused on the history and impetus for creating a grantmaking foundation; the relationship between Casey Family Programs and the Marguerite Casey Foundation; the selection of the board and the search for the Foundation's first president; defining the mission of the Foundation; the character of the Foundation's grantmaking and the intended goals; the perceived risks of the Foundation's direction; expectations of board members for the coming decade; and initial as well as ongoing concerns.

Interviews with staff included additional questions related to the measurement of success of grantees and of the foundation as a whole; the benefits of – and concerns about – networking grantees; appropriate models for working with grantees and changing their perceptions of philanthropy; and staff perceptions of the audiences for the Foundation's work. When interviewing grantees, we concentrated on how well they understood the Foundation's goals; their sense of service versus activism; organizing locally while networking regionally and nationally; leadership; movement building; evaluation; and their perceptions of the Foundation's intentions and the challenges they see for themselves and for the Foundation in the coming years.

Secondary sources were also reviewed such as Foundation-produced documents used in the course of administering the grants including grant recommendations, grant reports, and communications materials.

*“This Foundation was born from within an existing organization – coming into a historical context with a mission and values, so the starting point is different than foundations that are developing on so-called ‘greenfields’ where somebody has money and decides to start a foundation. The analog might be a corporation that decides to create a foundation to have a focal point around its philanthropic activities. That’s much closer to what was happening here, than independent foundations starting from zero.”*

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Key themes emerged in the interviews that traversed the three interview groups, beginning with a shared sense of excitement and hope about such a bold, new venture in grantmaking. But despite many overlapping points of view, grantees, board, and staff also reflected sometimes contradictory opinions and concerns about the Foundation's decisionmaking, aspirations, and potential for success.

This document attempts to present an overview of the similarities and differences in perceptions on particular issues that emerged during the interviews: risk, relationships, strategic grantmaking, Foundation policies and selection criteria, evaluation, the future, visibility and image, and building networks of grantees. It also briefly notes some of the specific challenges cited by grantees as they work to meet their own and the Foundation's goals.

**Excitement,  
enthusiasm  
– and  
high risk**

*“Is it (the Foundation’s direction) risky at this time in this country’s history? Sure it is. But it’s also a very exciting and worthwhile risk to take. And we know enough about history to know that if strong institutions are in place to help people, they will rise to their own destiny.”*

Board and staff are equally amazed at the pace the Foundation has kept in its formative years. Staff are described as “energetic” and “enthusiastic” (some Board members even caution against “early staff burnout”) and words like “ambitious,” “bold,” and “daring” are used over and over again to describe the Foundation’s vision and approach.

Although board members expressed uniform enthusiasm for the Foundation’s direction, some admitted inexperience and lack of familiarity with the skills needed to accomplish the Foundation’s larger goals. And nearly everyone interviewed cited some degree of risk associated with the new venture. A primary concern for the board at the onset, had been the decision to “put all the Foundation’s eggs into one basket” in a potentially difficult-to-evaluate program area: building a successful movement of low-income families that results in policy, funding, and social changes that impact the lives of children. They also expressed concern about being “isolated” or seen by other funders as “on a fringe path.” Board members emphasized being fearless leaders in this unconventional approach, but also recognized the importance of building relationships with – and being credible within – the philanthropic community in order to leverage funds and influence others to be partners in this endeavor. They acknowledged that choosing to fund movement-building was a risk because it unabashedly put money into advocacy and activism – activities not normally addressed through traditional foundation tactics.

Board members, staff, and grantees share a common belief that to bring about change – real change – in America, it has to originate with grassroots efforts. But those efforts would need support in the form of resources, exposure, and linkages. These resources are obviously greater than what Marguerite Casey Foundation can provide in the long term; thus, it will become important to work with other foundations. The issue of identifying other funders and having MCF make these relationships is of major concern to grantees, who recognize the importance of identifying other funders to complement the support provided by MCF. Many grantees, however, are impatient for this to happen and want the Foundation to move more quickly in this effort. (Many grantees think the Foundation has more immediate access and power than it probably has in this arena.)

Grantees are unanimous in their belief that the goals set by the Foundation are unusual within philanthropy. They have each struggled to attract funds to support the work they do and have all too often had to couch their intentions and activities in language acceptable to other funders. For them, the Foundation’s direction is surprising, gratifying, and almost ‘too good to be true.’ As a result, (especially in the presence of the Foundation) they ask few questions and offer minimal challenges to the Foundation’s direction. In fact, some grantees indicate that anything the Foundation might ask, even participation in “voluntary” activities such as attending a convening, would cause them to rearrange their schedules to make sure they were seen as cooperative. And, while staff talk about building partnerships with grantees

and wanting to establish new ways of working with these organizations including developing “transparent” relationships, in private, grantees acknowledge that the Foundation is first and foremost “a funder.” The relationship they see is mostly that of grantee and grantor.

When pressed to suggest *new* ways the Foundation can help grantees, responses are fairly narrow and revert back to suggestions for funding, e.g. for more travel to visit other programs<sup>5</sup>. Grantees actually applaud the Foundation for *its* innovative ideas to provide resources that support grantee efforts such as the recent announcement at the convenings regarding mini-research grants.

It should be noted that during the course of these interviews, the Foundation experienced numerous program staff changes. As such, it was difficult to assess the development of grantee-staff relationships that could move beyond the more typical foundation/grantee connections.

Finally, board and staff talk passionately about the need to balance whatever potential risk one sees with the Foundation’s programmatic thrust with the enormous need for innovation, direction, and attention to moving a social change agenda – one that makes truly systemic alterations to the institutions that control the lives of poor people in America. They also acknowledge the importance of focusing on families, rather than solely on children, recognizing that this holistic approach will ensure better outcomes for all.

*“I think the risk is not doing it. If we don’t end up with movement-building, we still will have trained and touched the lives of many people... Ultimately, the question we need to answer is have we done things to improve the lives of low-income families.”*

Luz Vega Marquis, Marguerite Casey Foundation

5. More recent conversations with some grantees indicate that the cluster meetings are providing venues for grantees to better understand and develop suggestions regarding the kind of assistance, beyond funding, that the Foundation might be able to provide to enable grantees to tackle network-building.

**Starting a new  
foundation  
with an  
independent  
direction;  
allied to  
an established  
organization**

*“The Marguerite Casey Foundation is evolving to strongly promote the development of parent leadership and to create a constituency of parent leaders and parent activists – low-income people who can speak for themselves and their communities’ desires to support their children... At base, those are the things we want for all the children in foster care... Those are things we care about for the foster families and biological families that Casey Family Programs has dealt with for many years. The missions are really very much aligned.”*

The Marguerite Casey Foundation is unique among foundations in that it is creating a space for grantees to work together towards an overarching goal – directly and indirectly giving voice and power to low-income families so they can seek out a better life – without asking individual grantees to set aside their individual perspectives, approaches, or primary focus. It is also singular in its decision to provide general operating, multi-year funds to sometimes fragile organizations.

The Foundation recognizes the inherent potential of its grantees to understand the possibilities for change when people, ideas, and resources are combined strategically. It is a funder of ‘change agents’ and as such it is promoting new responsibilities and new relationships among and between grantees, and eventually, among funders.

The evolution of MCF’s mission statement, values, structure, and its relationship to Casey Family Programs was uniformly described by board and staff as being developed as a result of conscious thought, thorough discussion, and deliberate effort. Specifically, the original focus on foster children led to discussions on the need for prevention of situations that put children at risk. These conversations eventually led to family advocacy and community engagement efforts aimed at movement-building to bring about social change.

There is also a recognized and accepted change in thinking on the part of MCF’s founding board members from believing that a focus on foster children and disadvantaged families meant funding projects and organizations that worked *directly with* foster care issues, to funding organizations that are working to organize and support low-income families to advocate for themselves. This change in viewpoint led to the creation of a grant program that aims to change society so that it benefits children, and thus impacts children and foster care at a more preventive level. Only one board member expressed concern about the evolution of a mission that might appear to veer too far from the original focus on foster children.

Board members also noted the sometimes delicate situation of Marguerite Casey Foundation’s relationship with Casey Family Programs – one board member characterized the former as a “subsidiary” of the latter and acknowledged the fact that a unique relationship needed to be crafted by the presidents of each of the foundations (which all agree *has* in reality been created). Without such a clarified relationship, some believe problems would have ensued. Each board member in his/her own way was decisive in explaining that the maturity of the trustees and the high level of experience each brought to the governance of the organization, has facilitated the relationship and hastened the productive nature of this new foundation, enabling it to move quickly and surely.

Over and over again, board members have maintained that while “precautions were put into place through the structure of the organization (the ‘single member’ and the overlap between the two boards) to create strong checks and balances,” the process has been smooth, consistent, exciting, and driven by strong consensus.

While the development of the Foundation is important to the board, grantees know little about the relationship between the Marguerite Casey Foundation and the Casey Family Programs – nor of the history that created MCF.

**Building  
social change  
through  
strategic  
grantmaking;  
going about it in  
different ways**

*“There’s always going to be risk, but I think we have acted prudently, given the amount of money we have, to work to build the capacity of organizations that have already demonstrated considerable success and to see how we can take that to the next level. Our goal is to have an impact on as many children and families as possible, and to do it in such a way that we’re not simply giving them food but, as is often said, ‘teaching them how to fish.’”*

After addressing the initial concerns about potential risks in the grantmaking direction of the Foundation (which are often referred to as less risky to the social fabric than not facing these social problems head on) board members were optimistic about MCF’s goal of strengthening communities through strategic grantmaking that helps families become more resilient and less dependent on public systems by advocating for themselves. While recognizing that the goals and tasks set by the Foundation loom large, and that we live in difficult socio-political times in which to accomplish these goals, there is a strong conviction that, in time, the Foundation will develop ways for its funds to be leveraged to work with government and with other foundations. Such relationships could be used as a strategic advantage to open the minds of people (business leaders, professionals, etc.) who are not low income, but who need to understand the same issues that confront the people MCF sees as its constituents. Board and staff believe that true success would be achieved when those who lament the cuts from government in social services become as vocal as those calling for the cuts.

Board members are unanimous in their belief that the grantmaking structure they have developed (multi-year, general operation funding, selected through a pre-determined solicitation process) is the best mechanism to achieve the goals set forth. Here, staff and even some grantees differ with the board’s analysis. (See specific discussion on this issue, page 11.)

And while grantees believe they are playing an integral part in movement-building, their actual activities represent a broad spectrum of efforts to accomplish this goal. Most – but not all – grantees interviewed had an advocacy/activism component to their programming prior to receiving their grants from the Foundation, and most were already deeply involved in a variety of coalitions and collaboratives. Many grantee organizations are headed by young, but seasoned, leaders – especially the smaller and newer organizations – and there is a high level of dedication and commitment. Some grantees have had great success with leadership development, some as a conscious focus and others as a fortuitous by-product.

Regardless of their length of time in operation and experience, the grantee organizations are overwhelmingly led by people with a high level of dedication and commitment – not just to their own organization, but to larger social and political goals. Among grantees, there is a high degree of respect for other organizations working on issues for low-income people. But there is also competition – especially across categories – to get their individual issues out front (education vs. housing vs. child care vs. health care, etc.). And although they talk about it, none of the groups could point to having successfully linked their issues through shared dialogue or activity long term, and there is little evidence of effective work that crosses

disciplines. Indeed, many grantees believe it is critical to determine a single galvanizing issue through which to organize.

The fact that the Foundation is funding across disciplines – where grantees share the compelling connection that they are all serving similar constituents – could create stronger and/or more interesting linkages. But such connections will take a long time to build and could require a good deal of maintenance as each organization is clearly already taxed as it attempts to organize around its issues, build a base, and “make a difference” within existing structures (government, community, schools, etc.) which are themselves organized to address singular issues (city, county, federal departments of health, education, transportation, housing, etc.). The Foundation’s role as convener could instill broader thinking among grantees and get them to think more holistically, but that could also have implications which grantees might not appreciate and which might challenge their own organization’s missions.

Opinions regarding a funder’s role differ greatly among Foundation staff, board, and grantees. Some would like to see the Foundation be an activist organization itself – going beyond the role of grantmaker. Said one board member: “I want to have it both ways. I want to be an activist foundation with mainstream legitimacy.”

Like the board, staff recognizes the importance of the Foundation’s legitimacy despite the self-described radical approach it is taking in terms of its focus on movement-building. Staff want the Foundation to be respected, not marginalized. They also want to operate in unique ways and develop unique relationships with grantees that allow the Foundation to serve as a resource for everything from technical assistance to matchmaker. However, as stated earlier, grantees do not express similar interests or do not yet understand how the grantor can have a more meaningful relationship with them. Grantees appreciate the interest the Foundation appears to have in them and their work. They are impressed with the Foundation’s overarching goals and with the decision to fund organizing and activism, but are quick to admit that their focus is more on the money they hope the Foundation will be able to leverage through partnerships with other foundations. The concept of a “network of networks” that is strongly encouraged by the Foundation is only mentioned by a handful of grantees – mostly those who have spent more time interacting with the Foundation’s key officials. (Again, a limited number of conversations with grantees who attended recent cluster meetings indicate that these meetings may be successful in exposing grantees to each other and also to the possibilities of working together for goals that can impact their shared constituents on a regional or national base.)

In general, grantees emphasize the fact that they are extremely busy and focused on “their work.” It should also be noted that some grantees don’t view themselves as “big thinkers” beyond their particular issues. The convenings could break some of these barriers, but grantees also talked of being disappointed, in the past, when visiting what they were told were model programs.

The general consensus among all interviewees is that movement-building will require a tremendous amount of financial as well as human capital, not to mention persistence, creativity, and tenacity. The current social, political and financial climate poses formidable challenges for groups seeking to effect change. “A lot of the biggest, most successful foundations tend to look for projects that have a perceivable

scope with a beginning and an end and a metric for success,” noted one staff member. The goals set by the Marguerite Casey Foundation are seen as larger, more challenging to achieve, and more complex to define, and certainly more difficult to evaluate. (See page 13 for specific discussion on evaluation.)

Finally, despite the desire of some staff to be seen as activists as well as funders, grantees do not see foundations or their staffs as being part “of the struggle,” although some acknowledge readily the role played by several established foundations in numerous historic struggles, most significantly the civil rights movement.

## **Streamlining the proposal process; contradicting the message**

*“On the surface it seems undemocratic and at odds with both our goal to be transparent and what I call the comfort-level of how we should really operate... But, I think this was a good decision as we avoided false hopes and were able to operate with a much smaller staff. We can always change this process, but it was the right way to start out.”*

MCF’s decision to reject unsolicited proposals or letters of intent is one of the most controversial of the new Foundation. Board members nearly uniformly believe this process is best because accepting unsolicited proposals would become too time-consuming and would use up too many administrative resources that could be better used by a new foundation likely to be bombarded with applicants until its philosophy is better known. “How can you be sure you’re getting the right proposals? That’s where a network becomes important,” said a board member. “You have to get someone like Luz who knows the field and knows who to go to.”

Board members stress that the involvement of community groups and potential grantees in the initial information-gathering process that resulted in the goals and mission of the newly-formed Foundation helped mitigate the Board’s decision to not accept proposals. “This was a way to have that input up front. Otherwise, we couldn’t have set up a process without requests for proposals.” Those grantees who participated in the Listening Circles and other initial convenings describe them as ‘surprisingly’ inclusive gestures that put them at the table during the goal-setting discussions. But they also note that the grantmaking policy is selective and “secretive,” rather than inclusive and responsive.

Unlike the board, most staff would like to have an open process for selecting grantees but acknowledge this would necessitate additional staff support. Still, some staff are concerned that the process is “undemocratic” and is inconsistent with the Foundation’s stated values that include transparency. “It still disturbs my soul that it isn’t open to everyone. If we’re trying to build democracy, *we* should also be democratic.”

Board members noted that Foundation policies are not necessarily set in stone. “If we find over time that it’s not working, we have the capacity to change it.”

Despite the Foundation’s position regarding its process of identifying potential grantees, nonprofit organizations continue to approach the Foundation with letters, calls, and other means to attract the attention of staff. These organizations express frustration with the Foundation’s process and stress that it is not possible for the Foundation to be aware of the work of all appropriate potential grantees. They also talk of an inconsistent and somewhat disorganized approach to responding to these unsolicited communications. “Customer Service” is criticized, although this could be attributed to dissatisfaction on the part of rejected organizations.

Conversely, several grantees who were interviewed said they were uncertain how they were “found” by the Foundation. Others seem to believe they know the direct linkage. In either case, grantees sometimes refer to their grant as “winning the lottery.”

Like staff, grantees disagreed with, but understood and respected the Foundation’s decision. “I think it’s strategic the way they’re doing it,” said one grantee. “Sometimes fair and strategic ain’t the same thing.”

Some tension exists between some grantee organizations and their colleagues (often partner organizations in collaborative efforts, independent of MCF) who have not been identified by the Foundation for funding.

Additionally, while this report did not focus on the Washington State grantees, casual discussions with grantees from the “home state” indicate some level of confusion about how their grants fit with the larger goals of the Foundation. At the start of the Foundation, local organizations wondered why they weren’t in the pool of potential grantees. Now, while grateful for the grants they have received, they wonder about the selection process, about the amount of their grants, about their relationship with the other grantees whom some know as colleagues and thus are aware of the larger role the non-Washington state grantees appear to have within the Foundation’s goals, and about continuity of funding.

**Agreement on  
need to evaluate  
impact of MCF  
grantmaking;  
potential  
disagreement on  
measurements**

*“In one sense evaluation’s not risky at all, because it’s so hard to measure success in this type of work; in another way it’s very risky because it’s so hard to measure success in this type of work.”*

There is overwhelming recognition – among board members, staff, and grantees – of the need for an evaluation process to gauge the impact of the Foundation’s work, and the need to document change and success both quantitatively and qualitatively. Many believe this is one of the biggest and most important challenges faced by the Foundation and by the grantees. “It’s very difficult to say there’s a cause-and-effect relationship between our grant for general support and that on the other end, in three years, there will be a stronger, more secure set of families who really know how to go out there and hustle for themselves,” summarized one board member. “We have to agree on some short- and long-range outcomes that will start to paint a picture of what is happening. Ultimately, the question we need to answer is: have we done things to improve the lives of low-income families?”

To that end, the Foundation has implemented a phased, multi-strategy approach to evaluation, including quantitative and qualitative methodologies – clearly different from the way many foundations approach evaluation. Initially, MCF is focusing its evaluation efforts at four levels: individual grants, clusters of grants, cross-cutting metrics, and performance of the Foundation itself. Other methods of evaluation are likely to evolve over time, just as MCF’s grantmaking priorities have been refined along the way.

A number of grantees are presently engaged in tracking their “clients” to inform their organizing efforts and programs, while others have been trying to develop internal systems of recording and self-evaluation. Grantees are anxious to show tangible results, many of which they feel will be legislative in nature. Many grantees also believe that getting their issues into the public mindset via the media is also important and several are quite sophisticated in bringing attention to their causes through media manipulation. However, general suspicion remains about what it means to measure success and how (and who) defines “success.” Some grantees believe different measurements will have to be used for different types of organizations, for different topic/issue areas, and even for different regions of the country. And grantees worry that the Foundation may have different definitions from their own regarding measurements of “success” and that their internal goals regarding mobilization to bring attention and to change policies at the local level may be overshadowed by the Foundation’s larger goals which could eclipse the “on-the-ground” needs of their constituents. But, despite the variations of thinking about “evaluation,” all agree (board, staff, grantees) that it is critical to be able to document successes, and to find out if, and how, some methods work in comparison to others.

The board talks about tracking “results” and about being able to document change, success, and the Foundation’s impact on the ability of low-income families to help children succeed. They stress finding “ongoing ways to measure where we are, at points in time,” the use of “definable, substantial metrics,” and “developing a clear approach to evaluating effectiveness and defining impact in areas such as health, education, and empowerment of families.” They are also intent on wanting

to share the knowledge gained by the Foundation with others and developing a process to replicate the work of the Foundation as a way to gain credibility, especially by showing that the Foundation knows how to partner with grantees. Grantees support, but also fear, “evaluation” stressing the importance of understanding the unique experiences and challenges they each face. They fear the typical number-counting and outcomes-based evaluations that foundations and professional evaluators often impose on grantees and want to be certain that lessons learned and personal observations are part of the process.

While board members see evaluation and measurement as *the most formidable task* the Foundation faces, grantees -- almost unanimously -- say the greatest challenge for the Foundation is having the patience necessary for effective movement-building. “Even though the Foundation says that it understands that this work takes time; that making change requires enough time, sometimes folks get antsy about change -- that it’s not happening fast enough,” said one grantee. Almost all worry that the Foundation’s expectations are going to push for faster results than grantees believe is possible in this kind of work. For them that is the challenge the Foundation must confront and they worry the Foundation doesn’t completely understand this. The message from grantees to the Foundation is resounding: “Be patient; this work takes time; it is not like developing programs and delivering services.” Board members acknowledge they have become engaged in a long term effort, but they consistently discuss identifying “results.”

## High hopes for the future; uncertain times

*“I think it is one of the most humane things I’ve ever heard coming from a foundation. Now the resolve to do it, the time and the patience to do it is another story. I’m not sold, even though I’m told the board has bought in. The question is: will they stay when the heat starts to rise?... I feel that even as much as they talk about being in it for the long haul, they don’t know what “the long haul” is. And that even though they talk about understanding that it takes time for change, folks get antsy about change... that it’s not happening fast enough. And there needs to be a recognition that it’s going to happen in an unbalanced way around the country.”*

Board and staff members have similar hopes that the Foundation matures into a strong and well-regarded organization that is well understood and comes up with a set of early findings that are broadly disseminated: “real findings that show up in the body politic.” Board members are confident that over time (which they describe as somewhere between from five and 20 years) they will see some of the impacts of some of the groups MCF is funding in changing systems and/or policies that affect families and children.

“Our hope is that parents who are part of the organizations we are funding will have voices that are strong; that the success is evident in the way those parents operate; and that some of the things these organizations we are funding seek to realize will have been accomplished – whether it is improving public health outcomes in a given community in the *colonias*, or maintaining a land trust for black farmers.”

One board member mentioned the longer term role of the board as an important challenge down the road. “We spent a lot of time developing the mission, values, criteria, goals. Our next task will be to determine how we can be most effective in the next phase of the Foundation’s development. How can we use our areas of expertise to help the Foundation?”

Another board member expressed hopes for the emergence of multiple audiences over time. Currently, the main audience appears to be other foundations. Over time, it is hoped that MCF will attract the attention of influential citizens, thought leaders, and government officials, grantees stress.

Staff expressed differing degrees of uncertainty regarding the future and the final structure and operation of the Foundation. Some regarded their individual roles also “still evolving.”

Grantees were generally optimistic that the future would hold measurable changes for the better. “I think it’s something that’s very much attainable because we’ve got a lot of sharp people out there in those communities that get up every day and are able to survive when they pretty much have the cards stacked up against them,” noted one grantee. “Imagine if we’re able to give them what they need to grow. I think it’s limitless.”

Board members, staff, and grantees all agreed these were challenging times for movement-building, given the continued conservative shift in the nation’s cultural and political institutions. “I think we have to acknowledge the lay of the land,” stressed one staff member.

“We’re not naive,” said a grantee. “This is a very conservative time in our history.” And grantees stress that moving low-income families from survival mode to

activism in today's economic climate is a formidable task. "I can't expect families to march to Washington or work on a piece of legislation when they're in crisis. How are families making the rent? I don't know. How are they maintaining on two minimum wage jobs? I don't know. And then you're asking them to resource 'a movement?'"

Many grantees acknowledged challenges of the times that relate to their specific constituencies, often referring to race as a key factor. "There's more hopelessness since September 11<sup>th</sup>, but there's even more hopelessness because they're targeting Latinos, especially undocumented ones. So there are fewer people willing to stray out into the community."

*"It's building a vision that takes us forward. We say that hindsight should give you foresight. You can't drive by looking in the rear view mirror or you're going to run into something. Part of the work is making sure that we are looking at what we have learned and how not to fall into those same traps of the past. But, how do we move forward? And what are the things we need to be doing now to make sure that what we want is really there?"*

**Building an  
image as a  
leading  
foundation;  
risking  
marginalization**

*“The critical point was focused around how we ensure that this new entity is a high performing, value-adding organization.”*

One challenge the Foundation faces is the contradictory desire to be seen as a mainstream foundation by the “big guy foundations” and as an “activist” organization by its own constituencies. “I want to have it both ways. I want to be an activist foundation with mainstream legitimacy.”

Some board and staff members were more comfortable with the idea of being seen as an activist organization than others. “Social change is a phrase we have trouble with, because a lot of people don’t like it. It’s not the phrase we want to use,” said one board member. Added another: “‘Activist’ is a bold word to use in 2003.” And another board member cautioned: “The traditional politician, for one, is not going to like what we’re doing. We are hatching pot stirrers.”

Moving forward, the Foundation will have to reconcile its wishes for mainstream legitimacy with the nature of its grantmaking, much of what the mainstream establishment would easily characterize as left of center.

As one grantee pointedly put it: “I think one of the challenges is to ensure that folks don’t think the Foundation’s crazy. To say you’re going to use all your money this way is the part that other foundations would probably think is crazy. They think you can put a little into organizing, but just a small percentage, and see change happen.”

“I think another big challenge we’ll have is the moment the right wing finds us doing these kinds of things. It has been nice that the fort is so big and that we can be under the huge cover so far, but the fact that our tagline has already been challenged by the Christian Women Society of America tells you that someone’s paying attention.”

Board and staff agreed their biggest wish is for the Marguerite Casey Foundation to build an image “as a leader in the foundation world,” not for its own self-aggrandizement, but for the momentum that would be created -- allowing the Foundation and its core direction to be more effective -- to draw greater support for the larger issue of child welfare issues. The board also emphasizes the importance of sharing MCF’s knowledge through a documentation process that will help expand the work of the Foundation and enable it to gain credibility as an organization capable of partnering with others.

Although many grantees point to the Foundation as unique and innovative in its decision about funding movement-building, staff is quick to point out that the work is not completely new to the world of philanthropy; what is new is the decision to focus the entire foundation in this direction. “We’re not here to invent new things. We’re here to build on what’s gone before. We didn’t really come up with our own theory of change. This is going to be a very organic process, building on what we know works and what we know from former grantmaking. Many in the foundation world have been fighting against categorizing funding for a long time. We know that providing general support and not breaking things into categories works. We know that multi-year support works. We’re doing the right things.”

**Network  
building  
to make sustained  
connections;  
a challenge for  
grantees**

*“There’s an African proverb. It says when spider webs unite, in time it can hold the king of the beasts. Once they are linked, they become strong. It is about how we link those fragile spider webs together. The beauty of it is, the more we link, the larger it is. None of us are big enough to do it on our own. I think that if Marguerite Casey Foundation keeps doing this carefully and keeps spreading the process carefully, and bringing the right people into the process, we could be dangerous.”*

Board and staff repeatedly discussed the idea of having grantees see the Foundation as a trusted resource — “building trust between grantees and the Foundation in such a way that we can look at the gaps and problems and focus on problemsolving together.” Staff members express interest in understanding the role the Foundation plays in impacting grantees’ capacity to do their work and how to do it better. And grantees talk about survival, sustainability, and unspoken goals. One of the primary ways MCF hopes to support and strengthen its network of grantees is by making sustained connections: connecting grantees and other in an attempt to promote collaboration that builds a real movement.

In 2003, MCF hosted several important convenings — the first since the Foundation sponsored its six-city Listening Project in early 2002. “Building a network of successful, effective, committed groups of people — whether we’re talking about organizations or key leaders in selected communities who have made a difference, that network will be very important,” noted one board member. The Foundation’s role as a convener could instill broader thinking among grantees and get them to see and think more holistically (which could also have implications that grantees might not like.)

Like its goal of movement building, the Foundation faces risks as a builder of networks. “We don’t know what the end goal is, or if there is an end goal other than this metaphor of having a ‘network of networks’ and trying to think what that could look like and what the possibilities are,” explained one staff member. “To what degree? We hear that some of the grantees know each other, but do they really work together, collaborate, or learn from each other? Do they want to? Could they? Perhaps we’re naive in assuming that people in Florida have anything in common with people in Alabama. It’s really a leap of faith, which we’re reality testing with a lot of folks before we decide this is it.”

Grantees appear to appreciate efforts to convene them and to help them build relations with other organizations, but this was not a primary focus of their discussions. Well-facilitated and well-thought-out, purposeful convenings could break barriers, they say, but some are skeptical. Still, grantees are optimistic about building a network that crosses geographic and cultural boundaries to move forward an agenda of empowerment for poor people.

In addition to building networks among grantees, board members and staff talk about connecting nonprofit leaders, academics, private sector leaders, researchers, communications specialists, technical assistance experts, and others.

## **Additional thoughts; grantee challenges**

In the course of interviewing grantees, several issues surfaced regarding the kind of challenges they face as they work toward their own goals and in their efforts to expand their vision to work at broader levels, programmatically and geographically.

- ▶ Some grantees believe racial tensions between people of color and Whites as well as among and between other racial groups inhibit organizing across low-income communities and inhibit effective advocacy in policy arenas.
- ▶ Changes in Marguerite Casey Foundation staff have created confusion among some grantees and other nonprofits who are trying to understand the inner workings of the Foundation, as well as the commitment of the Foundation and its staff to the long term goals.
- ▶ Grantees see a big hurdle in helping their own constituents (especially immigrants and those who have lost hope in the system) to overcome the fear that is inherent in trying to challenge that system. They also talk about the importance of understanding the system in order to challenge it and the complex nature of these systems as a barrier to educating constituents.
- ▶ Core challenges that face nearly all of the grantee organizations:
  - managing their agency’s services while simultaneously training activists through the delivery of those services and integrating the “organizing” component into other parts of the agency (many grantees have multiple goals and programs, often with “service” programs providing a large portion of the agency’s funding);
  - organizing locally (in general, this is the most comfortable arena for grantees), while trying to network regionally (where the issues are often different and the stakeholders representing broader constituents) and sometimes nationally;
  - addressing daily internal crises while attempting to be part of bigger movements;
  - trying to discern if the Foundation has unspoken goals for grantees that belie the seemingly simple funding for general operations;
  - planning for expansion of (or intensification of) organizing efforts (and potential agency growth that could come about as a result of MCF funds), without long term security as to funding continuity beyond two-three year period;
  - weighing agency’s goal (and community benefit) of building the skills of their constituents with their internal need for productivity and professionalism;
  - leadership development and leadership transition;
- ▶ Grantees also raise issues related to working with and convening “like” organizations that are not MCF grantees, the competition of issues, double edged sword of visibility, incongruence between vision and implementation (especially with limited funds).

*“Governments do not change magically through some ‘historical radical transformation’ but only through the actual struggles of the time. When people are finally roused to protest against great odds, they take the only options available to them within the limits imposed by their social circumstances.”*

Frances Fox Piven. Poor People’s Movements

## Postscript

October 2004

In the time since the interviews and research for this report were conducted, a number of issues and concerns that were raised initially have been addressed, clarified, or reconsidered. Others, such as the concern about quantitative and qualitative evaluation processes, and how to measure success, remain challenges.

*Marguerite Casey Foundation's policy to reject unsolicited proposals or letters of intent:*

While board members strongly supported their decision that the Foundation seek out appropriate grantees rather than review unsolicited proposals, the president and most staff members were concerned that the policy was undemocratic and contradicted the Foundation's affirmation of "being transparent in its thinking and its actions." Two years later, (after several rounds of grantmaking) the policy – in practice – is seen as a positive style through which the Foundation can keep staffing and administration costs low and simultaneously become more embedded in and knowledgeable of the communities the Foundation hopes to serve.

"There's no way we could have been as effective in selecting grantees if we had to deal with the huge numbers of proposals we would have received, with an open process," said Foundation president Luz Vega-Marquis. The Foundation estimates program staff would have needed to double to handle the volume of proposals it would have received.

The staff now believes the process of "scouting" for potential grantee organizations has created a foundation with a greater knowledge of its grantmaking regions – knowing who the key leaders are, which organizations have a history of success in organizing and working to build relationships, and what the main issues confronting these communities and regions are. To some extent, it has also eliminated competition among staff. And, perhaps more important, as the Foundation seeks to identify "cornerstone organizations," its investigation of each region is critical since it seeks particular organizations with particular reach into the community and with the depth to grow and support other organizations.

*The Home State Fund:*

This report did not address the Washington State grantees, although casual discussions with some – soon after the release of the first grants – indicated confusion about how their grants fit with the larger goals of the Foundation. Grantees and non-grantees questioned the selection process, the grant amounts, and the future of the Foundation's funding in the state. In an effort to release funds to organizations in Washington, the Foundation made numerous small grants for shorter periods of time than what is reflected in its other grantmaking.

Since this time, the Foundation has clarified its grantmaking role within Washington and its participation with locally-based foundations and nonprofits. State-based grantees will participate in a convening within the next year and a program officer now has responsibility for the grantees within Washington. While the number of state-based grantees is likely to decline, the grant amounts are likely to increase, and the goals for home state grantees will be more closely aligned to the work of other grantees across the nation.

The process for approval of home state grants remains more streamlined than for national grantees, but the grants are now integrated into the board docket

and the criteria for determining the appropriateness of a grantee in Washington is the same as it is for other states and regions.

*Staffing challenges:*

Over the course of the early years, the Foundation underwent numerous changes within its staff. In many ways this was to be expected: organizations have different needs at initial start-up than they do once the structure and direction are set in motion. The Foundation has been committed to developing a diverse staff – encouraging, in some instances, bright young individuals to learn about the world of philanthropy. As a small organization, this effort did not always prove efficient given the work load and need to move quickly with grantmaking. The Foundation also brought numerous staff to Seattle from other regions which did not always work successfully. Two years later, the organization appears to have found what it believes to be a strong mix of committed, talented, and appropriate staff to move the Foundation’s agenda forward.

Staff changes have been challenging for the President, who – probably more than anyone else – senses little “tremors” whenever there is turnover at any level. The Foundation is small and the chemistry of all staff is critical to the functioning of the organization. It has been noted, however, that program officers are learning to rely more on each other’s expertise and counsel. This is creating a work environment that is more appropriate to carry out the Foundation’s long term vision, values, and goals.

Most critical, however, is the fact that despite changes in personnel, the Foundation has not wavered from its core mission nor its direction.

*The relationship between Marguerite Casey Foundation and Casey Family Programs:*

It was inevitable that board members would raise the issue of the sometimes delicate relationship between Marguerite Casey Foundation and its founder and benefactor, Casey Family Programs. Despite the concern, there is general consensus that a strong strategic partnership has been established. Core to this has been the unique respect that has evolved between the President and the Board Chair. Still, the coming years will be critical as Marguerite Casey Foundation moves more independently to articulate its direction but growing in stature and experience; maturing to manage more of its internal operations and stretching to establish its place in the worlds of philanthropy and movement building.

*Resolute in its thinking: Understanding the relationship between foster care and poverty.*

Over the very short period of the Foundation’s existence, it has already seen many changes -- through shifts in staffing, policy formation, and the ongoing effort to clarify its vision and its reach. But, despite the changes, the Foundation has remained resolute in its focus and in its commitment -- to impact the lives of children in poverty, decreasing the number of children in foster care by changing the systems that inhibit the growth of strong families and mindful of the relationship between foster care issue and its root cause: poverty.