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TRENDS

New Leaders See Community Foundations as More Than a Philanthropic Bank

Dozens of community foundations have new presidents, who are turning their well-capitalized philanthropies into key players in progressive policy battles.

By *Alex Daniels*

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Rhea Suh of the Marin Community Foundation, left; Alesha Washington of the Seattle Foundation; Amy Freitag of the New York Community Trust; and Lee Pelton of the Boston Foundation.

When Alesha Washington started as president of the Seattle Foundation, a grant maker with nearly \$1 billion in assets, she declared that the organization would no longer do business as usual.

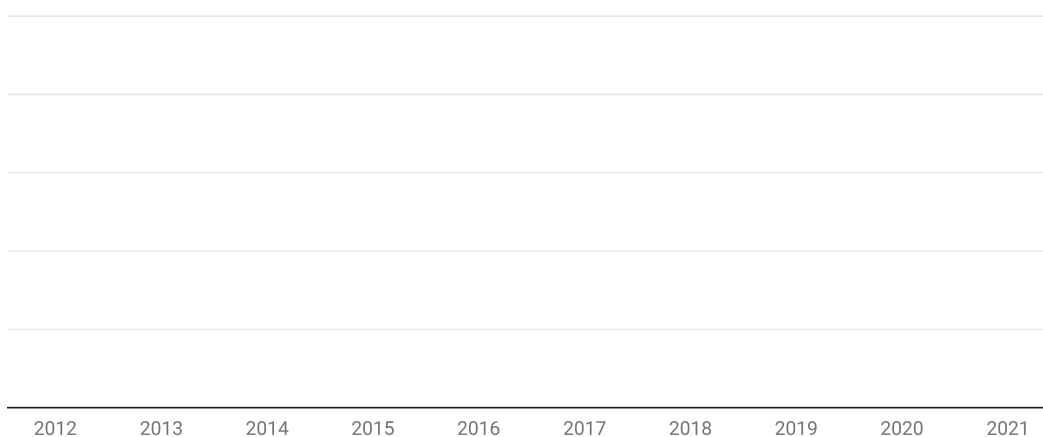
In 2022, Washington announced that the fund would stop serving simply as a philanthropic bank for its donors and become an agent of change with a greater focus on political advocacy. So in addition to presenting donors with gift options, such as how to support the local soup kitchen or finance productions at the opera, Washington said her organization’s giving would focus on achieving racial equity.

Washington is among a new generation of community foundation leaders who want to change their organizations’ philanthropic role. Instead of managing the charitable assets of local wealthy donors, as they have done for more than a century, the new leaders are attempting to form regional grant makers into a progressive policy juggernaut. By becoming players in city debates and banding together nationally to share expertise and advocacy muscle on issues that include racial justice, immigration, and climate change, the new community foundation heads are doing more than stewarding donors’ charitable dollars.

“We have to blow up the whole notion of a community foundation,” Washington says.

The new leaders are hoping to connect to new donors with activist interests. Nonprofits that are comfortable taking public stances on hot-button issues stand to benefit from new infusions of influence and dollars. But the approach may leave some nonprofits out in the cold and end up turning off some donors.

Community Foundation Assets (in billions of \$)



More than three dozen community foundations named new leaders in the past three years, as many baby boomers have retired. The new faces — including people leading funds in Atlanta, Boston, Baton Rouge, Charlotte, Cleveland, Marin County, Calif., and New York — have often replaced those who held their positions for more than two decades.

The new leaders manage a growing collection of cash. In 2021, the largest 100 community foundations controlled \$120 billion in assets, according to the most recent tally by CF Insights, a benchmarking platform run by the Council of Foundations. That's nearly double the amount five years earlier, in 2016, thanks in large part to donations that poured into community foundations' pandemic emergency funds.

Focus on Advocacy

For Washington, in Seattle, the new mode of leadership includes a heavy dose of advocacy. Community foundations often don't take advantage of the fact that they face fewer restrictions on lobbying [per IRS rules](#) than private foundations, and people like Washington think that's a mistake.

She points to the Seattle Foundation's support for housing as an example. In 2022, the foundation started the Black Home Initiative, designed to increase the number of Black homeowners in the Seattle region. As part of the effort, the foundation got directly involved in the hurly-burly of local politics. It threw its support behind a successful referendum in November, in which voters approved a levy that will raise an estimated \$970 million for new homes as well as wages for workers who provide services to low-income residents.

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The advocacy effort required Washington, who previously worked in public policy and as a program director of the George Gund Foundation in Ohio, to take on a high-profile role. She connected financial-services players, tech giants, and local elected leaders to generate support for the tax. It was, she says, a lot different than writing a check or spotlighting an issue for donors.



SEATTLE FOUNDATION

“We have to blow up the whole notion of a community foundation,” says Alesha Washington, CEO of the Seattle Foundation.

“It’s one thing just to fund a local group focused on affordable housing. It’s another thing to be supportive of and endorse a local levy that the group is also working on,” she says. “We have the ability to add extra voice and influence to complement that work.”

Washington said the foundation’s new mode has alienated some former donors, but others are behind it. Her role, she says, is different than starting a program that makes housing grants. She sees herself as a “weaver” who brings together activists, members of the business community, researchers, and elected officials and helps them achieve policy wins

Driving Policy Changes

Community foundations traditionally have responded to local emergencies and pressing needs. Since the first community foundation was started in Cleveland in 1914, the regional grant makers have established themselves as a trusted choice for wealthy residents to place their charitable dollars and then direct them to local nonprofits.

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Beginning in the 1990s, a growing number of community foundation leaders took steps to more directly involve residents in defining the charitable needs of their city or municipality.

The recent group of presidents has taken that one step further — by working with residents and local advocates as well as with other mostly urban community foundation heads, to drive a progressive slate of policy changes.

While the departure of long-serving community foundation leaders may result in a loss of institutional memory, new leaders' fresh views have the potential to change the entire community-foundation model, making it less a neutral distributor of charitable gifts, says Dana O'Donovan, who leads Monitor Institute by Deloitte.

“By having a perspective on some issues,” she says, “they’re seeing a broader role for community foundations to play beyond just the aggregation of dollars.”

Community foundation leaders face several challenges as they try to pursue a more public role on controversial issues, O'Donovan says. It is hard for regional grant makers to compete with large donor-advised fund organizations like Fidelity Charitable, which can offer razor-thin account fees. To keep money pouring in, community foundations need to attract contributions to their discretionary grant-making budget or ensure that donors are willing to make gifts that mesh with the foundation's policy goals.

Lee Pelton, president of the Boston Foundation, thinks regional foundations can make a good case to donors that higher fees help the city, because instead of being siphoned off by a major financial-services firm, they get used to run a local community foundation to make local grants.



PHOTOSBYKIM LLC

Lee Pelton, president of the Boston Foundation, is confident donors will support its equity focus. But, he says, some may fall away. “We’re not going to get 100 percent of people on board; that’s an unrealistic goal.”

“The advantage of a donor-advised fund with a community foundation is that your fees get recycled into the community,” he says. “They don’t go into somebody’s pocket.”

Pelton, a former president of Emerson College, became head of the Boston Foundation in 2021. Under his predecessor, Paul Grogan, who led the grant maker for 20 years, the Boston Foundation played a key role in advocating for public policy, perhaps most notably in his efforts to improve elementary and secondary education in the city.

Replacing the Old Guard

Over the past few years, a new group of community foundation leaders has replaced regional grant-making chiefs who in some cases had been in their positions for decades.

St. Louis Community Foundation

New: Kelvin Adams

Replaced: Amelia Bond, who led the foundation for 12 years.

New York Community Trust

New: Amy Freitag

Replaced: Lorie Slutsky, who led the foundation for 32 years.

Grand Rapids

New: LaSandra Gaddy

Replaced: Diana Sieger, who led the foundation for 36 years.

Cleveland Foundation

New: Lillian Kuri

Replaced: Ronn Richards, who led the foundation for 20 years.

Baton Rouge Area Foundation

New: Chris Meyer

Replaced: John Davies, who led the foundation for 30 years.

Community Foundation for Greater Atlanta

New: Frank Fernandez

Replaced: Alicia Philipp, who led the foundation for 43 years.

Community Foundation of Northern Nevada

New: Eaton Dunkelberger

Replaced: Chris Askin, who led the foundation for 20 years.

Boston Foundation

New: Lee Pelton

Replaced: Paul Grogan, who led the foundation for 20 years.

Community Foundation for Greater Buffalo

New: Betsy Constantine

Replaced: Clotilde Perez-Bode Dodecker, who led the foundation for 18 years.

Lincoln Community Foundation

New: Alec Gorynski

Replaced: Barbara Bartle, who led the foundation for 11 years.

Foundation for the Carolinas

New: Catherine Bessant

Replaced: Michael Marsicano, who led the foundation for 23 years.

Marin Community Foundation

New: Rhea Suh

Replaced: Thomas Peters, who led the foundation for 23 years.

The Community Foundation for Northeast Florida

New: Isaiah Oliver

Replaced: Nina Waters, who led the foundation for 18 years.

Rhode Island Foundation

New: David Cicilline

Replaced: Neil Steinberg, who led the foundation for 15 years.

Seattle Foundation

New: Alesha Washington

Replaced: Tony Mestres, who led the foundation for seven years.

Under Pelton's watch, closing Boston's racial-wealth gap has become the foundation's animating goal. He relied on an in-house research group, Boston Indicators, to guide the foundation's priorities. The group has churned out studies on how the greater Boston area's housing inventory, job market, immigration trends, and criminal justice policies affect the region's residents by wealth and race on a neighborhood-by-neighborhood basis.

Pelton has also helped establish the Greater Boston Partnership to Close the Racial Wealth Gap. The foundation — along with national financial services companies like Bank of America and M&T Bank, local universities and other nonprofits, and city officials — is working to expand home ownership among Black people in Boston by increasing the housing supply, providing down-payment assistance, and making affordable mortgages more widely available.

After spending his first two years at the foundation developing the new strategy, Pelton is now in fundraising mode. He says the decision to focus on racial equity may turn off some donors. But there will be others to take their place.

“There won't be perfect alignment,” he says. “It's just not possible. We're not going to get 100 percent of people on board; that's an unrealistic goal.”

But he hopes a substantial number of donors are interested. In 2021 and 2022, gifts into the foundation's donor-advised funds exceeded \$300 million each year, almost double the amount donors gave each of the previous years. In 2023, after pandemic-related giving died down and following a disappointing year on Wall Street, gifts were down, totaling about \$145 million.

With a singular goal of supporting equity, it would stand to reason that some Boston nonprofits would not be eligible for support from the Boston Foundation, says Jim Klocke, chief executive of the Massachusetts Nonprofit Network.

But he points out that Boston has plenty of other wealthy donors and foundations and that nonprofits of every stripe — whether they support media, the arts, health care, or education — shouldn't fear losing out on grants from the Boston Foundation, because it has spotlighted equity.

“There's an awful lot of ways in which inequity manifests itself,” he says. “It is a cross-cutting issue.”

Foundation Size Matters

It may be easier for a large community foundation to take a stance on policy issues than small grant makers, says Michael Layton, the W.K. Kellogg Community Philanthropy Chair at Grand Valley State's Dorothy A. Johnson Center for Family Philanthropy.

In a small town or county, Layton says, community foundation leaders don't want to “get ahead” of their major donors by pressing on potentially controversial issues like immigration or racial justice.

“Big city community foundations don't necessarily live in fear of scaring off a few donors because there might be others to replace them, or the size of their endowment ensures that they're going to be able to keep afloat,” he says.

Small foundations are often helmed by leaders comfortable with the traditional tasks of managing charitable assets and distributing grants earmarked by donors, says Rosemary Dorsa, a regional grant-making expert who chaired the 2023 Annual National Conference for Growing Community Foundations.

“They're not as comfortable sticking their necks out on issues and taking on a community leadership role,” she says. “Honestly, it's not for everyone.”

The new mode of leadership requires a different set of skills than regional grant makers of the past. The new leaders, says Terry Mazany, network executive of the Community Foundation Opportunity Network, need to be coalition builders as well as asset managers.

Last year the network adopted a statement of principles that said, in part, the “dismantling of structural and systemic racism” was essential to its mission to erase poverty and help get people into higher-paying careers.

In order to take such a stand, Mazany said, foundation leaders need to be respected people who are not shy about delving into hot issues. “They have to be political,” says Mazany, who previously led the Chicago Community Trust.

Two recently named community foundations come directly from the world of politics. Former Democratic U.S. Rep. Dan Kildee was named president of the Community Foundation of Greater Flint in February. And

last year former U.S. Rep. David Cicilline, also a Democrat, took over at the helm of the Rhode Island Foundation.

'Is This Some Kind of Woke Thing?'

Some foundation leaders have gotten push-back from donors and residents when they've pursued progressive agendas.

Mary Thomas, chief executive of CF Leads, a network of community foundation leaders, says that as a long-time president of the Spartanburg County Foundation in South Carolina, some people were disappointed in her decision over the past decade to put an emphasis on racial equity.

The focus, she says, was based on data — research her organization supported found that Black children did not have the same access to health care and educational opportunities as their white peers. But the move quickly became politicized, she says.

"People started saying, 'Is this some kind of woke thing? That's not our mission,'" she recalls.

Focusing on single issues, like racial justice or climate, isn't a good selling point for potential donors to the Baton Rouge Area Foundation, says Chris Meyer, who took over as president in 2022.

A big part of Meyer's job is to attract a new generation of donors to the foundation, which was led by his predecessor for 33 years. Focusing on a wedge issue, like racial equity, wasn't the best way to attract donors, Meyer found. Most effective, Meyers says, is to present findings from a recent survey that showed a majority of the area's families said they would encourage their children to move elsewhere when they grow up.

The problem, Meyer says, is a lack of opportunity for all residents, regardless of their race. The community foundation, he says, should take a "big tent" approach and work to help residents throughout the region.

"We want to elevate all boats," he says.

To do that, the foundation is attempting to raise its stature in the city and become a better-known resource for nonprofits. And while racial equity isn't part of the foundation's core mission, a key goal under Meyer is to connect with nonprofits led by people of color in the region. Last year it opened a new center that will aid such charities — and many others by offering consulting, education, and professional gatherings..

Collaborations on the Rise

Like Meyer, Amy Freitag, who became president of the New York Community Trust in 2022, feels that community foundations have historically been a "best-kept secret" and need to raise their profile.



ARI MINTZ, NEW YORK COMMUNITY TRUST

Amy Freitag, president of the New York Community Trust, says community foundations “haven’t fully realized our power ...”

With around \$3 billion in assets, Freitag says the trust is able to support efforts it began generations ago — helping, for example, the blind and visually impaired — and still make grants for emerging priorities.

Many of the foundation’s donors, she says, are very concerned about issues like climate change, mass incarceration, and immigration. Part of her job, she says, is connecting a new generation of progressive donors with nonprofits working on like-minded issues as well as with public officials who can advance legislation.

Last year, as the immigration crisis mounted, Freitag arranged a meeting between several donors, grantees, and the city’s commissioner of immigrant affairs. The discussion not only helped connect donors with nonprofits working on the issue, it was a prelude to a more concerted effort between city government and philanthropy.

Since 2022, the New York Community Trust has been instrumental in directing \$24 million from a total of 17 state-based funders to address immigration. Last March, the city joined the trust and several other

philanthropies in pooling \$2.2 million for the “Welcome NYC” fund, which supports workforce training and legal services for recent immigrants.

Shortly after taking over at the trust, Freitag attended a meeting of the largest several dozen community foundations in the nation. Almost half of the leaders in the room were newbies like her, who shared similar priorities.

“We haven’t fully realized our power as a network of very similar organizations,” she says. “We’re different in scale, sure, and we have very different geographies. But we’re all proudly place based, and really, really close to the ground.”

In May 2023, the New York Community Trust [announced](#) the Community Foundation Climate Collaborative, a group of leaders who want to influence climate change policy.

The collaborative is helping nonprofits apply for federal grants and also wants to raise at least \$25 million in a pooled fund. The money would go to help community foundation leaders identify nonprofits involved in climate justice, to ensure that federal support flows to areas vulnerable to environmental disasters, especially those with large populations of people of color.



Community foundations working together can solve common problems, says Rhea Suh, president and CEO of the Marin Community Foundation. “The solutions to many of the things that we’re looking for, and leadership that we’re so desperately craving today, is likely to come from the local level.”

The collaborative will share ideas about what has worked in their cities with other community foundation leaders. In doing so, Rhea Suh, president of the Marin Community Foundation, who previously served as an assistant secretary in the U.S. Department of the Interior during the Obama administration and led the Natural Resources Defense Council, hopes that community foundation leaders can demonstrate their political sway.

Says Suh: “The solutions to many of the things that we’re looking for, and leadership that we’re so desperately craving today, is likely to come from the local level.”

Correction (March 25, 2024, 2:19 p.m.): An earlier version of this article mistakenly said that Lee Pelton started the in-house research group Boston Indicators. He relied on it but did not start it. It also referred to the Monitor Institute by Deloitte as the Deloitte Consulting’s Monitor Institute.

We welcome your thoughts and questions about this article. Please [email the editors](#) or [submit a letter](#) for publication.



Alex Daniels

Before joining the *Chronicle* in 2013, Alex covered Congress and national politics for the *Arkansas Democrat-Gazette*. He covered the 2008 and 2012 presidential campaigns and reported extensively about Walmart Stores for the Little Rock paper.

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