

Community Philanthropy

By BRET BICOY

“Participation is the new endowment.”

With the Charles Stewart Mott Foundation’s release of a report titled “The Value of Community Philanthropy,” a panel discussion of experts was convened to discuss the issue. It was there that I came across this quote from Janet Topolsky.

As the Director of the Community Strategies Group at the Aspen Institute, Topolsky has long been a leading advocate for the creation of broad, flexible community endowment funds everywhere, and in rural communities in particular.

Topolsky’s premise is that small cities and rural communities essentially operate “from paycheck to paycheck.” Tax dollars and the annual campaigns of nonprofits in small communities often struggle to meet current needs. Like a family with little savings, rural communities then often have nothing left over to deal with a large overarching community issue or unexpected challenge. Building a community endowment fund creates a permanent, flexible, and locally controlled pool of assets that can be deployed to address these large local concerns. As Topolsky once wrote, “Permanent philanthropic capital that is of, by, and for the community is a missing link in the bundle of assets that all communities need to build better, more independent, desired futures.”

In most small cities and rural communities, the modest, local commu-



Illustration: Ryan Miller

nity foundation is the only institution that is actively trying to build these flexible community endowment funds that can be used to meet any community need. While community foundations have been around for more than a century in the largest cities across the country, they are a relatively new phenomenon in small communities. In fact, of the approximately 1,500 community foundations in the world, roughly 80 percent of them were created in the last 25 years, and most of them in small cities or rural communities. At the Door County Community Foundation we’re only 16 years old. Hence, with so many young small community foundations, we’re only just beginning to truly understand the broader implications of this movement to build rural community endowments.

In the article “Community Endowments for Community Futures,”

Topolsky wrote, “About two years ago it dawned on me: Small rural communities that were working hard to build a community fund seemed to be experiencing significant positive non-financial effects well beyond the slow but steady amassing of permanent philanthropic capital.”

That’s what Topolsky means when she said, “Participation is the new endowment.” We are finding inherent and often unexpected benefits that come from a community working together to build a pool of philanthropic assets beyond the value of the money itself. “There appears to be a new force in philanthropy driven by ordinary people working from the bottom up of our societies, rather than by wealthy people working from the top down,” notes the Mott Foundation report. “The shorthand term for what is occurring is ‘community philanthropy.’”

What we are beginning to recognize is that the process for slowly amassing financial assets in a community endowment is also developing human assets and social capital. That non-financial capital is proving to be a kind of endowed asset which pays off in terms of subsequent philanthropic acts unrelated to the community endowment fund itself.

As explained in the Mott Foundation report, “A key tenet of community philanthropy is ‘help the other but help the other to help the other,’ so that each act of philanthropy begets other acts of philanthropy.”

In the Council on Foundations’ publication *Philanthropy & Rural America*, Topolsky wrote, that “Yes, financial assets are important. But as important in rural areas are the community fund’s help in building organizational assets (the community endowment plus the nonprofits it helps strengthen); leadership assets, in the form of the board, advisory committees and volunteers that the community fund energizes in the community; and action assets, when it incubates or operates essential programs to address persistent problems or emerging issues.”

We’ve discovered that these unexpected benefits from the drive to build community endowments have great value. The community philanthropy movement is an attempt to turn these unexpected benefits into a goal unto itself.

While there is no single definition of “community philanthropy,” it generally refers to a deliberate effort to mobilize capital of all kinds – financial, human, social, intellectual, and civic

– which can then be used to address some future community need.

If you doubt the value of community philanthropy, just look around Door County and you’ll see informal examples of it at work. Annika Johnson and her late son Bo have inspired thousands of people, many of whom were never involved in anything before, to give of their time and money to the GO BO! Foundation. Those moneys are used to support cancer research and provide financial assistance to families with children facing a life threatening illness.


While it’s incredible that a single GO BO! Foundation bake sale can raise \$30,000, it’s even more amazing to see the legions of volunteers who stepped forward to bake, organize, and sell the goods. From senior citizens, to working families, to school groups, the GO BO! Foundation is inspiring countless people to become involved in civic life that will eventually extend beyond the GO BO! Foundation itself.

Similarly, the reach of the Women’s Fund of Door County has been tremendous as well. It’s one of the few charitable efforts that has equal participation from both seasonal and year-round residents. Contributions are used to fund a wide range of activities that nurture and support women and girls in Door County.

The Donors and volunteers of the Women’s Fund are drawn from nearly every corner of Door County. Perhaps what’s most wonderful to see is how these newly engaged women begin to get involved in other civic and charitable activities beyond the Women’s Fund.

The Mott Foundation report notes that “Having local people involved as donors is a game-changer in efforts to build civil society and enhances the prospects of sustainability of external funding when the program ceases.”

Community philanthropy reminds us that beyond the value of the dollars raised, there is substantial value in inspiring people to take action and building the relationships required for a community to act as one. This is an effort to take human and social capital from merely being a side effect of an effective philanthropic effort and transform it into a deliberate goal sought out for its own value.

“Community philanthropy tends to operate from the bottom up, with local actors taking the initiative,” notes the Mott Foundation report. We’ve seen accidental and informal examples of this in Door County and beyond. Imagine what we could accomplish if we were more deliberate and formal in our efforts to engage and inspire citizens to become community philanthropists. 



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