Environmental Equity

Across the region, foundations are bringing people together to combat the threat climate change presents to vulnerable communities – and build resiliency. | Page 3

Also in this issue:

From Charity to Change:
Over the last 50 years, SECF members have embraced new tools, new strategies and new priorities. | Page 6

People Power:
One family foundation is leading an effort to preserve affordable housing in its community. | Page 9

Statement of Intent: The Southeastern Council of Foundations strives to support Members and grantmakers with access to education, resources and networking by serving as a convener and facilitator, offering a diverse range of voices and perspectives. We do not endorse colleague organization views, but rather aim to provide access to a broad range of information and resources to increase grantmaking impact and develop philanthropic leaders throughout the region.

About Inspiration: Inspiration is published four times a year by the Southeastern Council of Foundations (SECF), for the benefit of its Members. The views expressed in Inspiration are not necessarily the views of all SECF Members. We welcome articles, comments and suggestions – please address all communications to SECF’s Marketing & Communications Director, David Miller, at david@secf.org.

Connect with SECF: Visit us on the web and on social media!

<table>
<thead>
<tr>
<th>featured</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
</tr>
<tr>
<td>6</td>
</tr>
<tr>
<td>9</td>
</tr>
</tbody>
</table>

sections

<table>
<thead>
<tr>
<th>2</th>
<th>Letters to Philanthropy</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Notes from the Field</td>
</tr>
<tr>
<td>12</td>
<td>New Members</td>
</tr>
<tr>
<td>13</td>
<td>Southeastern Soundings</td>
</tr>
<tr>
<td>14</td>
<td>Foundation Faces</td>
</tr>
</tbody>
</table>

about SECF

On the cover: A “smartflower” solar system is unveiled by LaGrange Housing Authority CEO Zsa Zsa Heard and facility manager Earnest Pickett, a partnership with nonprofit Groundswell to provide clean energy in LaGrange, Georgia (Photo courtesy of Groundswell).
Dear Friends,

Every year, SECF strives to offer its members the best Annual Meeting experience possible. I am proud of the lineup of speakers and sessions we’ve offered at each of them, the product of hard work by our staff and member volunteers.

Having said that, I can also say that the agenda for our 50th Annual Meeting is the best SECF has ever put together!

Why? First, look at our schedule of keynotes and plenaries. Our opening keynote by Isabel Wilkerson, author of *The Warmth of Other Suns*, will immediately ground the meeting in both the past and future of the Southeast as we look at the mass-exodus of African-Americans from the region in the 20th century and the stunning reversal of that trend in recent years.

Attendees interested in tactics, tools and strategies will learn plenty from our first two plenary sessions. First, a panel of experts will help us examine philanthropy’s role in preserving the pillars of our democracy – especially a free and independent press. The rise of the internet, while beneficial in many ways, has devastated local newspapers, especially in the Southeast. Foundations, however, are stepping in to support local reporting initiatives that keep citizens informed about their communities. The Knight Foundation has been a leader in this area, and we are excited to have its president, Alberto Ibargüen, and vice president of journalism, Jennifer Preston, joining us.

Later that day, we will learn about a tool every foundation can use: storytelling. Many in philanthropy spend their days immersed in financial statements and spreadsheets. On their own, these documents have little power – but they contain powerful stories that can move hearts and minds, influence decision-makers and contribute to a larger narrative on philanthropy’s impact. Telling these stories is its own skill, one that Andy Goodman, director of The Goodman Center and author of *Storytelling as Best Practice*, will help us develop to use in our own work.

The final day of the Annual Meeting will offer no shortage of inspiration, beginning with remarks from Philippe Cousteau, Jr. Following in the footsteps of his legendary grandfather and father, Philippe has emerged as a prominent advocate for protecting our planet, especially its oceans. The existential threat of climate change can seem overwhelming. Philippe, however, will use photos and videos to show us a way forward.

Our closing keynote will be delivered by one of the country’s most powerful advocates for equity and justice. Bryan Stevenson had already established himself as a national leader through his work on behalf of death row inmates at the Equal Justice Initiative, which he founded and leads. Last year, however, he became a household name following the opening of The National Memorial for Peace and Justice, dedicated to the victims of lynching, and The Legacy Museum, which tracks the history of racial injustice in America from enslavement to today’s mass incarceration. Our members have requested Bryan as an Annual Meeting speaker for years, and we are incredibly excited to welcome him to Atlanta.

These speakers are, of course, only one part of the Annual Meeting – our lineup of breakout sessions is also incredibly strong! Designed and built by our Annual Meeting Planning Committee, these are opportunities to dig deep into emerging trends and best practices, learn about the issues facing our region, its communities and its people, and explore ways foundations can maximize their effectiveness.

We are also offering many opportunities to explore our host city of Atlanta. Along with several site visits and activities, this year’s meeting will feature a Thursday evening salon dinner series – these intimate gatherings will offer the chance to connect with experts on the arts, education, civil rights and sustainability amid incredible surroundings like the Center for Civil and Human Rights, the Woodruff Arts Center and The Kendeda Building for Innovative Sustainable Design!

How did all of this come together? Building the Annual Meeting normally takes the better part of a year, but we knew marking a half-century of SECF demanded even more. We convened a 50th Anniversary Task Force in 2017 – the ideas they formed fed directly into our Annual Meeting Planning Committee and our Atlanta Host Committee. Each of these groups were supported by our hard-working staff and led by dedicated SECF members: John Lanier and Mason Rummel chaired the 50th Anniversary Task Force, Alicia Philipp and

Member input was critical to planning this year’s anniversary celebration and Annual Meeting, and it will be just as essential to the work ahead.

Janine Lee, President & CEO

Dear Friends,

Every year, SECF strives to offer its members the best Annual Meeting experience possible. I am proud of the lineup of speakers and sessions we’ve offered at each of them, the product of hard work by our staff and member volunteers.

Having said that, I can also say that the agenda for our 50th Annual Meeting is the best SECF has ever put together!

Why? First, look at our schedule of keynotes and plenaries. Our opening keynote by Isabel Wilkerson, author of *The Warmth of Other Suns*, will immediately ground the Annual Meeting in both the past and future of the Southeast as we look at the mass-exodus of African-Americans from the region in the 20th century and the stunning reversal of that trend in recent years.

Attendees interested in tactics, tools and strategies will learn plenty from our first two plenary sessions. First, a panel of experts will help us examine philanthropy’s role in preserving the pillars of our democracy – especially a free and independent press. The rise of the internet, while beneficial in many ways, has devastated local newspapers, especially in the Southeast. Foundations, however, are stepping in to support local reporting initiatives that keep citizens informed about their communities. The Knight Foundation has been a leader in this area, and we are excited to have its president, Alberto Ibargüen, and vice president of journalism, Jennifer Preston, joining us.

Later that day, we will learn about a tool every foundation can use: storytelling. Many in philanthropy spend their days immersed in financial statements and spreadsheets. On their own, these documents have little power – but they contain powerful stories that can move hearts and minds, influence decision-makers and contribute to a larger narrative on philanthropy’s impact. Telling these stories is its own skill, one that Andy Goodman, director of The Goodman Center and author of *Storytelling as Best Practice*, will help us develop to use in our own work.

The final day of the Annual Meeting will offer no shortage of inspiration, beginning with remarks from Philippe Cousteau, Jr. Following in the footsteps of his legendary grandfather and father, Philippe has emerged as a prominent advocate for protecting our planet, especially its oceans. The existential threat of climate change can seem overwhelming. Philippe, however, will use photos and videos to show us a way forward.

Our closing keynote will be delivered by one of the country’s most powerful advocates for equity and justice. Bryan Stevenson had already established himself as a national leader through his work on behalf of death row inmates at the Equal Justice Initiative, which he founded and leads. Last year, however, he became a household name following the opening of The National Memorial for Peace and Justice, dedicated to the victims of lynching, and The Legacy Museum, which tracks the history of racial injustice in America from enslavement to today’s mass incarceration. Our members have requested Bryan as an Annual Meeting speaker for years, and we are incredibly excited to welcome him to Atlanta.

These speakers are, of course, only one part of the Annual Meeting – our lineup of breakout sessions is also incredibly strong! Designed and built by our Annual Meeting Planning Committee, these are opportunities to dig deep into emerging trends and best practices, learn about the issues facing our region, its communities and its people, and explore ways foundations can maximize their effectiveness.

We are also offering many opportunities to explore our host city of Atlanta. Along with several site visits and activities, this year’s meeting will feature a Thursday evening salon dinner series – these intimate gatherings will offer the chance to connect with experts on the arts, education, civil rights and sustainability amid incredible surroundings like the Center for Civil and Human Rights, the Woodruff Arts Center and The Kendeda Building for Innovative Sustainable Design!

How did all of this come together? Building the Annual Meeting normally takes the better part of a year, but we knew marking a half-century of SECF demanded even more. We convened a 50th Anniversary Task Force in 2017 – the ideas they formed fed directly into our Annual Meeting Planning Committee and our Atlanta Host Committee. Each of these groups were supported by our hard-working staff and led by dedicated SECF members: John Lanier and Mason Rummel chaired the 50th Anniversary Task Force, Alicia Philipp and

Member input was critical to planning this year’s anniversary celebration and Annual Meeting, and it will be just as essential to the work ahead.

Janine Lee, President & CEO
Climate Justice & Resiliency

From the Ground Up

The John D. and Catherine T. MacArthur Foundation supports creative people, effective institutions, and influential networks building a more just, verdant, and peaceful world. Through its grantmaking, it supports efforts to turn the corner on rising emissions of greenhouse gases by 2025, a threshold beyond which scientists agree that rising seas, severe droughts, and food and water security become permanent challenges to humankind. To meet that goal, international leadership and cooperation – particularly from the United States, China, and India – is needed to slow the rate of climate change quickly and to put in place the systematic changes needed to drive down emissions steeply in the long term.

By Kari Lydersen, for the John D. and Catherine T. MacArthur Foundation

Any time there is a heavy rain, residents of Atlanta’s historic Mechanicsville neighborhood see their streets and yards flooded by polluted runoff from highways that surround the low-lying enclave. The inundation poses a public health risk and makes it hard for people to go about their daily lives – a number of families have been displaced from Mechanicsville and adjacent Peoplestown because of flooding.

Bouts of heavy rainfall have already become more frequent and are expected to keep increasing because of climate change, along with heat waves and other extreme weather. Low-wealth communities and communities of color like those in Mechanicsville are, studies show, most likely to bear the brunt of these events, both across the United States and around the world.

Above: Campers in Trees Atlanta’s tree-keeper summer camp learn about water as a limited resource through environmental education programming at the West Atlanta Watershed Alliance’s Children Forest Network facility. Photo courtesy of West Atlanta Watershed Alliance.
A 2018 report released by the Intergovernmental Panel on Climate Change noted that future climate change impacts are likely to be much worse than previously expected, even within the next decade. The American South is particularly vulnerable, as miles of coastline and low-lying land are susceptible to flooding and damage from increasing storms, and agriculture can be devastated by drought and other extreme weather.

Meanwhile, the same communities most vulnerable to climate change are also the most affected by pollution from the fossil fuels that drive rising temperatures. Low-wealth people and people of color are more likely to live close to emissions sources like coal plants, oil refineries and highways. Such emissions are linked to higher rates of cancer, respiratory and cardiac disease, and other ailments.

Adding insult to injury, residents of the Southeast pay among the highest rates for electricity nationwide, with high bills having the greatest impact on low-wealth households.

“Some of the largest energy burdens for consumers can be found in the South, and then think about issues around extreme weather, whether it be drought or flooding. It creates an intersection of disparities and injustices,” says Nathaniel Smith, founder and chief equity officer of the Partnership for Southern Equity, a consortium of stakeholders that push for an “equity ecosystem” around energy, development and economic inclusion.

But across the Southeast, communities are mobilizing to build resiliency that will help them deal with the effects of climate change, and they are building more sustainable economies and energy systems that help mitigate climate change for future generations while also offering other health, environmental and economic benefits.

Mechanicsville is a prime example. There, organizations are working together to help residents play a lead role in addressing the flooding crisis and reshaping the area with green infrastructure and sustainable design.

The grassroots group Environmental Community Action (ECO-Action) worked with students, faculty and staff at Spelman College and other local universities to develop a comprehensive green infrastructure plan to take stormwater out of the local combined sewer system. Now they are working with city officials and other stakeholders to implement it. ECO-Action members are also spreading awareness and education about flooding through formal events, like the Atlanta Watershed Learning Network training series, and neighbor-to-neighbor informal networking.

“Flooding with combined sewage carries public health risks and destroys public and private property,” says ECO-Action executive director Dr. Yomi Noibi. “Every little drop that is captured makes a difference” – a statement that is both literal and symbolic of the grassroots push for climate justice happening across the Southeast.

**Seats at the Table**

SECF members within the region are supporting organizations working for climate justice, as is the Chicago-based MacArthur Foundation, in order to mitigate the impacts of climate change, helping to build the capacity and impact of local and state-based organizations,” explained Vodopic.

The country as a whole is shifting to a cleaner energy system, with the price of wind and solar power becoming competitive with fossil fuel generation, transportation becoming increasingly electrified, and corporations and government agencies investing in carbon emissions reductions. However, many community leaders fear that this shift is being made in a top-down way that does not benefit the marginalized communities that have disproportionately borne the burden of the fossil fuel economy.

So, community organizations and leaders, with the support of SECF Members – including the MacArthur Foundation – are taking things into their own hands, demanding a seat at the table in policy discussions, educating and empowering residents to advocate for themselves, and preparing for and creating jobs in the clean energy, sustainability economy.

Similar to ECO-Action’s training program, the Just Energy Academy, run by the Partnership for Southern Equity, trains residents in energy policy and how to engage decision-makers.

Since the City of Atlanta has committed to an ambitious clean energy plan, graduates of the Just Energy Academy and other residents have a venue to share their ideas and priorities and see them put into action. The Partnership for Southern Equity worked with the city to ensure commitments to equity were enshrined in the plan, including job creation in weatherization and energy efficiency.
“How can we make sure that, as homes become more energy efficient, and we use alternative sources of energy like solar, we create opportunities for economic prosperity for the people who are in communities that were disinvested in the past?” asks Smith.

Michelle Moore, a small-town Georgia native and former federal environmental executive in the Obama administration, notes that while urban areas often feature stark divisions in wealth, rural parts of the South are largely low-income, and rural residents spend a disproportionate amount of their money for energy. That is why nonprofit Groundswell, where Moore is CEO, focuses on providing solar energy and energy efficiency for rural Georgia residents by working together with small rural and municipal utilities.

One such member is The West Atlanta Watershed Alliance (WAWA), which is among the grassroots groups working with federal and local agencies and other partners to transform Proctor and Intrenchment creeks, which run through the heart of Atlanta. Sewage is released into the creeks when the city's system is overwhelmed during heavy rains, creating a health hazard.

But two new parks and other green infrastructure constructed in the watershed reduce flooding and sewage releases, and more projects are in the works. WAWA members play a lead role in these efforts and in citizen science monitoring of the creeks' water quality.

“We in the Sun Belt had lots of development in the 1970s and ‘80s, when we were thinking we could build our way out of problems,” WAWA Education Director Darryl Haddock says. “Now we have all this sprawl that creates so much more stormwater. We need to rethink how we’ll build, with green infrastructure, putting in rain gardens, ways we can mimic nature to capture water.”

Green infrastructure “can help with flooding, improve water quality, bring the community together, and if you plan upfront and work with the right partners – it can also create jobs for people in the impacted neighborhoods,” notes Judy Adler, president of the Turner Foundation, which supports the work. “If green infrastructure is implemented equitably, it can also have public health benefits, so everyone has a place to get outside and be in nature near their home, school, and workplace.”

Local to Global

Hyper-local work like improving a creek is part of the larger push for climate justice on a global scale. The link between local and global issues is particularly evident in places like Norfolk, Virginia, where residents are pushing to end pollution from rail cars full of coal waiting to be exported overseas. The coal is uncovered and toxic dust blows into nearby communities. Residents want better mandatory monitoring of coal dust in the air; they want rail cars to be covered to minimize dust and they want better health care.

“People are educating their neighbors; they’re building power within organizations; they’re doing field work, having meetings, creating public pressure on the companies and then taking it to the legislature,” says Jillian Murphy, Program Officer at the Climate and Clean Energy Equity Fund, which receives support from the MacArthur Foundation for work in Florida and Virginia to support local climate justice and community empowerment organizations.

Community leaders say the goal is not only to be resilient as climate change makes its impact, but also to use the challenges it poses to more generally build capacity and empowerment.

“I don’t want to just be okay. We need to do better by creating more pathways to higher quality of life, to the American Dream,” says Haddock. “You move through ‘resiliency’ on the way to ‘thrive.’”
The South has always been a generous place, not only in terms of Southern hospitality, but in terms of giving to help others. That generosity has shown up in various ways, from high per-capita individual giving rankings in states that also rank among the lowest in wealth, to billions in recorded charitable giving from foundations.

“Philanthropy in the South has always been place-based, and that’s something to be proud of,” says SECF President and CEO Janine Lee. “Funders here are strongly connected to community. Donors made their money there and want those funds to benefit those places they call home.”

But over recent decades, the ways in which many foundations have gone about their grantmaking has shifted significantly, reflecting a South that is becoming more introspective and honest about its history and challenges, and more hopeful about its future.

“I always explain giving as a continuum, with charity on one end, which focuses on reducing suffering, and philanthropy at the other, which concentrates on reducing the causes of suffering,” says veteran grantmaker Karl Stauber, who is retiring from the Danville Regional Foundation this year and has led programmatic work at the Northwest Area Foundation and the Mary Reynolds Babcock Foundation during his career. “When I got into philanthropy in the mid 1970s, most of what I saw in grantmaking was more at the charity end. Often it was focused on a particular program area, but there still wasn’t much of a strategy.”

As funders have become more connected with one another through organizations like SECF, however, they have become more sophisticated in both how they view the needs of the communities they serve and how to address them. At the same time, these funders have expanded their toolbox far beyond check writing.

“There is much more collaboration now in philanthropy, more exchanges of ideas and resources,” says Stauber. “Over time, people have begun to acknowledge that they have neither the knowledge nor the financial resources by themselves to drive the progress that they would like to see. Some of the collaborations involve money, but a lot of it is reaching out to others in the field who are further ahead to learn.”

Shifting Toward Equity

Local, regional and national forces have shifted grantmakers’ thinking toward questions of equity – in SECF’s 2018 Member Survey, 83 percent of respondents reported that they are either leading work to advance equity, or are trying but want to do more.

“As a field in the region, funders are doing more to understand who we are, our history of slavery, segregation, and biases and hate,” says Lee. “They are moving more into an equity phase, trying to figure out how to be stronger, better, and higher performing in that space. They want to do it well and right, and they are calling on SECF to help them learn.”

As a part of the shift, SECF is developing its own equity framework that will be presented at the 50th Anniversary Annual Meeting this year in Atlanta.
In some cases, the focus on equity arises from tragic events, such as the massacre at Mother Emanuel AME Church in Charleston in 2015. But Darrin Goss, Sr., president and CEO of the Coastal Community Foundation (CCF) in Charleston believes that’s a diminishing coincidence.

“More and more, foundations are realizing that it’s best not to wait for a catastrophe to start talking about racial equity and social justice in their communities,” he says. “The big question they wrestle with now is how to get board, staff and community engaged in conversations that force us to acknowledge historical underrepresentation of some parts of our community and the need to make unequal investments in their success. And we have to realize that relieving suffering can only happen by listening to the people who are affected and empowering them to shape what we ultimately deliver.”

Goss adds that every investment in a smaller organization includes a commitment from CCF to support capacity development. “The nonprofits in the rural and lowest income areas are often working with the most challenged communities and people – and those are exactly the places where we can make the biggest impact,” he says.

Like other Southern funders, Coastal Community Foundation also shifted to an evaluation model that measures outcomes relative to the size of each grantee. “The issue is not how many, but how effective you are within the numbers you serve,” Goss says.

**Investing for Greater Mission Impact**

Today, in addition to using grantmaking to reinvest in the communities that created their wealth, some funders also are looking at how financial investments can support their missions. Both program-related investments (PRIs) and mission-related investments (MRIs, also known as impact investments) are becoming financial tools of choice.

The Mary Reynolds Babcock Foundation (MRBF) was one of the first in the South to engage in PRIs, and former deputy director Sandra Mikush became a strong champion for this approach. Mikush, who joined the MRBF staff in 1992, inherited a small PRI portfolio from her predecessors, including Stauber. Since then, she has watched the use of PRIs grow significantly.

A series of community listening sessions, spanning more than a year, allowed CCF to better understand challenges through the eyes of area residents and how the foundation might change its own practices and behaviors to become more equitable. The foundation then applied an equity lens to its work in one region of South Carolina and found it was making disproportionately fewer grants to nonprofits run by people of color. Today, instead of a one-application-fits-all approach, CCF uses separate application processes for smaller, larger, and first-time applicants. As a result, more and different organizations have received funding.

“A series of community listening sessions, spanning more than a year, allowed CCF to better understand challenges through the eyes of area residents and how the foundation might change its own practices and behaviors to become more equitable. The foundation then applied an equity lens to its work in one region of South Carolina and found it was making disproportionately fewer grants to nonprofits run by people of color. Today, instead of a one-application-fits-all approach, CCF uses separate application processes for smaller, larger, and first-time applicants. As a result, more and different organizations have received funding.

**Investing for Greater Mission Impact**

Today, in addition to using grantmaking to reinvest in the communities that created their wealth, some funders also are looking

“Luther Ragin of the Heron Foundation was an early proponent of mission investing, and he presented about PRIs at an SECF Annual Meeting in the mid-2000s. Around that time, the PRI-Makers Network started, which was the precursor to Mission Investors Exchange,” she says. “The use of PRIs and impact investing began to increase exponentially, especially over the past five to ten years. There are more resources available to help foundations and more advocacy. The South is a big part of the movement now.”

The Bradley-Turner Foundation in Columbus, Georgia, primed itself for PRI work somewhat unintentionally when it helped to support a $100 million arts challenge grant to strengthen and stabilize arts organizations in the city, says foundation board Chair Gilbert Miller, who also chairs SECF’s Board of Trustees.

“We realized then that we had power beyond our 5 percent payout, and that we could have outsized impact without exercising outsized influence. With that realization, our board was ready to explore PRIs,” he says.

Miller learned about PRIs through SECF programs and resources – knowledge he shared with his board. Since then, the foundation has made additional investments tied to historic preservation and affordable housing. Both generate a return of 1 percent – below market rates, but more than most grant dollars generate. Plus, Miller says, it’s a return on the foundation’s mission.

“Decades ago it was easy to see what was missing, such as a theater or a library,” Miller says. “But once those projects were done, we looked at data to see what was missing, and we saw things like high unemployment, failing schools, and other issues. We realized we needed to invest more directly in the people and neighborhoods – in things like early childhood, schools, and affordable housing.”

Other foundations, like the Morning Star Foundation, a family foundation in Atlanta, have looked at their fiduciary responsibility as stewards of foundation endowments, investing in opportunities that directly align with their missions. In order to bring its investments in line with its environmental values, for example, the foundation has diverted all energy sector investments into wind and solar power. It also has made investments in smaller companies that focus on outcomes aligned with the foundation’s mission, including one that provides healthy food options to underserved communities and another that is creating a sustainable, affordable tiny house community.
“We are now investing in ways we would never have thought of in the past,” says Mark Callaway, who created the Morning Star Foundation to engage his children in philanthropy, and who also has served on the boards of the Fuller E. Callaway Foundation and the Callaway Foundation in LaGrange, Georgia. “Investors are already demanding the ability to customize portfolios based on their values. We know where the trend is going, so we might as well get there ourselves.”

Engaging in Advocacy

Twenty years ago, very few funders even spoke the word “advocacy” with respect to their work. Now, it’s becoming a key strategy in systems change.

“We’ve realized that we can’t fund our way out of the systemic, perpetual issues we’re trying to solve,” says Goss. “We have to work with policymakers and advocacy organizations to advance policy that dismantles the structures that perpetuate problems.”

As funders recognize the importance of advocacy, they also are becoming more skilled at the nuances of this work.

“We’ve gotten more used to educating legislators about what we’re working on and why it’s important,” says Carol Butler, of the Mike & Gillian Goodrich Foundation in Birmingham, Alabama. “If you’re getting serious about wanting to see systems change, you have to invest in the building blocks – the polling, research and data. This is what we can give to policymakers to help them understand the issues and give them political cover.”

Even the traditional foundation role of community convener is a form of advocacy, says Butler.

“Foundations have acted as conveners for a long time, which is a start to finding those positions that can move communities forward. That’s the direction a lot of us need to be looking at,” she says.

Leveraging All Forms of Philanthropic Capital for Lasting Change

Whereas grants from 50 years ago may have been focused more on responses to immediate needs, philanthropy now is shifting toward fueling long-term changes in underlying systems and structures that have perpetuated inequity.

“More foundations are beginning to understand that our work is on a developmental arc that’s 20 to 40 years,” says Stauben. “As a field, we are moving away from ‘simple’ solutions. There are no silver bullets or super heroes.”

“Philanthropy as the South’s Passing Gear: Fulfilling the Promise,” the report commissioned by SECF and produced by MDC in 2017, explored the many ways in which foundations in the region had moved beyond leveraging only financial capital, but also social, moral, intellectual, and reputational capital to make deep and meaningful change in their communities.

“That Passing Gear report was pivotal,” says Lee. “Nearly 1,000 people have gathered at our Annual Meetings or in state meetings to discuss it, and we will continue to offer state sessions until we’ve reached all 11 in our membership area.”

The move toward meaningful change is more than just a shift in process; it’s a change in attitude that reflects a deeper understanding of the issues that have always plagued communities and the ways in which philanthropy must respond.

“One of our core values is courage,” Goss says. “We stand up to say we can’t move the needle unless we move differently.”
Bringing People to the Table

By Peter Panepento
Melanie and David Couchman are proving that you can, indeed, fight City Hall.

It just takes a little bit of philanthropy — and a lot of perseverance.

The Couchmans — who founded and run a small family foundation in suburban Atlanta — have a long track record of investing their time and money to improve their community.

Their Couchman-Noble Foundation, created by the couple in 2004 after they sold a successful software company, invests in efforts such as a promising after-school program at a middle school that helps underserved youth in their hometown of Sandy Springs, Georgia.

They also have an active fund at the Community Foundation for Greater Atlanta that provides critical support to a number of small, community-based nonprofits. And they give countless hours to their community by serving on a number of nonprofit boards.

“The Couchmans aren’t just generous with their money. They are generous with their knowledge and their time,” says Alicia Philipp, president of the Community Foundation for Greater Atlanta. “The number of lives they’ve touched through their philanthropy is inspiring.”

But their latest effort is perhaps their most selfless act.

Fighting for the Future of Sandy Springs

In 2018, Melanie and David agreed to volunteer as co-chairs of a task force that was charged with creating a redevelopment plan for a key section of Sandy Springs. The 14-member task force, which worked in partnership with city government, included nine members who were connected to commercial real estate development — and did not fully represent the interests of the full community, David Couchman says.

Ultimately, the task force approved a plan that would bulldoze thousands of out-of-date apartment units to help make way for newer, more upscale housing and commercial development.

On the surface, the plan made sense for the city. It would lead to a rush of new investment, expand the local tax base, and improve property values for its neighbors.

Melanie and David, however, saw a big downside. While it would help create a wave of shiny new developments to Sandy Springs, it would do so at the expense of thousands of local families, most of whom would be unable to afford the high rents and big mortgages that would be attached to the new development.

“If Sandy Springs moves forward with this plan, they would be setting a precedent that is very dangerous for affordable housing in other communities — especially those with large blocks of naturally occurring affordable housing,” Melanie says. “This would be massive gentrification on a large scale.”

What’s more, Melanie and David believed that those who would be most affected by the plan were not properly informed about what it would mean to them.

As co-chairs of the task force, they were vocally against the plan — and pleaded with their fellow members to explore other options.

Ultimately, they lost the battle.

The plan was approved — and the stage was set for a massive redevelopment plan that would gentrify a community they loved.

But while that battle was lost, Melanie and David aren’t conceding.

In fact, they’re doubling down on their opposition and are using their foundation — and their clout — to try to educate their neighbors about what’s at stake.

“We decided that since we’ve built a lot of social equity in this community that we should focus that social equity on educating the broader community,” Melanie Couchman said. “A lot of people aren’t aware of what’s happening.”

Sandy Springs Together

To help generate that awareness, the Couchman-Noble Foundation decided to devote the bulk of its effort toward a new project called Sandy Springs Together. Founded in February, it is a public awareness campaign that aims to help lower- and middle-income residents in the Atlanta suburb understand what’s at stake with the redevelopment plan and motivate them to take action.

While Sandy Springs Together is still in its infancy, Melanie and David have moved quickly to get it off the ground. They’ve played host to public information sessions, created a website and social media presence and hired public relations help to spread the word.

Because it’s a foundation-funded effort,
Melanie and David say they are careful not to lobby or advocate. Instead, they say they are trying to help their neighbors understand what’s being proposed and what is at stake.

As a result, they’re leaving their personal feelings about the redevelopment effort at the door and are instead simply providing those who would be directly affected by the new development with information about how their housing might be at risk. It means showing the business community the potential economic impact that might come with displacing their customers and workers. It means working with nonprofits to help them understand forces that would impact the people they serve.

From there, they hope people, whether residents at the grassroots or influential community leaders at the treetops, will get involved in government hearings and make their voices heard — regardless of where they stand on the plan.

“We’re not here to advocate, we’re here to educate,” David Couchman says. “Ultimately, we want to give people the opportunity to make up their own minds on the issue. But we need to give them the information so they can decide.”

What’s at Stake?

By most measures, Sandy Springs — a city of 107,000 in the shadow of Atlanta — is a thriving, growing community. It’s home to headquarters for major corporations such as UPS and Cox Communications, as well as the American headquarters for Mercedes-Benz. It’s also home to a number of families, such as the Couchmans, who have launched successful businesses and lucrative careers.

But part of what makes Sandy Springs a good place to live is the fact that it offers people like Melody Kelly a safe, affordable place to raise children in a good school district.

Kelly, who recently completed her postgraduate education, is starting her career as a chemistry professor while raising her middle-school aged daughter. They live in one of the apartment buildings that would be targeted for redevelopment under the plan developed by the task force, which means she would likely need to displace her daughter and move to another community before she finished high school.

“I’d like to keep [my daughter] in the district so she can stay with her friends,” Kelly says. “But I’m concerned. So, I’m trying to be as vigilant as possible and making sure my voice is heard.”

Before Melanie and David started their effort, Kelly said she and her neighbors were largely unaware of what was at stake.

“A lot of my neighbors are too busy to follow what’s been happening. They are working two to three jobs and have multiple children who require lots of attention,” she says.

Those who stand to profit, however, know that they have the upper hand because those who would be affected by their plans are unaware of what’s at stake, David Couchman says.

“It’s an equity issue,” David says. “It’s a fairness issue.”

Early Progress

But because of the early work of Sandy Springs Together, the balance of power is already shifting.

Kelly and many of her neighbors have started attending public hearings and raising opposition to parts of the plan.

And the city has been listening.

In May, it put out a request for proposals for a project that would focus on redeveloping four underutilized shopping centers, rather than the initial plan to raze existing residential housing.

The RFP suggests that as many as 1,200 apartments units are at least temporarily safe, Melanie Couchman says.

Even better, the city has scheduled 10 public meetings as part of the process — a sign that it is giving the community ample opportunity to shape the project.

“It means we’re having an impact,” Melanie says. “If you put enough perseverance and elbow grease behind it, you can move elected officials to do the right thing.”

But while they consider this an early victory — and are cautiously optimistic about the process moving forward — David says it will require a long-term effort to succeed.

And, he says, the foundation recognizes that what’s happening in Sandy Springs is happening in many other places, too.

Throughout the South — and across the United States — philanthropy can play a key role in working with government and the public to preserve and expand affordable housing.

“This is a long-term play. Success isn’t going to happen overnight,” Melanie says. “We are just one foundation — a small foundation — and we need to have others who want to stand with us.”
notes from the field

Do you have news about your foundation that you'd like to share?

Send your stories to David Miller, Director of Marketing & Communications, at david@secf.org.

Giving USA Report Finds Mixed Results in Wake of 2017 Tax Law

One of the first reports to offer a comprehensive look at charitable giving since the 2017 tax law went into effect found mixed results – though foundation giving showed a healthy increase.

Giving USA's annual report tallies all giving from individuals, foundations, corporations and bequests. In 2018, that amounted to $427.71 billion given to charity. While that figure is up 0.7 percent over the 2017 figure, once inflation is factored in, the report found, giving actually dropped by 1.7 percent.

Foundation giving, however, broke new records in 2018, even after adjusting for inflation – foundations made $75.86 billion in charitable contributions, an increase of 7.3 percent. Foundations also comprised 18 percent of overall giving. An analysis by Candid’s Philanthropy News Daily determined that community foundation giving rose 10.2 percent, while independent foundation giving, which includes family and health legacy foundations, increased by 7.2 percent.

Corporate giving also picked up, increasing by 5.4 percent for a total of $20.05 billion.

The strong growth in giving by foundations and in giving by corporations helped bolster total giving overall in 2018,” said Rachel Hutchisson, chair of The Giving Institute, and vice president of corporate citizenship and philanthropy for Blackbaud. “These results highlight the importance of institutions to the philanthropic landscape, and serve as a reminder that different types of approaches to philanthropy are vital for strengthening and expanding the field, especially in complex years like this one.”

Giving USA attributed the shifts to a number of economic and policy factors, including a volatile stock market and a dramatic decline in the number of individuals and households able to take advantage of the charitable deduction. While more than 45 million households itemized deductions in 2016, numerous studies suggest that number may have dropped to approximately 16 to 20 million households in 2018, reducing an incentive for charitable giving.

“The complexity of the charitable giving climate in 2018 contributed to uneven growth among different segments of the philanthropic sector. Growth in total giving was virtually flat. Contributions from individuals and their bequests were not as strong as in 2017, while giving by foundations and corporations experienced healthy growth,” said Amir Pasic, Ph.D., the Eugene Tempel Dean of the Lilly Family School of Philanthropy. “Charitable giving is multi-dimensional, however, and it is challenging to disentangle the degree to which each factor may have had an impact. With many donors experiencing new circumstances for their giving, it may be some time before the philanthropic sector can more fully understand how donor behavior changed in response to these forces and timing.”

The report is published by the Giving USA Foundation, a public service initiative of The Giving Institute. It is researched and written by the Indiana University Lilly Family School of Philanthropy at Indiana University – Purdue University Indianapolis. The full report can be purchased at GivingUSA.org.

new members of the SECF family

The following organizations have joined or reconnected with SECF since our previous issue. Look forward to seeing them at our events and programs – and give them a warm welcome!

Allegany Franciscan Ministries, based in Palm Harbor, Florida, is a supporting organization focused on community development, health, human and civil rights and youth development. Eileen Coogan is the president and CEO and Howard Watts chairs the Board of Directors.

The Charlottesville Area Community Foundation serves the city of Charlottesville, Virginia, and the surrounding counties of Albemarle, Buckingham, Fluvanna, Greene, Louisa, Nelson and Orange. Brennan Gould is the president and CEO; Jay Kessler chairs the Governing Board.

Dr. Katarina Lequeux-Nalovic, who lives in the Atlanta area, has joined SECF as a philanthropic individual. Her philanthropy is focused on supporting and operating Doggy Oasis International, a safe haven for dogs in French Guiana.

The Mary Morton Parsons Foundation is an independent foundation in Richmond, Virginia, that supports capital projects in the arts, civic and community needs, education, the environment and ecology, historic preservation and social services. Amy Nisenson is the foundation’s executive director; Thurston Moore serves as board chair.

The Robert G. Cabell III and Maude Morgan Cabell Foundation, a family foundation in Richmond, Virginia, focuses its grantmaking on the arts, community development, education, the environment, health, historic preservation and human services. Jill McCormick is the executive director and Patteson Branch Jr. chairs the Board of Directors.

The following organizations have reconnected with SECF: The Thomas H. Lanier Foundation, an Atlanta-based family foundation, and The Joy McCann Foundation, a family foundation that focuses most of its giving to organizations in the Tampa area.
Clark Casteel will take over as president and CEO of the Danville Regional Foundation in August, succeeding Karl Stauber, who is retiring. Casteel has been with the foundation for more than 11 years, most recently as vice president of programs.

Ethel Isaacs Williams is the new board chair for the Quantum Foundation. A board member since 2012, Williams is the senior vice president of development and public affairs for Kaufman Lynn Construction.

The Community Foundation of Sarasota County has promoted two team members to leadership roles. Kirsten Russell has been appointed vice president of community impact. She previously served as director of community investment. Abigail Oakes has been promoted to Director of Community Impact. Oakes previously served as manager of nonprofit services.

Jesse Coraggio, Ph.D., is the new vice president of community impact for the Community Foundation of Tampa Bay. Prior to joining the foundation, Coraggio was the vice president of strategic impact at St. Petersburg College.

Bert Clark, Doug Hooker, and Howard Palefsky have been named to the Community Foundation for Greater Atlanta's Board of Directors. Clark is an estate and business planning advisor with Estate Strategies Group; Hooker leads the Atlanta Regional Commission and Palefsky is a principal at Victoria Capital Management.

The Arkansas Community Foundation has named Ron Standridge as its new communications director. Previously, he was director of alumni and constituent relations at the University of Arkansas for Medical Sciences.

Keith Fulcher has joined the Community Foundation of Northwest Mississippi as executive vice president. He previously spent 23 years at Delta State University, most recently as special assistant to the president.

Rick Matthews is the new chief financial officer at the Hampton Roads Community Foundation. He previously was a partner at the accounting firm of Dixon Hughes Goodman. Theresa Newbill also recently joined the foundation’s staff as administrative assistant. She held a similar role at Yockey & Associates.

Wayne Price joined the Space Coast Health Foundation as communications director in March. He came to the foundation following a 20-year career as a business reporter and editor for Florida Today.
Tell us about your earliest years with SECF – how did you first get involved? What were people concerned about then?

I was a young lawyer working under the guidance of my senior partner, the late Randolph W. Thrower. Randolph was a great friend of Boisfeuillet Jones, who was the executive director at the time for the Trebor Foundation [now the Robert W. Woodruff Foundation] in Atlanta. Mr. Jones and a group of leading foundation directors in the Southeast, such as Gene Johnson of Dr. P. Phillips Foundation in Orlando, Jamie Clark of the James GK McClure Educational & Development Fund in Asheville, and several others, wanted to form a regional group of foundations to represent the particular interests of Southeastern charities. They believed, with good reason, that the interests of Southeastern foundations had not been well represented in the congressional debates that began in 1965 and led to enactment of the private foundation restrictions in the Tax Reform Act of 1969. Educational scholarships and medical research grants were particularly burdened by the 1969 law, and those areas were prime fields of work for Southeastern foundations at the time. So, this group of foundation directors turned to Randolph to form a new organization, and Randolph gave the assignment to me to incorporate, organize, and secure IRS approval for SECF. I did so, and I have been amazed and pleased to see the growth, influence and significance of SECF.

You’ve been a staple of SECF’s Annual Meeting for years. From your perspective, what are the biggest changes you’ve noticed along the way?

When SECF was founded, private foundations were indeed “private.” They provided very little information about their activities to the public and they generally were sole actors, avoiding interaction or coordination with other foundations or funding sources such as governmental agencies or universities. Happily, from my perspective, that cultural orientation has dramatically changed, and we now see constant interaction among foundations and others looking for solutions to societal problems. In addition, there were few foundations that were inclusive in their governing bodies or staffing, being led and managed primarily by white males. Again happily, from my perspective, that circumstance has changed dramatically. I give SECF a great deal of the credit for these significant cultural changes, because the Annual Meetings and the other gatherings between Annual Meetings made visible the opportunities for collaboration and inclusivity in the philanthropic sector.

How have the laws and regulations governing the philanthropic sector changed in the years you’ve been practicing and advising foundations?

Because of the unfortunate abuses by a few of the privileges afforded private philanthropy, state and federal regulation and investigation of private foundations and other philanthropic organizations have dramatically escalated since 1969 and the time of SECF’s formation. These governmental interventions have had the salutary effect of promoting transparency, but at the cost of significantly increasing accounting, legal and operational costs for foundations. These costs have driven many small foundations out of existence and have inhibited the formation of new, small foundations which often were the most effective in addressing local issues. Fortunately, donor-advised funds have been created and substituted for many of these small initiatives, but now even donor-advised funds are under attack by academics, pundits and some legislators.

How do you feel about the future of philanthropy? What should foundations expect in the years ahead?

I believe strongly in the value of private philanthropy, and private foundations are a major component of that sector. I believe that most Americans who are able to do so will continue to contribute human and financial resources to private charitable organizations. But the pressures of public opinion, the transfer of responsibility from individuals and private initiatives to governmental institutions, and increasing regulation and investigation of private charitable organizations will take a toll on private foundations unless those most informed and responsible for private foundations publicly resist these negative consequences though education, persuasion and demonstration of the significant value to the public of foundations. Each generation needs to learn these lessons anew, it seems, and so SECF can be a major, continuing contributor to the value of private foundations, community foundations and other private charitable organizations.
**calendar of events**

**Philanthropy Essentials | August 21–22 in Durham, NC**

Featuring a fully-revamped curriculum, SECF’s Philanthropy Essentials, formerly Essential Skills & Strategies, provides a guide to philanthropy in the 21st century that’s great for both newcomers and veterans seeking a refresher. Over two days, a faculty of experts will deliver key insights on grantmaking and other strategies for community impact! Registration now open!

**SECF’s 50th Annual Meeting | November 13–15 in Atlanta, GA**

The Annual Meeting returns to where the SECF story began to honor the past, celebrate the present and write the opening chapters of a bright future for our organization, our field and our region. Join us as we mark a half-century dedicated to improving countless lives and communities in the American South, all while looking at the opportunities, changes and challenges that lie ahead. Registration opens in May!

**Member Webinars**

Interactive webinars, often delivered in partnership with member foundations and national organizations, are your chance to connect with the SECF community while learning about the latest trends in philanthropy, all without leaving your office! Several 2019 webinars, tackling subjects like investment best practices and digital equity, have already been announced, and many more are on the way – visit SECF.org for our full webinar calendar!

*Please visit SECF.org for additional in-person and virtual programs*