Community foundations as international grantmakers?

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Today, people embrace a wide definition of ‘community’ that is based on connections to family, friends and causes. This poses a potential challenge for community foundations, whose base and strength are traditionally in a particular location. Silicon Valley residents come from all over the world, their philanthropic interests ranging from Bay Area neighbourhoods to worldwide. To meet donors’ needs, Silicon Valley Community Foundation (SVCF) has had to find a way to encompass local and global notions of community.

SVCF has become the third largest international grantmaker in the US based on number of grants delivered, and the largest international grantmaker1 among community foundations. Our international grants totalled nearly $15 million in 2012, and grants went to 28 countries outside the US. We have made grants to more than 500 international organizations since 2007.

Part of the explanation lies in the backgrounds of the donors that large community foundations increasingly work with. In Silicon Valley, for example, nearly half of employed residents who have bachelor’s degrees were born outside the US. As might be expected in a place that is a centre of innovation in information technology, its residents see themselves as global citizens. When they plan their philanthropic activities, their focus is in part on giving back to the communities that raised them or to areas of need they have witnessed while abroad.

At the same time, in common with the rest of the US, the needs of local communities have become more pressing. Given community foundations’ traditional focus on the local, is there a tension here? Not really; in fact we see the two as mutually reinforcing. We don’t require donors to restrict their philanthropic interest to our region, because we believe that supporting their philanthropic passions fully will only serve to strengthen their commitment to all of them.

This is borne out in the fact that SVCF remains the largest single grantmaker to San Francisco Bay Area non-profits, our donors contributing $130 million to local organizations in 2012. The donors who have counted on us to help them identify non-profit partners locally now look to us to help them sort through the endless options around the world. Take Jim Ducey, one of our donors, who SVCF has helped to identify funding opportunities ranging from local environmental causes to co-founding SVCF’s Donor Circle for Africa, a collaboration of Bay Area philanthropists focused on leveraging resources in Silicon Valley for the benefit of non-profits and entrepreneurs in Africa.

At first sight, it might seem problematic for a community foundation to make grants internationally. The strength of community foundations is often seen as their ability to bridge different parts of a community, building trusting relationships with potential local donors and the local community. How do you bring these strengths to bear in international grantmaking when you are so far removed from the local community? In fact we use the very approach that we use to successfully engage philanthropists in local causes, leveraging our leadership and expertise to help donors identify the right international opportunities. In our experience, it works just as well at a distance. Many members of our Donors’ Circle for Africa, for instance, have travelled throughout Africa. They bring back with them first-hand knowledge through their involvement with non-profits focused on education, health, holistic community development and access to clean water.

We also have partnerships with experienced intermediary organizations. GuideStar India, for example, provides a reliable source of information on Indian NGOs working in areas of interest to our donors, where direct experience is lacking. We also work with companies that have global interests and operations. SVCF’s recently announced partnership with YourCause will enable us to offer our corporate clients matching gifts and employee volunteerism services on a global basis.

Along with SVCF, a few larger community foundations are now beginning to offer global as well as local grantmaking options, prompted largely by donors’ interests. According to the Foundation Center, community foundations provided just over 2 per cent of total international grant dollars last year. Given donors’ changing ideas about what ‘community’ means to them, our experience suggests that it will benefit community foundations to plan for how they can help their donors do good work both down the street and around the world.  

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