

In attendance:

Senior staff: Diana Morris, Pamela King, Debra Rubino, Jane Sundias, Kima Taylor, Monique Dixon, Tricia Rubacky

Board: Bill Clarke (chair), Susan Leviton

Donors: Bob Embry (Abell), Betsey Ringel (Blaustein), Cheryl Casciani (Baltimore Community Foundation), Betsy Nelson (Assoc. of Baltimore Area Grantmakers), Pete Powell (Lockhart Vaughn), Tomi Hiers (Baltimore City Gov't), Tony Cipollone (Annie Casey), Ann Boyce (T. Rowe Price)

Grantees: John Nethercut, Gustavo Torres, Nancy Rosen Cohen, Pamela Block, Hathaway Ferebee, Terry Hickey, Matthew Joseph, Tracy Valasquez, Ellie Mitchell, Jason Perkins-Cohen, Peter Beilenson, Ashley Stewart, Lauren Abramson, Rebecca Ruggles, Michael ? (with school district)

Most of the lessons are presented as a series of bullets below but three stand out for how often they came up in different conversations with different groups of people: (1) the question of why OSI doesn't open a Baltimore-like office in other states, (2) discussion of the impact having to raise a match has had on OSI-Baltimore, and (3) differences between place-based and state-based strategies. At first glance, they might appear only peripherally related to state strategies, but I am convinced that the lessons and cautions they suggest are important and worthy of consideration.

(1) "Why not start an OSI-Dallas?" Not surprisingly given that most of the people I met with only know OSI through the structure of the OSI-Baltimore office, both the board members and grantees I spoke with pushed back hard on the assumption that OSI would not create a similar structure in new states of interest. Given resource limitations and other considerations, this may not be feasible or appropriate for other states, but the recurring theme of "presence" is an important one: attending and being seen attending and invested in local activities and events (not OSI created events), serving on local boards and committees where relationships are formed and people struggle together in common cause, knowing and convening the right people; understanding the local context, history, politics and law. Grantees spoke of the difference it has made to their own success that OSI has the depth of knowledge and relationships it enjoys with grantee, public, and philanthropic organizations – not just leadership but middle managers. They say that to get change funders have to stick and use their influence at the agency level (not just the grantee level), know who in the agency does what and can get what done, and transition with the agency through leadership changes. Donors said they may not have been willing to invest in OSI if "OSI hadn't rolled up its sleeves, moved to town. You can't shortcut that. People trust OSI because they're here." If not an OSI-Baltimore like structure, what other ways can OSI acquire or support others to acquire the kind of presence needed in states?

(2) Competition or partnership? OSI staff reported one benefit of OSI fundraising is "it brings us closer to our grantees, the partnership is even closer now". But the grantees spoke of feeling like they are now in competition with OSI. The grantees reported a number of experiences but the one that stood out was the experience of going to a funder only to be told that funder already supported the organization through OSI. The donors also expressed feelings of competition; the most obvious being the community foundation. But other donors also spoke of "competition" and the shift from OSI as a peer to being "like

a grantee". It's important to note that yet other donors in attendance did not see a problem. While OSI-Baltimore's situation is unique, there are lots of implications for state strategies initiatives in how we approach our own efforts to leverage and attract additional resources without being in competition with and potentially harming other organizations in the state.

Potentially less related to state strategies, but still a source of much discussion, was the impact on Baltimore staff, board and grantees of OSI raising matching funds. OSI staff are now spending much more of their time on fundraising, added communications and development staff, and Diana is clearly pulled away from the programmatic aspects of the work she loves. [Observation: grantees spoke very highly of OSI staff in ways they don't speak of staff of other foundations. But more than that, every person had very visible and deep relationships with Diana; she has clearly been an integral and valued part of the work. Not many organizational directors, especially foundation directors, can boast this same level of involvement and respect.] On the other hand, board members while confessing others on the board may not share their view said they appreciate how this has changed the board: previously board was made up of program/issue people and now has broader range of people and experience, have had to become more public which stretches them in ways they weren't stretched before, greater efficiencies with grant committee rather than all board deciding all grants ("earlier board was duplicating the work of the staff, nitty-gritty questioning of program directors. Now we work at a higher level"). As board members reach out to other potential donors, they are finding they are becoming more knowledgeable not just about the issues but about how OSI operates, "about philanthropy". And donors spoke of a heightened level of involvement, knowledge of, and commitment to the issues that must be considered a positive outcome despite the obvious toll it is taking on staff.

(3) Place-based or state-based: same or different? OSI-Baltimore staff see their work as both state and place-based; state because it leads to state policy, place because it is located in and for the benefit of the people of Baltimore. Interestingly, the board, donors and grantees did not agree. This was not a specific question I posed to these groups but it came up in each group, probably because I was trying to take the lessons from Baltimore and apply them to state strategies. Donors and the board seemed in agreement that a state policy goal doesn't change the focus of the work – if the work is focused on a specific city and the people of that city, it might require state action and even coincidentally benefit others around the state but that does not make it state-based. The grantees went one step further and said for the same reasons they thought OSI should consider opening Baltimore-like organizations in other states, OSI was not "present" elsewhere in Maryland. They seemed to challenge the notion you could even have a state-based initiative unless you were willing to have direct and visible presence, not just grantees, throughout the state.

Other lessons:

1. Foundation influence comes in many shapes –
 - grants,
 - flexible dollars when they are needed,

OSI-Baltimore Lessons

Terri Bailey site visit Sept. 15, 2010

- staff as issue experts and advocates (OSI-Baltimore estimates 50% or less of staff time is spent on grantmaking; grantees often see OSI as peers on issues, not just funders),
 - access to data,
 - access to and ability to connect local players with outside experts and resources,
 - convener,
 - constant advocacy on the details that derail good programs and good intentions (e.g., UDL on how debate coaches paid, janitorial, transportation, etc.).
2. Shared values – creating “a house where people coalesce around justice”.
 3. Don’t get lost in the weeds – story about Debate League lesson from program in another city where staff literally ordered the pizza, “too operational”.
 4. Power of incubation – openness to new ideas and willingness to commit to what it takes to get it off the ground, but not to ownership or long-term responsibility. At some point it must stand on its own or at least without you.
 5. Low profile stance while building – don’t take credit even if credit is due; raise credibility and visibility of local partners, not yourself.
 6. Be the flexible one – take risks others can’t take to help them engage despite risk, to collectivize risk, and to increase comfort with more risk in the future; raise and spend money flexibly where others can’t; be responsive to priorities and needs that emerge even if all not your priorities.
 7. Invest in building knowledge and capacity of funders – through repeated exposure to issues and activists, not through arrogance.
 8. Bridge the changes in organizations and communities – e.g., stay the course when leadership in organizations changes (a number of grantees spoke of OSI sticking it out with them when other funders didn’t, or other funders seeing OSI stick it out led to them saying they would, too).
 9. There is no timeline for when something is “cooked” enough to move on. Community, organizational, political, and social change processes are dynamic, unpredictable, interrelated, and emergent. Strict timelines, assumptions and expectations are enemies of success.
 10. Leaders matter as much if not more than the organizations they lead. The Fellows program came up repeatedly and some suggested a “light” entry in states like the Fellows program might be a good way to start. At a minimum, grantees said to “find the people who are on fire”. They might lead an organization, work in an organization, or just have a good idea. But people will know who they are. Consider micro-investments in people regardless of what the grantmaking strategy is. Reward risk. Publicly.
 11. High expectations and modeling high expectations can be difficult but is an essential role to play.
 12. OSI may think in terms of five years in states, but people and organizations in those states think in terms of perpetuity.
 13. Funders want outcomes fast (perhaps measured by policy changes, resources leveraged, etc.) but the longer term work of real community change (open society, reductions in poverty, increase in power) is much more difficult.
 14. Co-funding from the outset – clarity that you’re not interested in a model developed by OSI only. Don’t allow other agencies or funders to marginalize it as OSI’s program but rather see it as “our” program.

15. The strategic time to be thinking about fundraising is at the beginning.
16. "Have a point of view you're willing to fight and fund for." It says to others, "we care as much as you do."
17. Examples of effective strategies noted:
 - Wallace Readers Digest Fund use of intermediaries in each location: in one place a foundation, in another a school district, in another a nonprofit. Each state had different structure.
 - Mott Foundation's network: required funds be set aside to network and attend regional and national convenings, invested in building capacity to impact policy at state level; grantees and network members themselves figured out points of intersection, not Mott
 - Four Freedoms Fund: brought funders together but real work not with funders but with grantees across states: significant resources, convenings, investments in capacity building
18. Focus on regions of the state you can get a handle on.
19. There's a difference between having a strategy and having an initiative. OSI-Baltimore has a point of view they keep upfront. Right now state strategies just has words. The initiative lacks clarity (since it is in substantial part intended to emerge in partnership with the states) and that makes it harder to communicate in ways that others want to partner with OSI. To arrive at "partnerships" with other donors requires an ability to craft how OSI would use their resources in ways that are aligned with the interests and goals of other donors. It requires a real give and take, offers external funders a chance to advance their own interests through OSI.
20. Emphasis needs to be on goals, not on means. Importantly, you have to be willing to drop what's not working without blame, seek out new ideas, have the kind of back and forth that gets you to good solutions.
21. Coalitions can't be forced (don't take "one of" approach: need one policy think tank, one community organizer, etc.). But do create environment where groups will do that for themselves. Grantee told story after failed funder forced coalitions, one funder just brought folks together and some folks "found each other" there and have been working together ever since. Organizations will pretend collaboration if forced to by funders but you can't fool the results.
22. OSI must be willing to use all its tools: relationships, \$\$, leverage, expertise, connections, etc.
23. Don't be afraid to have conflict but earn the right. You gain the right when you join together on a shared point of view, and you are committed for the long haul so tensions have time to resolve themselves. This is not where you start, it's what you achieve by how you start.
24. The power dynamic of funders is real. But funders need "us" (grantees) too. The edge between funders and grantees is not so steep as we often think. But it takes a lot of humility and a lot of listening.