EXPANDING IN THE 1990'S

National Committee for Responsive Philanthropy

COMMUNITY FOUNDATIONS AND CITIZEN EMPOWERMENT: LIMITED SUPPORT FOR DEMOCRATIC RENEWAL

A Working Paper

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Introduction

Little available data exist on the extent to which philanthropy contributes to the amelioration of social and economic disadvantage through grant support of citizen empowerment and social action projects. This question assumes increasing importance in light of the long-term growth of income inequality and the thirty year decline in voter turnout and other forms of political participation in the United States. Recent census data show that the top fifth of American households now earn 48.2 percent of the nation's income (up from 44 percent in 1988) while the bottom fifth earns only 3.6 percent (down from 5 percent in 1988). This magnitude of inequality not only undermines the social basis for effective citizenship, it also distorts the democratic process by creating and sustaining differentials in political power and policy influence.

The long-term decline in voter and other forms of political participation both reflects and compounds the problem of political inequality. It has been well documented that middle and upper income citizens, for example, register and vote at significantly higher levels than do lower income citizens. There is a similar class-based disparity in other forms of political involvement, including such activities as working for a political party or candidate, contacting elected officials, or contributing money [Verba and Nie, 1972; Rosenstone and Hansen, 1993]. Moreover, despite the proliferation of public interest organizations since the 1960s, the choir of interests groups, particularly in the nation's capital but also at the state and local levels, continues to sing with "an upper class accent," as Schattschneider observed over three decades ago [1960]. With the decline in political parties and the current partisan fight for the political center, Schattschneider's belief in the ability of political parties to counteract the power of private interests seems increasingly less relevant, or possible, in today's political environment. In light of these trends, the imperfections of American democracy appear more likely to grow than to diminish in the years ahead.

Despite the pessimism that such trends can produce, however, people acting together to solve problems has successfully demonstrated the importance of citizenship for responsive institutions, both public and private. The democratic importance of civic engagement and citizen action has been demonstrated through the work of such scholars as Robert Putnam [1993]; Berry, Portney and Thomson [1993]; and others. Putnam, for example, convincingly shows that differences in the effectiveness and responsiveness of Italian regional governments are explained by the amount of "social capital" that is produced over generations through civic engagement and voluntarism. Closer to home, Berry, Portney and Thomson demonstrate that, contrary to the fear that citizen action will produce policy gridlock or system overload, strong systems of participation actually work to increase citizen confidence in government and enhance their sense of community. Indeed, an increasing body of empirical and theoretical work strongly suggests the wisdom of encouraging the active participation of citizens in the public domain to set directions, establish priorities, and frame solutions.

Some in the philanthropic sector who are alarmed about the nation's growing income inequality and the state of American democracy have argued that the most important role that philanthropy can play is to nurture democratic practices through a commitment to citizen empowerment, particularly in low income communities

[Rabinowitz, 1990; Johnson, 1988; Asher, 1977; Carey, 1977]. Others have argued that American philanthropy has been at its best and most socially relevant when it has encouraged the public sector to meet individual needs rather than seeking to meet these needs itself [Bremmer, 1977]. Empirical research on philanthropic support of citizen empowerment and social action projects, however, is lacking. A contributing factor is the fact that, by definitional fiat, philanthropy has largely been regarded as a positive force in American society and therefore above scrutiny [Colwell, 1993].

This paper explores the relationship between American philanthropy and democracy through an examination of the grant commitments of ten major community foundations to low income citizen empowerment and community action projects. It does so out of a belief that democratic renewal depends on citizen action, particularly in low income and other disenfranchised constituencies, and that this type of grantmaking ought to be a fundamental priority of grantmaking institutions concerned with social justice.

Background on Community Foundations

By law, community foundations are publicly supported philanthropic institutions, governed by volunteer citizen boards and established to collect and distribute gifts for community benefit. Recognized as public charities under the Internal Revenue code, community foundations and their donors receive the greatest tax advantages under U.S. tax law and are among the least regulated segments of the philanthropic sector. Because of their status as publicly-supported, public-serving, and community-based organizations, leaders of the movement celebrate community foundations as uniquely able to respond to emerging community issues and needs.

The nation's first community foundation, located in Cleveland, Ohio, was founded in 1914. Its founder, Frederick H. Goff, regarded the Cleveland Foundation as a new type of philanthropic institution. Its hallmark would be the building of a permanent collection of funds for community improvement and the separation of charitable giving from charitable disbursements as a way to prevent the gifts of deceased donors from becoming obsolete due to changing community circumstances. Thus, contributors to the Cleveland Foundation agreed to allow the diversion of their charitable gifts by the Foundation's distributions committee if these gifts no longer met or served community purposes [Sugarman, 1977]. It was in this sense that Goff regarded the community foundation as "an agency making philanthropy more effective and for cutting off as much as is harmful of the dead past from the living present and unborn future" [Hammack, 1989]. The Cleveland Foundation was also specifically established to play a larger role in identifying and responding to community needs through community surveys, demonstration projects, and policy initiatives. Within six weeks after the Cleveland Foundation was founded, Goff unwrapped his plan for the Foundation to conduct "a great social and economic survey of Cleveland, to uncover the causes of poverty and crime and point out the cure" [quoted in Tittle, 1992, p. 45].

Since the Cleveland Foundation was established, the community foundation movement has spread to all parts of the United States, enjoying particularly strong growth before the Great Depression, during the 1940s and 1950s, and since 1980. In fact, community foundations were among the fastest growing segments of American philanthropy in the 1980s, largely as a result of U.S. tax policy which gave preferential treatment to community foundations by designating them as public charities under the 1969 Tax Reform Act. In effect, the Act made it more advantageous for wealthy donors to contribute to community foundations rather than to establish their own private foundations. By the end of the 1980s, community foundations represented just one percent of the total foundation universe, but accounted for 5.4 percent of all grant dollars awarded, 10 percent of all gifts received, and 4.4 percent of all foundation assets. A survey conducted by the Council on Foundations to mark the 75th anniversary of the community foundation movement showed that community foundation assets grew from $1.1 billion in 1975 to $4.7 billion in 1987 [Council on Foundations, 1989]. Survey data collected in 1991 showed continued asset growth, with 196 community foundations reporting a total of $5.9 billion.

Today, data compiled by the Columbus (Ohio) Foundation indicate that the total asset base of the community foundation sector may be as high as $9.7 billion dollars, with an estimated $750 million in grants distributed in 1993. Clearly, community foundations have become large and growing resources for the benefit of their communities.

Study Methodology

This examination of community foundation support for citizen empowerment and social action projects is part of a broader study to assess the level of community foundations' responsiveness to low income and historically disenfranchised groups in American society. Ten of the largest community foundations in the country were selected for examination, including those in Atlanta, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Philadelphia, San Diego, and Seattle. All of these foundations ranked among the top fifty nationally in terms of the market value of their assets at the time they were studied. In 1993, the size of their assets ranged from the Cleveland Foundation's $740 million to the Denver Foundation's $42 million. The community foundations were selected to represent different geographic regions of the country and for the relative emphasis they gave either to fund raising or to grantmaking.

For purposes of the study, the disenfranchised were broadly defined to include the poor, racial and ethnic minority groups, women, the disabled, and other victims of discrimination. Based on this definition, each community foundation was asked to categorize all grants awarded primarily to benefit the disenfranchised for the latest fiscal year for which it had full grants data. In addition to identifying all grants awarded to benefit the disenfranchised, each foundation was asked to place its disenfranchised grants into one of four categories related to the governance arrangements and mission of recipient organizations. These four categories included: grants to organizations controlled by the disenfranchised; grants to organizations whose primary purpose is to benefit the disenfranchised; grants awarded primarily to benefit the disenfranchised; and grants that do not fit into one of the above three categories, but which have a substantial impact on or significance for the disenfranchised.

The grants information supplied by the foundations provided the data for a quantitative analysis of their responsiveness to disenfranchised people, in general, and to disenfranchised-controlled organizations, in particular. A more qualitative examination of their funding patterns and community roles was conducted via an extensive community interviewing process, as well as a review and content analysis of foundation public relations and communications materials. Individuals interviewed for this study were identified through a process of snowball sampling, and included community foundation board and staff members, other representatives of the local philanthropic community, representatives of disenfranchised groups, and officials from the public and/or academic sectors, where appropriate. Attention was paid during the interview process to obtain a broad cross section of disenfranchised representatives in terms of race, ethnicity, disability, gender, sexual orientation, income/class level, issue focus, size and mission of organization, neighborhood/city location, and relationship to the community foundation under investigation (e.g., former or current grant recipient, rejected applicant, nongrantee, etc.).

In total, 584 interviews were conducted, each averaging an hour in length. The interviews were loosely structured to elicit as much information as possible, but were organized around eight key assessment areas. These included: pattern of giving, risk taking in the foundations' grantmaking and community roles, services offered to strengthen nonprofits' capacity and long-term viability, communications activities and materials, community leadership and catalytic roles, fund raising policies and programs, board and staff composition, and distinguishing foundation characteristics. This paper concentrates on the level of foundation support for citizen empowerment and social action activities in or on behalf of low income and other disenfranchised communities.

Study Findings

Community Foundation Purposes: The Absence of a Democratic Lexicon. A review of the community foundations' annual reports, funding guidelines, and other communications materials revealed little focus on citizen action or empowerment as important to the long term health and well-being of the community. Indeed, democracy seems to have remained a word unspoken among community foundation officials, leaving the impression of significant disregard for the idea that collective action, particularly by low income citizens is or could be an important resource for community problem-solving and regeneration. When this research was begun, only the Philadelphia Foundation was found to have placed citizen empowerment at the very center of its grantmaking program. This emphasis has continued, with the Foundation's most recent annual report stating the following:

> Our service to the community is based on the visions and dreams of our donors -- people who share a concern for the future and who are not satisfied with short-term solutions.... As a Foundation, we have been respected for our support of community-based organizations, whose work empowers people in low income neighborhoods to take a leadership role in the projects, decisions and solutions that affect their lives. We believe that the constituents of these communities are our most vital resource in achieving social and economic well-being.

The Foundation goes on to state that the Board of Managers gives highest priority to "*low-budget, constituency-controlled*" organizations, with *first priority given to organizations that benefit low income, African-American, or Latino communities; involve constituents in making organizational decisions, setting policies and evaluating programs; and have operating budgets of under $1.5 million* [the Philadelphia Foundation, 1992/93, p 26]. These priorities cut across or apply to all eight of the Foundation's funding categories.

In recent years, however, the Boston Foundation has come to be as equally clear and explicit about its citizen empowerment commitments. Its 1993 Annual Report opens with an Equity and Diversity Policy Statement, which begins by stating that the Foundation "*actively seeks to promote access, equity and diversity*" and "*to end discrimination based on race, ethnicity, gender and other socioeconomic factors*." The report goes on to state that central to the Foundation's work is "*the promotion of community-building strategies that help children and their families overcome poverty*." Consequently, the Boston Foundation's 1993 grant guidelines indicate that it will support programs that: 1) *engage and respond to the ideas of people in poverty* in ways that support their participation in their own development and their contributions to community life; 2) leverage the Foundation's limited grant budget by bringing community resources to bear on community needs in new ways; and 3) work to assure fundamental opportunities to all community members through *advocacy, organizing and leadership development efforts that form new alliances to fight poverty* [emphasis added p. 48].

These statements convey a strong commitment to the participation of low income citizens in community affairs and the decisions which affect their lives. None of the other community foundations studied came close to this level of commitment to citizen action as a longer term remedy for critical community problems. Indeed, the communications materials of these foundations reflect a much more traditional philanthropy, with mission statements that define their roles in terms of general community uplift through giving to a variety of charitable causes. Very typical is the statement of purpose found in the 1993 annual report of the Communities Foundation of Texas, for example, which states that the Foundation's mission is to "*fulfill community requirements through the altruistic vision of its donors*," or the Seattle Foundation's statement that "*eight men, blessed with comfortable incomes, were determined to share their largess with those less fortunate....[with hundreds since joining] to ensure that a charitable endowment exist in perpetuity for the benefit of the citizens of the Puget Sound region*" [The Seattle Foundation, 1993].

The limited mention of citizen action in a couple of foundation annual reports remains generally isolated under a specific program area, such as in Los Angeles where an active citizenry and community leadership is one objective of its Civic Affairs grantmaking. To the degree that the community foundations in their annual reports focus on the poverty and discrimination that exist in their communities (uncommon itself), it is done through the lens of extending a helping hand to the less fortunate. The San Diego Foundation, for example, declares that in response to the those who are hurting, many people "*have stepped forward to offer [a helping hand] by feeding the* *hungry, providing shelter for the homeless, educating the illiterate, finding jobs for the jobless, exposing children to the arts and altogether improving the lives of San Diegans"* [The San Diego Foundation, 1994, p. 5].

<u>Community Foundation Grants for the Disenfranchised</u>. The best measure of community foundation support for the empowerment of low income and disenfranchised *groups* is the level of grant support it provides for projects that seek solutions to poverty and discrimination through community organizing, leadership training, issue advocacy and public policy initiatives. With little emphasis on citizen empowerment and social action in their communications materials, it is not surprising to find limited grant support of such projects for almost all of the foundations studied. Indeed, the level of community foundation support for citizen empowerment projects and social action organizations in low income and other disenfranchised communities was exceedingly low.

To place this finding in fuller context, it is important to note that, despite the extremes of poverty and wealth that exist in urban communities today, a majority of the foundations studied did not give priority in their grantmaking, service activities, and fund raising to low income and other disenfranchised groups. Five out of the ten community foundations studied distributed, for example, less than $.30 of every grant dollar primarily to benefit disenfranchised communities. *Stated conversely, at least $.70 of every grant dollar awarded by the community foundations in Dallas, Seattle, Los Angeles, Cleveland and Atlanta was distributed to organizations whose missions did not include a primary focus on poor people or other disenfranchised groups.* The San Diego Foundation did slightly better, distributing 42 percent of its total grant allocations to benefit the disenfranchised. Still, a majority of grant dollars went to support organizations with no explicit mission to serve or relate to people most in need. Only four of the community foundations targeted a majority of their grant dollars to benefit low income people and other disenfranchised constituencies, with the Philadelphia Foundation taking the lead at 77 percent, followed by the Boston Foundation (66%), the Chicago Community Trust (66%), and the Denver Foundation (62%).

While four of the ten community foundations demonstrated a significant commitment to benefit disenfranchised groups through their grant allocations, *only two of the ten articulated an explicit commitment to the principles of low income citizen empowerment or inclusion in the problem-solving process.* Most disenfranchised grants were awarded to support traditional charitable endeavors rather than social change activities [see Appendix I for a ranking of the community foundations in this assessment area]. Thus, community foundation grants to benefit the disenfranchised might commonly support community-based GED classes for high school drop outs but not community-based advocacy or parent empowerment projects to improve the schools. Similarly, community foundation grants might easily support a project to link homeless families with needed social services but not a public policy or tenant advocacy project designed to prevent homelessness in the first place.

Of the ten community foundations studied, the Philadelphia Foundation was the only aggressive funder of citizen empowerment and social action projects. Following its grantmaking priorities, the majority of its grants were awarded to support community-based initiatives that sought change in poverty conditions through the organization and involvement of community residents. None of the other foundations began to approach the Philadelphia Foundation's level of support for citizen action in their grantmaking programs. The Boston Foundation ranked second in its willingness to fund social action and community empowerment projects. Still, at the time it was studied, the Foundation's disenfranchised grants, though substantial, were overwhelmingly targeted to service-type programs. The grantmaking of the Chicago Community Trust, ranked third in terms of its willingness to fund "risky" projects related to citizen empowerment and social action, exhibited a preference for legal advocacy (e.g. the advocacy of experts) over community-based citizen action.

The other foundations very rarely funded projects designed to empower low income and other disenfranchised citizens to act collectively on their own behalf or to participate in their communities' problem-solving and agenda-setting processes. Foundation funding patterns thus ignore the increasing body of evidence that low income citizen participation not only contributes to democratic renewal by giving underrepresented people a greater voice in the political process but also builds community capacity to solve neighborhood problems and enhances the responsiveness of both private and public institutions to new and emerging concerns.

Foundation Support of Disenfranchised-Controlled Organizations. In addition to grant support of citizen action and social change projects, another measure of community foundations' commitments to citizen empowerment is the level of funding for organizations controlled by the disenfranchised themselves. Research has shown that voluntary agencies, such as the community action programs of the 1960s, can function as a leadership training ground for people previously excluded from or unrepresented in the political process. It has also been shown that civic or voluntary participation tends to reinforce itself -- that is, the more individuals participate with others to get things done, the more they are likely to participate in the future [McCourt, 1977]. We found, however, limited community foundation support of disenfranchised-controlled organizations. Indeed, nine out of the nine community foundations for whom this data was collected awarded one third or less of their total disenfranchised grants to organizations controlled by the disenfranchised themselves, indicating either a remarkable reluctance to fund disenfranchised-controlled organizations or a remarkable insensitivity to the fact that constituency-controlled organizations are likely to develop services and projects more in line with community needs and priorities.

Eight of the nine community foundations awarded less than one in five of their disenfranchised grant dollars to nonprofit groups controlled by the disenfranchised. The Denver Foundation was ranked first in giving to disenfranchised-controlled organizations, at 33%. Still, fully two-thirds of its disenfranchised grant dollars went to organizations that were not controlled by the disenfranchised themselves. The Chicago Community Trust and the Boston Foundation provided only 19 percent and 17 percent of their total disenfranchised grants, respectively, to disenfranchised-controlled organizations, even though a significant percentage of their total grant allocations primarily benefitted the disenfranchised. These low percentages are all the more striking due to the rich network of community-based citizen and advocacy organizations that exists in each city.

The record of the other six community foundations in funding organizations controlled by the disenfranchised, however, was worse. The Metropolitan Atlanta Community Foundation awarded only 17 percent of its disenfranchised grants to disenfranchised-controlled organizations, while the San Diego Foundation provided only 16 percent, the Seattle Foundation only 13 percent, the California Community Foundation only 12 percent, the Cleveland Foundation only 8 percent, and the Communities Foundation of Texas 0 percent. Thus, in eight out of the nine foundations for whom these data were gathered, at least four out of every five grant dollars distributed for the primary benefit of low income groups, racial or ethnic minorities, women, the disabled, lesbians or gay men, and other victims of discrimination was given to organizations that were not controlled by these constituencies.

Community Foundations as Elite Institutions. Other findings relative to the governance, management and leadership activities of foundations studied strongly suggest that they currently function as elite (e.g. non-democratic) institutions, with little demonstrated commitment to share decision making power or transfer authority to low income and other disenfranchised groups. The foundations, for example, typically exercised leadership in a manner that excluded the up front participation of low income and other disenfranchised people in the formulation of new project initiatives or other foundation activities. Most of the projects developed by community foundations to impact poverty or discrimination were designed and implemented by people whose credentials, social class, and occupational status would generally identify them as members of the community elite (at least relative to those the projects are intended to assist).

The Chicago Community Trust provides a clear example of the foundations' strong attraction to professionalism and expert authority. Its Children, Youth and Families Initiative (CYFI), to which the Trust has committed $30 million over ten years, is based on a new children's service delivery model whose principles were developed by the Chapin Hall Center for Children at the University of Chicago. Under CYFI, the Trust has identified eight communities as laboratories in which to implement the service delivery changes deemed most important by Chapin Hall researchers. Community-based organizations and agencies in each community were eligible to seek and expend Trust grants under CYFI as long as they adhered to the reform principles that Chapin Hall developed. A substantial evaluation grant was awarded to the Chapin Hall Center for the purpose of evaluating implementation of its own model, without any mechanisms for community oversight or review.

Almost all of the foundations also failed to engage the disenfranchised in a meaningful and/or on-going dialogue about their concerns. As the above example illustrates, community foundations' leadership activities were developed and implemented largely in isolation from the people these initiatives were designed to assist. The annual public meetings held by five of the community foundations studied were not for the most part regarded as opportunities for general community dialogue, much less for dialogue with low income and other disenfranchised groups. Further, the community foundations themselves were generally governed, staffed and advised by individuals whose race, ethnicity, gender, sexual orientation, income level or physical capacities placed them at a significant remove from the problems that the poor and other disenfranchised people confront on a daily basis.

From the perspective of racial diversity, the percentage of people of color on community foundation boards ranged from 0 percent (the Communities Foundation of Texas) to 44 percent (the Boston Foundation). People of color comprised less than 20 percent of the board members at six of the ten community foundations studied. Foundation boards lacked diversity along other dimensions, as well. The majority of board members were over the age of 50 and drawn from the business and banking sectors. There also did not appear to be any representation of low income people or grassroots community or neighborhood activists [see Appendix II for a race and gender breakdown of both board and staff].

Discussion and Conclusions

It *is* possible for community foundations to embrace citizen empowerment, or a democratic ethic, in their grantmaking and other community roles. Both the Philadelphia Foundation, over the 1980s, and the Boston Foundation, more recently, demonstrate that community foundations can not only target resources to low income and other disenfranchised groups, but also choose to build their social and political power as a way to foster a more equitable and democratic society. "Choice" is a key word, as the Boston Foundation case demonstrates. In 1988, the Foundation awarded only 28 percent of its *discretionary* grants to benefit low income and other disenfranchised people. Two years later, the Foundation distributed 66 percent of its *total* grant allocations to benefit these groups, although its grantmaking still followed more traditional (e.g. service) funding patterns. Today, the Foundation has adopted eight principles for a new social contract, the more significant of which embrace the participation of low income citizens in establishing priorities and defining solutions to improve the lives and opportunities of their families and communities [see Appendix III].

The Boston Foundation's evolution toward citizen empowerment was launched under the leadership of an African-American woman and accelerated through a interactive process which involved the Foundation in active dialogue with representatives of disenfranchised groups. This suggests the importance of on-going, face-to-face interaction between foundation officials and disenfranchised community members in the building of a new funding paradigm for greater responsiveness and longer term change. It is this kind of interaction, however, which has been sorely lacking in all other community foundations studied.

In the end, most of the community foundations included for examination have remained wedded to an older tradition of charity care, to the extent that they gave to the disenfranchised at all. Notwithstanding their rhetoric as grassroots organizations, community foundations do not appear to behave all that differently from other philanthropic institutions. Their neglect of citizen empowerment and social action projects is mirrored in the funding practices of a variety of grantmaking institutions, including corporate foundations, the smaller private family foundations and the larger institutionalized foundations [see Jenkins, forthcoming]. Moreover, their funding practices, leadership activities, and governance, staffing and advisory arrangements indicate a strong professional and middle-to-upper class bias. Indeed, as Johnson has stated in his plea for democracy to be philanthropy's "first charity," the philanthropic sector has always been "attracted to professional leadership. When it does choose to try to help poor people, it prefers to fund professionals in their service occupations rather than to fund any initiatives that come largely from poor people themselves" [1988, p. 94].

This predilection suggests a deep distrust of citizen deliberation and action when the citizenship being exercised is by those groups in American society historically excluded from the mainstream of political and economic life. Yet, it is precisely through citizen action writ large that democracy has often been extended and public needs met. Indeed, some have suggested that a polity is far more apt to be democratic with citizens (or social) movements than without them [Plotke, 1993]. As economic inequities intensify and socioeconomic status increasingly defines who will participate in the more formal channels of politics, community foundations concerned about these trends need to rethink their approach to community improvement.

As some of the foregoing has suggested, democratic principles provide one rationale for doing so. As Ernesto Cortez, a long time community organizer, said at a recent gathering of community foundations, "Our institutions teach people passivity. The only way out is to teach about participation and power. There have to be institutions and leaders able and willing to agitate a little, to shake things up. This is what is needed to redevelop a civic culture. It is requisite to the art of conversation. There must be a role for organizing, based in institutions, and founded on the principle of respect for people and their diversity." Democratic theorist, Benjamin Barber, eloquently agrees: "Strong democracy rests on the idea of a self-governing community of citizens who are... made capable of common purposes and mutual action by virtue of their civic attitudes and participatory institutions. It is consonant with -- indeed it depends upon -- the politics of conflict, the sociology of pluralism, and the separation of private and public realms of action" [1984, p. 117].

If democratic principles provide one rationale for foundation support of low income citizen participation and empowerment activities, investment principles provide another. Foundations, relative to the public sector, represent a small pool of resources. Recognition of this reality has compelled some in the foundation community to think in strategic terms, or how best to use a limited number of grant dollars to effect the largest amount of change. The ARCO Foundation, one of the leading and most socially responsible corporate foundations, for example, articulates a grantmaking philosophy based on the concept of strategic investment. Its investment strategy sees community leadership and action as the antidote to community decay: "Development of community leadership drives the ARCO Foundation's investment decisions. Believing that people of a neighborhood 'own' its problems and will be instrumental in solving them, the ARCO Foundation targets its investments at building capable grass-roots leadership that can mobilize human assets to renew the spirit of community" [The ARCO Foundation, 1993, p. 3].

The question, then, to paraphrase Robert Bellah [1992, p. 27], is not just what philanthropy should do for civic society but how it can do it in a way that strengthens the initiative and participation of low income and disenfranchised citizens, rather than reducing them to the status of clients. Sadly, the record of ten major community foundations shows that foundation elites have overwhelmingly opted for the latter approach in their grantmaking and other community roles.

APPENDIX I: DISTRIBUTION OF DISENFRANCHISED GRANTS BY TYPE OF ACTIVITY

Level of Risk	Philadelphia 1988-89	Boston 1989-90	Chicago 1992	Los Angeles 1989	Atlanta 1991	San Diego 1991	Cleveland 1988	Seattle 1988-89	Dallas 1991	Denver 1993
High										
Disadvantaged controlled groups with advocacy agenda	Many	Some	Few	Few	Few	Few	Very Few	Few	None	None
Issue advocacy projects -- systemic issues	Many	Some	Many	Few	None	None	None	None	None	One
Community organizing for change	Many	Some	Few	Few	Few	Few	None	None	Some	None
Advocacy-oriented coalitions with involvement of disadvantaged	Some	Some	Some	Few	Few	Few	Very Few	Few	None	One
Moderate										
Unsophisticated groups involving the disadvantaged	Many	Few	Some	Some	Some	Some	Some	Few	Few	One
Disadvantaged groups seeking first-time funding	Many	Some	Many	Some	Some	Some	Very Few	None	Some	Few
Community-based housing and development groups	Some	Some	Some	Few	Some	Some	Many	Few	None	Few
Disadvantaged groups with innovative program or project -- service or development	Many	Many	Some	Some	Few	Some	Some	Few	Some	Some
Disadvantaged groups stressing leadership development	Some	Some	Some	Some	Some	Few	Very Few	Few	Few	Few
Creation of new intermediaries involving disadvantaged	Some	Some	Some	Some	None	None	Some	Few	None	None
Low										
Established groups disadvantaged	Some	Many	Many	Many	Many	Many	Many	Many	Many	Many
Established intermediaries who will respond to disadvantaged	Some	Many	Many	Many	Few	Few	Many	Few	Few	Many

APPENDIX II: RACE AND GENDER COMPOSITION OF COMMUNITY FOUNDATION BOARDS AND STAFF

BOARD	Atlanta	Boston	Chicago	Cleveland	Dallas	Denver	Los Angeles	Phila	San Diego	Seattle
Total	17	12	13	11	8	14	17	9	25	22
Gender										
Male	11	7	8	8	6	7	12	6	16	16
Female	6 (35%)	5 (42%)	5 (38%)	3 (27%)	2 (25%)	7 (50%)	5 (29%)	3 (33%)	9 (36%)	6 (27%)
Race										
White	13	7	9	9	8	12	14	5	21	20
Black	4 (24%)	4 (33%)	3 (23%)	2 (18%)	0	1 (7%)	1 (6%)	3 (33%)	2 (8%)	1 (5%) ^
Latino	0 (8%)	1 (8%)	1 (8%)	0	0	1 (7%)	2 (12%)	1 (11%)	1 (4%)	0
Other	0	0	0	0	0	0	0	0	1 (4%)	1
% of Color	24 %	41 %	31 %	18 %	0 %	14 %	18 %	44 %	16 %	10 %
STAFF										
Total	6	27	42	37	26	7	17	10	13	5
Gender										
Male	9	9	14	8	3	2	3	0	5	1
Female	5 (83%)	18 (67%)	28 (67%)	28 (76%)	18(69%)	5 (71%)	14(82%)	5(100%)	8 (62%)	4 (80%)
Race										
White	4	19	29	28	24	5	7	3 *	11	5
Black	2 (33%)	5 (19%)	12 (29%)	8 (22%)	2 (8%)	1 (14%)	5 (29%)	2 +	2 (15%)	0
Latino	0	2 (7%)	3 (7%)	1 (3%)	0	0	3 (18%)	0	0	0
Other	0	1 (4%)	1 (2%)	0	0	1 (14%)	2 (12%)	0	0	0
% of Color	33 %	30 %	38%	25%	8 %	28 %	59 %	40 %	15 %	0 %

* Professional staff only

^ A second Black board member had served for size years, but resigned in June, 1989.

APPENDIX III:
THE BOSTON FOUNDATION'S PRINCIPLES FOR A NEW SOCIAL CONTRACT

1

Incorporate those directly affected by policies at the heart of dialogue and community building.

2

Value racial and cultural diversity as the foundation for wholeness.

3

Promote active citizenship and political empowerment.

4

Build on community assets and strengths.

5

Ensure access to fundamental opportunities and remove obstables to equal opportunity.

6

Support and enhance the well-being of children and their families

7

Foster sustained commitment, coordination and collaboration based on a shared vision and mutual respect.

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