

New Hampshire Charitable Foundation Regional Structure

Presented by:

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NHCF provides:

- *Staff*
- *Start-up funding*
- *Legal structure (501-c-3)*

The Context:

New Hampshire

- 1.2 million Yankees
- “You can get there in an hour.”
- Wealthy and conservative
- No state income or sales taxes
- Economy:
 - Manufacturing
 - Wood products
 - Tourism

“Live Free or Die”

The Context:

New Hampshire Charitable Foundation (NHCF)

- 40 years old
- Assets - \$238 million
- Contributions - \$31 million
- Grants - \$13 million
- \$3.5 million operating budget
- 40 staff members in 3 locations

NHCF Regional Structure

- 6 Regional Divisions – eventually 9
- One 501-C-3
- Ten person statewide board
- Regional assets = \$107 million

***The Deal* - NHCF provides:**

- ***Turn-key start up***
- ***Statewide reputation***
- ***Leadership cultivation***

The Deal - NHCF provides:

- ***A lot of glue***
- ***Full consultation on public policy***
- ***Audit, legal, finance, technology and investment services***

The Deal – Regional Divisions provide:

- *Validation of cause*
- *Philanthropic champions*
- *Full consultation on public policy*

The Deal – Regional Divisions provide:

- *Direct expenses*
- *Fair share of statewide expenses*
- *Participation on statewide task forces*

Operations – Regional Divisions responsible for:

- *Endowment building*
- *Grant making*
- *Community leadership*

Operations – Regional Divisions have:

- *Board of Directors*
- *Operating budget and assigned staff*
- *Annual meetings, public relations and newsletters*

Operations – NHCF federated structure requires:

- *Early buy-in to Social Compact*
- *Willingness for NHCF to underwrite start up*
- *Willingness for Regional to self-fund by year 3*

Stages of development marked by:

- *Level of staffing*
- *Level of funding from NHCF*
- *Level of community leadership*

Speed of development determined by:

- *Level of staffing*
- *Fervor of volunteer leaders*
- *Philanthropic capacity of region*

Accountability achieved through:

- *Buy-in to Social Compact*
- *Fiscal Policy Task Force*
- *Quarterly meetings of Division Chairs*
- *Participation in statewide governance*

NHCF Social Compact

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**The Principles of the
Federation**

NHCF Social Compact specifies:

- *How work of Foundation will be conducted*
- *Commitment to public policy*
- *Financial obligations*

NHCF Social Compact specifies:

- *What constitutes a region:*
- *“Soft” regional boundaries*
- *No competition for donors*

Process to establish Social Compact ...

NHCF Social Compact crafted:

- *After 3 Divisions formed*
- *By Foundation and community leaders*
- *Revisions require ratification of all Divisions*

What's been tough:

- *Allocation of staff*
- *Balancing autonomy and affiliation needs*
- *Turnover in volunteer leadership*

What's been great:

- *Regional endowments = \$110 million*
- *Hundreds of philanthropy champions*
- *No longer inventing the wheel*

Advice:

- *Try this model only if you are quite sure there's*

“gold in them there hills. . .”

- *Federation requires incremental staffing*
- *Make roles and rules explicit*