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## **A Boston Fund Mixes Research and Advocacy With Writing Checks**



*Rick Friedman, for The Chronicle*

Paul S. Grogan, who has led the Boston Foundation for 10 years, is also a registered lobbyist with the state of Massachusetts.

*By Ben Gose*

Boston - Walk into the lobby of the Boston Foundation, and the first thing you see is a computer screen listing that day's public meetings—perhaps a forum on immigration, housing, education, or some other aspect of life in Massachusetts.

On a spring Monday, 40 economists and others were here to share their views on trends in the local economy for a report the foundation is preparing.

The list of meetings hints at the transformation of the 96-year-old foundation in the decade that Paul S. Grogan has been at the helm.

Grant making is no longer the only thing the foundation is known for but just another tool for promoting change, just as is conducting research, gathering community leaders, and lobbying on issues like education and government efficiency.

Now many other leaders of community funds nationwide are following Boston's efforts by redefining themselves as leaders on key public-policy issues, not just pots of money.

But many of those efforts shy away from controversy, unlike the Boston Foundation, which has plunged with gusto into the rough-and-tumble world of influencing local government and politics. In the past 18 months, it has led a coalition that helped Massachusetts win a \$250-million education prize in the federal Race to the Top competition; issued two reports critical of the state's Probation Department, helping prompt an investigation that led to its commissioner's resignation; and enraged union leaders with a series of reports that tie generous health plans for teachers and municipal employees to the state's underinvestment in education and other needs.

### **Not a Quiet Approach**

When Mr. Grogan was named president of the foundation in 2001, the institution did everything it could to keep its name out of the paper. Now that stance has flipped 180 degrees.

"They have emerged from the quiet approach that many other wonderful foundations engage in to become one of the leading civic institutions in Boston," says Charles Kravetz, the general manager of WBUR, the largest National Public Radio station in Boston. "It's a vision and an approach to philanthropy that certainly didn't exist before Paul took over."

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## **The Boston Foundation: An Overview**

*By Ben Gose*

Although increasingly known for its public-policy work, the Boston Foundation also has overhauled its approach to grant making in a bid for greater effectiveness.

About \$300-million of the \$800-million foundation's assets are unrestricted, allowing the foundation to fully control about \$17-million checking number of its grant-making each year. (Donors to the foundation steer the rest of the \$82-million that the foundation distributes annually.)

In September 2009, the foundation announced that the majority of its discretionary grants would go to general operating support at charities, rather than pay for specific programs. The foundation also said it would make fewer, but larger grants, and steer them to charities working in its target areas—education, health, neighborhoods, arts and culture, and the economic competitiveness of the Greater Boston region. The foundation will allow charities to apply for funds on a rolling basis, rather than a timetable set by the foundation.

The average discretionary grant is already about \$75,000, up from \$50,000 when the program was announced, and Mr. Grogan expects the average to hit \$100,000 within a few years.

Mr. Grogan, formerly a vice president at Harvard University, says his “most radical” move was hiring Mary Jo Meisner, who had been a high-ranking editor at several newspapers, to oversee public affairs.

Together, the two have advocated for operating and financial changes in school districts and in government that they believe will allow Massachusetts and Boston to become, as Mr. Grogan puts it, a “tomorrow society” rather than a “yesterday society.”

“You can’t solve any of the problems we care about without effective government,” Mr. Grogan says.

Mr. Grogan says it takes a lot of different approaches to influence government and policy. The foundation tracks issues and data that are important to Boston’s future, commissions research reports on topics like education and municipal finance, and gathers local business and civic leaders to discuss findings from the reports and build support for a plan of action. It also lobbies state legislators once a plan has been hatched—Ms. Meisner, Mr. Grogan, and a third staff member are registered lobbyists with the state—and aggressively hounds *The Boston Globe* and other news-media outlets for coverage of its work.

### **Racing to the Top**

The investment in public policy reflects the foundation’s view that government is where the action is—or at least where the money is.

The \$250-million that the state will receive for winning the Race to the Top award is more than the foundation will probably spend in a decade on the grant making that it fully controls. (Like other community funds, much of the grant maker’s money comes from funds that donors have earmarked for specific causes.)

“We just don’t think that much is going to get done with our grant making,” Ms. Meisner says.

The changes are winning praise from national philanthropy experts.

“What the Boston Foundation has done is basically to take every one of the state-of-the-art kinds of things to an entirely new level,” says Joel Fleishman, a professor at Duke University and an expert on foundations and giving. “I am amazed, frankly, by what I’ve seen there.”

Thomas E. Wilcox, president of the Baltimore Community Foundation, says “they’re a leader for the rest of us who are trying to do this work.”

Local followers of the foundation point to its work on education as the crowning achievement of the Grogan era.

Before Mr. Grogan arrived, the Boston Foundation didn’t support charter schools; he says he heard stories of charter-school leaders being thrown out of the foundation’s offices.

Immediately after joining the foundation, Mr. Grogan began to push for more independent charter schools and more charter-like schools within the Boston school district.

But he found that political leaders in the state capitol and elsewhere were slow to make changes, thanks largely to the powerful teachers' unions in the state.

In 2009 Massachusetts Gov. Deval Patrick's push to expand charter schools was on the back burner until the Boston Foundation assembled a Race to the Top Coalition to push the measure and join a federal competition with the same name. The group of business, civic, and academic leaders argued that the changes would not only improve schools but also position Massachusetts to win millions of federal dollars.

The Boston Foundation arranged for members of the coalition to testify at legislative hearings, and the foundation touted the benefits of charter schools in a series of education programs that it sponsored on a local cable-television station.

"We just hammered away at it," says Ms. Meisner. "We outflanked the other side to the point where we got better legislation than even we felt was possible."

The legislation passed in January 2010, and seven months later Massachusetts earned the highest score—and a \$250-million prize—in the second round of the Race to the Top competition. A letter from Governor Patrick to Mr. Grogan, with the handwritten note, "This was our finest hour!" is framed and on display in the foundation's lobby.



*Angela Rowlings*  
Gov. Deval Patrick signed an education bill pushed by the Boston Foundation that expanded charter schools in Massachusetts.



*Aaron Donovan*  
Robert Haynes, head of the state's AFL-CIO, accuses the Boston Foundation's chief of being on a "jihad" against public-worker unions.

## **Attacks by Unions**

The foundation's work on municipal finance has been even more controversial.

Through a series of reports, the foundation has highlighted inefficiencies in public pensions and government health-insurance plans that it argues could be tweaked to free up millions of dollars for more productive uses.

The reports often urge the state legislature to enact changes that would allow municipalities to change rates or programs without collective bargaining or other input from unions.

One report, titled "A Bargain Not Kept," points out that health-care costs in state school budgets increased by \$1-billion from 2000 to 2007—consuming the entire \$700-million, and then some, that the state had agreed to provide to schools to reduce inequities in education.

In April the Boston Foundation co-sponsored a report that described the health plans of employees of Massachusetts

cities and towns as “gilded benefits from a bygone era” and called for sharp increases in the employees’ co-pays and deductibles. The *Globe* ran an article about the report on its front page.

“You can’t tolerate a situation in which health-care costs literally consume everything else,” Mr. Grogan says.

The unions aren’t sitting quietly as a new critic rises up. Robert Haynes, president of the Massachusetts AFL-CIO, accuses Mr. Grogan of being a shill for the business leaders who support the foundation.

“He’s been on a jihad trying to destroy public-sector unions with faulty research,” Mr. Haynes says. “Where is he on social and economic justice? He attacks workers rather than attacking the underlying issues in society.”

Mr. Grogan responds: “The unions are not able to dismiss—and in fact rarely mention—the actual findings from our report.”

### **Objections From the Mayor**

The new, louder Boston Foundation is not entirely welcomed at City Hall, either.

Boston’s mayor, Thomas M. Menino, has objected to some of the foundation’s research reports. (Mr. Grogan cracks that the mayor found them “insufficiently patriotic.”)

*The Boston Globe* suggested years ago that Mr. Grogan’s elevated profile may be a prelude to his own campaign for mayor.

Mr. Grogan says he’s not planning to run for mayor. Mr. Menino didn’t return calls for comment.

Mr. Grogan says the earlier, understated approach of the foundation under his predecessor, Anna Faith Jones, was admirable “in a way” but that it may also have hindered the foundation’s effectiveness because it’s impossible to be influential when you’re anonymous.

He says the foundation’s board was seeking a louder voice on civic issues when it hired him and that the board realizes some criticism of the foundation is inevitable.

“Real change in society is never unaccompanied by conflict,” Mr. Grogan says. “That isn’t how the world works. You don’t all get around the table and hold hands and say, ‘Now we’ll have civil rights for everybody.’”

### **Continuing Debates**

But others say debate over how much the foundation should emphasize advocacy and research—as opposed to its traditional grant making—is a frequent topic at board meetings.

“There is still discussion that goes back and forth about what’s the proper role for a community foundation,” says Ray Hammond, a doctor and minister who was on the board when Mr. Grogan was hired and served as chairman before finishing his stint in 2009. “That’s a healthy tension.”

The debate continues outside the boardroom.

“I have to keep explaining to people that the foundation is not anti-public school or anti-union,” he says, but merely trying to put the interests of kids ahead of adults.

In summing up the new approach at the Boston Foundation, Mr. Hammond offers the one statement upon which both critics and fans can agree: “Nobody can say it’s been boring.”

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## An Innovative Program Helps Tame Some of Boston’s Toughest Citizens



*Courtesy of The Boston Foundation*

“Streetworkers,” who connect gang members to social services, celebrate their graduation from a StreetSafe training program.

*By Ben Gose*

The majority of the Boston Foundation’s grants go to provide operating support to proven organizations that seek to aid education, health, and neighborhoods.

Then there’s the stuff that Robert Lewis Jr., the foundation’s vice president for programs, prefers to talk about—long-shot attempts to reduce gang violence and tiny grants that people living in impoverished neighborhoods can use to great effect.

“I’m not reading from the same book” as other executives at the foundation, Mr. Lewis says.

Mr. Lewis, who is black, moved from East Boston to South Boston as a teenager when his family was “firebombed out” of its housing development during the turmoil over court-ordered desegregation of Boston schools, according to a story on the foundation’s Web site.

As a city employee in the 1990s, he helped create Boston’s first Streetworkers Program, which put young people on the streets of the city’s violent neighborhoods to work with gangs to discourage criminal activity.

The program is believed to have contributed to the sharp reduction in crime that is known as the Boston Miracle, but Mr. Lewis says the program declined in effectiveness after he left. Employees unionized and won concessions like not working after 8 p.m.

### **Less Gang Violence**

Mr. Lewis joined the Boston Foundation in 2007, and the foundation started its own version of the program, called StreetSafe Boston, in December 2008. The area focuses on a 1.5-square-mile area where 78 percent of the city’s shootings and homicides occur.

Unlike the city’s program, StreetSafe workers work late into the night—until 2 a.m.—and the program hires some workers who have criminal records. Those are the workers who are most likely to influence the city’s gang members, Mr. Lewis says.

“If they can walk out there with street cred, I’m gonna win,” Mr. Lewis says.

The foundation expects to spend \$26-million over five years on the program, most of which will be raised from other sources.

The StreetSafe program tries to connect gang members to job-training programs and mental-health services, and some participants have already earned a GED.

A preliminary evaluation by Harvard University researchers released late last year found that shootings connected to gangs targeted by StreetSafe had declined, even as the total number of homicides in Boston rose sharply.

### **Nighttime Tour**

Mr. Lewis also conducts a “Boston by night” tour, in which he takes civic leaders and donors to depressed areas at night to see baseball fields, an emergency room, and public housing. He says he’s given the tour to the majority of the chief executives of Boston’s largest companies, and that \$2.5-million has flowed to StreetSafe and other inner-city programs as a result.

Paul S. Grogan, the foundation’s president, coaches a youth baseball team in South End Baseball, a league in which Mr. Lewis serves a “life term” as board chair.

“We wouldn’t be doing StreetSafe if Robert Lewis hadn’t come to the foundation,” Mr. Grogan says. “Robert’s got his own Rolodex, his own stature, and that’s great for us.”

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## Community Foundation Leaders Take Advocacy Role

*By Ben Gose*

Community foundations are often reluctant to step into local controversies because they typically raise money from—and are governed by—a diverse group of affluent and powerful civic leaders in their cities and towns. As a result, not every community foundation is eager to butt heads with teachers’ unions, as the Boston Foundation has done in advocating for more charter schools.

Nevertheless, many community funds are increasingly thinking about how far they can go in pushing for change—especially as many of them are finding that rabble-rousing has aided rather than hurt fund raising.

Each January, chief executives of the 20 largest community foundations gather for a retreat. Paul S. Grogan, the Boston Foundation’s president, first attended a decade ago, and he recalls an agenda filled with topics like fund raising, using technology, and competing against the Fidelity Charitable Gift Fund.

“I was appalled,” Mr. Grogan says. “There was almost no discussion of community issues.”

This January, the discussion was almost entirely about community issues, particularly education, Mr. Grogan says.

“Raising Money While Raising Hell,” a fall 2009 report by FSG, a Boston-based consulting firm, confronted head-on the reluctance of some community funds to move beyond a neutral role.

“Sometimes what’s required to create change involves ‘raising some hell’—asking the hard questions, surfacing the difficult issues, and taking a stand in the community,” the report says.

### **Better Fund Raising**

It doesn’t hurt that even in these tricky economic times, fund raising has improved for foundations that pursue advocacy.

“Every community-foundation CEO I have discussed this subject with will tell you that courageous leadership will result in growth,” says Steve Gunderson, president of the Council on Foundations. “People see it, and they want to invest in positive change.”

The Baltimore Community Foundation began its advocacy work in 2008, when Tom Wilcox, its president, co-wrote a newspaper opinion article calling on Maryland’s governor to restore cuts he had made to school budgets. The governor eventually restored the money.

More recently, the foundation has opposed a campaign by teachers’ unions to add some elected members to Baltimore’s school board. The board is currently appointed by the mayor and the governor, and the fund believes those two leaders can be held more accountable for education results without the dilutive effect of elected trustees.

“People have told me that our advocacy activities make them more inclined to want to leave us money for our unrestricted, discretionary endowment,” Mr. Wilcox says.

Boston Foundation executives say they know of no donors who have pulled out funds as a result of its more-aggressive advocacy strategy, although one did send a note saying: “I liked the old Boston Foundation better.”

Still, the bottom line seems to have gotten a lift. The Boston foundation started a Civic Leadership Fund in 2002 to help cover the costs of its public-policy and lobbying work and raised \$300,000 that year.

### **'Armed With Data'**

Support has risen steadily ever since. It raised \$1.2-million in 2010 and has set a goal of \$1.4-million for this year.

The money is raised from a mailing to 2,000 people the foundation thinks might be interested in financing advocacy efforts. (The foundation’s advocacy efforts may also have helped turn Mr. Grogan into a steely negotiator. In April, an arbitration panel ordered a Boston man to pay the foundation more than \$29-million to buy out a share in a South Pacific cruise ship that had been donated to the foundation in 2007. The man had offered just \$15-million in 2009.)

The Baltimore Community Foundation also raises more than a million dollars a year for its civic-leadership efforts, and the San Diego Foundation and the Central Indiana Community Foundation are starting such funds this year.

Kevin McCall, a Boston real-estate investor, has been a “consistent supporter” of the Boston Foundation’s leadership fund and would like to see the foundation stake out an even more aggressive advocacy position in some areas.

He says the foundation’s reliance on data from its own Boston Indicators Project—an effort to track key statistics about the community—helps build credibility for the advocacy work.

“When you’re armed with data, I think your back is covered a bit there,” Mr. McCall says.

Boston Indicators, headed by Charlotte Kahn, was already part of the foundation when Mr. Grogan arrived a decade ago, but it was tucked away and received little publicity.

“We took it down from the attic and put it in the middle of the room,” he says.

The foundation will probably tap data from Boston Indicators this year as it turns its attention to the state’s community colleges. “There are some really good community-college systems around the country,” says Mary Jo Meisner, vice president for communications. “I would not say that ours is one of them.”

### **Unsure About Schools**

Some community foundations are carefully picking their battles as they begin to put more resources into advocacy.

The San Diego Foundation published a climate-change report that successfully nudged municipalities to create plans to reduce their consumption of carbon.

The foundation also is creating a Center for Civic Engagement, which will try to get local residents involved in another project the foundation is heading—identifying what residents would like the city to look like decades from now.

### **Education Challenges**

One obvious challenge, says Bob Kelly, the foundation’s president, will be education: How can San Diego better prepare children for college and the jobs that the area’s biotechnology industry is creating?

But on improving the schools—arguably a more controversial area than planning for the city’s future or even global warming—it is not yet clear how, or if, the foundation will have a role.

“Our board, our volunteers, and our staff are nervous,” Mr. Kelly says. “They want to be careful. They’re apprehensive about moving down this path.”

### **Cultural Considerations**

The Central Indiana Community Foundation has led efforts to create an eight-mile greenway through Indianapolis and to bring Grameen America, a microlender, to the city.

But the foundation’s board has six members who are appointed by political leaders, as spelled out in a 1916 trust document.

The presence of board members appointed by both Democrats and Republicans has inhibited any lobbying over public-policy issues, thanks to “inherent differences of opinion about how to move forward,” says Brian Payne, the foundation’s president.

“The culture of our foundation in the past has not been to engage like that,” Mr. Payne says. “We’re reconsidering it. But it’s a slow, thoughtful process.”