

Champions for Social Good Podcast

The Evolution of Community Foundations, a Conversation with Julie Cole Mecum of the Community Foundation of Boone County

Episode Transcript:

Jamie Serino: Hello and welcome to the Champions for Social Good Podcast. The podcast for people dedicated to social impact. I'm Jamie Serino, Director of Marketing for the MicroEdge Division of Blackbaud. I'm here today with Julie Cole Mecum, Chief Operating Officer at the Community Foundation of Boone County, which is located in Indiana. Welcome Julie.

Julie Cole Mecum: Good morning.

Jamie Serino: So Julie can you tell us a little bit about yourself and the Boone County Community Foundation?

Julie Cole Mecum: Absolutely. I have been with the Boone County Community Foundation for about two years and prior to that, worked with the Central Indiana Community Foundation and the Indianapolis Foundation for approximately 18 years. I've been in the community foundation field for a couple decades now and have had a wide variety of experiences with this smaller community foundation all the way to those experiences that one experiences with a very large \$600-700 million asset size foundation.

Jamie Serino: And so what was it that got you into working with community foundations to begin with?

Julie Cole Mecum: Early in my career I worked with some neighborhood based, youth serving organizations. Most of what I was doing was helping those organizations learn how to administer their organizations in ways that were effective which was very foreign concept for them. They were grassroots organizations that were passionate about subjects and really wonderful at providing programs, but not real great at administering those programs. And one of the factors that we worked on a lot, was fundraising and how to find the support they needed to keep their operations going. In doing that, I began to experience the world of grantmaking, from the grant-seekers perspective. And just basically happened upon the opportunity to go to the Indianapolis Foundation and began to experience the nonprofit sector from that other perspective.

Jamie Serino: Okay. And so can you tell us a little bit about the Boone County Community Foundation?

Julie Cole Mecum: Sure. The community foundation here in Boone County is serving a mostly rural population. We have a couple of communities that are a little more urban. One of our fastest growing communities here in Central Indiana is within our county and we provide grantmaking and philanthropic services to the charitable organizations within this geographic region of Boone County. We provide granting from our base of about \$21 million in assets for everything from scholarships to arts organizations to the local health clinics and any other nonprofit you can think of in between. So we provide a wide variety of grantmaking funds and also are very active in the community as an impartial, nongovernmental organization. We try to support that wide variety of causes that you're gonna see in the citizens that live in the area.

Jamie Serino: Okay. So within this wide breadth of support that Boone County Community Foundation provides, are there focus areas or it's just really a complete spectrum?

Julie Cole Mecum: Honestly over the 25 years that we've been in existence here in Boone County, our funding has been extremely varied. We essentially focus on trying to create a thriving community and improve

the quality of life for our residents. And in doing that, we engage in a wide variety of projects and programs and participation in the community, in ways other than just our grantmaking funds. We try to help engage our community in arts and cultural activities and not just engage our community, but encourage folks to realize that as our culture is changing and young people are moving out of communities more so than moving into more rural communities, we're trying to figure out ways that we can engage in those economic and community development activities and artistic type projects and programs that will potentially make a difference in their lives, maybe encourage them to stay or come back. Our efforts are really very broad, as you mentioned a moment ago.

Jamie Serino: And so, how are you working with that challenge of people leaving or younger people leaving the community, moving somewhere else, how are you dealing with that challenge?

[chuckle]

Julie Cole Mecum: Honestly we're trying to work collaboratively with our community economic development partners, corporations, the neighborhood associations. Everything from that very grassroots neighborhood focus all the way up to the county level efforts to revitalize their downtown areas. We have several towns that are a part of our community. As I mentioned before, Zionsville is a tremendously thriving and growing community. Then we have some much smaller communities that are still tremendously rural. And so, we're working with the City County Councils, the local people at the local libraries and everything in between to encourage and support in any way that we can the efforts that they are engaged in and also trying to figure out ways that we, as a community, can work together not just separately. One example of that is we've taken a... One of our communities recently requested a grant to purchase a statue, it's called "A Walking Man Statue." And they just wanted to bring something as a sculpture to their community and give people something interesting to come visit within their smaller community. We figured out or learned that there were a few more of those sculptures available that hadn't yet been sold in another community that had created them and sold them to raise funds for their philanthropic community.

Julie Cole Mecum: We actually engaged in the process of using some of our unrestricted funds, which is money that we can provide funding to charitable organizations, that's at the discretion of our Board of Directors and took some of those funds and also raised some funds from other donors within the community, and purchased a sculpture for each community, each town, within our county and granted or gave those back to those communities. It's in process right now but it's really been a great experience of helping not just the folks that are arts and culturally minded, but also the community members and helping them engage in a process of, "Let's think about how we can link all of these Walking Man Statues together through an experience, a joint experience. Maybe some Facebook challenges or things like that, so that's still being determined how we can make that happen but it's a way that we work with those communities individually but also trying to look at the larger picture at the same time.

Jamie Serino: Right. Yeah, that is really cool to link all the communities like that and it sounds like you're heading in the right direction of use social media or something to leverage those. That sounds pretty cool. You mentioned unrestricted funds. Is that something that your foundation has always had or are you trying to set aside more of that? Is this a trend that's growing or it's just something that your foundation has always done?

Julie Cole Mecum: That's a great question. It's a great question specifically for community foundations like ours. There are a large number of community foundations throughout the United States. Indiana is quite unique in that the Lilly Endowment, provided funding many years ago about 20 years ago to help each of our local counties to either establish or grow a community endowment or a community foundation for that local community. They provided some funding for operations and some matching funding to help us develop, grow our endowed funds. By doing so, they helped us to grow our unrestricted pots of money which is what you're referencing. That pot of money is somewhat less attractive as the generations have proceeded [chuckle] on because what's happening is that when folks, when individuals or corporations or families, give money to a

charitable organization or community foundation like ours, we're seeing a trend that those individuals want to have more involvement.

Julie Cole Mecum: Sometimes they want to give funding just because it serves the greater good and as the changing needs of the community evolve, then our grantmaking can evolve to support those changing needs. That's where those unrestricted monies are really valuable. We hope to keep those monies, those funds around in perpetuity, or at least for a really long time. What we're seeing now is that donor advised funds, monies that individuals or families donate to the foundation and then want to maintain a relationship with. They want to continue to advise the foundation on where those funds should be spent, what charitable causes we should support with those monies that they've given to us. That trend is becoming greater and greater.

Julie Cole Mecum: And I think that it's very much related to the change in generations. Millennials want to be involved and to see the impact of their investments. They want to volunteer, they wanna provide grants but they're not necessarily motivated just by the tax deduction. They're motivated by being generous and they exhibit that in a lot of different ways. Giving funding to a traditional foundation like ours is one of those ways but it's not the only way. I think churches are also struggling right now to receive contributions because families may still be giving 10% of their income, however they're not giving that 10% just to their churches anymore. So it's definitely a change in how folks are giving and they want to be involved.

Jamie Serino: Interesting. So then the relationships with your donors, I think you probably become closer and it sounds like you're working with them more regularly on the programming piece not just, like you said, they're not just donating money and walking away. You're working with them on programming. Can you talk a little bit more about that?

Julie Cole Mecum: Absolutely. Services to the donors needs to be very intentional and delivered, in my opinion, differently to some of the older generations who may or may not, but may be less technologically inclined. Then what we're clearly seeing is being requested by middle aged and younger individuals in our community. Technology gives those individuals and corporations a much greater opportunity for impact without needing intermediaries like community foundations. And so we're grappling with how to stay relevant to those new donors and how to serve them while also serving the other generations of donors and philanthropists. For example, with our annual report, we have grappled quite a bit as I think many of our peers have, with what should we do electronically? What should we produce and distribute electronically versus what should we distribute in print form? And so from a marketing perspective, we are trying to find a nice mix while realizing that we are a small organization and we have a small staff. [chuckle] But also realizing that we need to have staff that are dedicated to those social media outlets and strategies. And so working with those donors in a lot of different ways is critical.

Jamie Serino: Yeah and how about... Are you out trying to attract new donors? Like you said, people of younger generations have many outlets through which to contribute and donate. Do you find yourself waving your arms around a little bit more saying, "We can be a vehicle for you." Can you talk a little bit about that?

Julie Cole Mecum: Absolutely. So what we're doing is sometimes we're collaborating with others like ourselves, community foundations and trying to provide services and collaboration opportunities with those individuals as well as the organizations that we serve. For example, we have worked with our peer community foundation, the next county over in Hendricks County, to provide some seminars and brown bag lunches and things like that, to serve our nonprofit charitable organizations in a variety of different ways. Whether it's bringing in experts to talk about a subject area that they're passionate about or very interested in, or whether it's just taking the opportunity to get everyone who's providing a similar service around the table and communicating with each other.

Julie Cole Mecum: As a small organization or as a small community, sometimes our organizations just kind of work in their little vacuums, work in their little bubbles and don't keep a good tab or aren't necessarily aware of what everyone else in the community is doing. And honestly, each of us is passionate about our organizations,

which is why we're there, and sometimes we wanna do what we wanna do. [chuckle] We don't pay a whole lot of attention about what someone else is doing. And so convening those organizations to come together is critical and very beneficial, I think, for the community to just encourage the conversation if nothing else. But at the same time, we can provide them with some information about additional funding opportunities. And, "Hey! Did you know that this is an opportunity out there, that there's this new grant program going on that the State is administrating, or that another foundation has available to you?" So I guess that spoke a little bit to the individuals but not necessarily as much... Or to the individual nonprofit organizations, but not necessarily as much to the individual donors. Did that answer your question?

Jamie Serino: Well, sort of, but I think it led us into something that's also very interesting 'cause we've been seeing more efforts for collaboration. And we've been hearing that the sector sometimes does get stuck with people working in vacuums and working on problems that maybe another organization's working on and they could work on them together. And we've been seeing people in organizations wanting to collaborate more. So it's interesting to hear you talking about that as well. And you have community foundations where maybe if you broaden the sense of the word "community", you could put two or three community foundations together to be working on an issue for the area. Or even when you think globally with the UN Sustainable Development goals, that's an effort to bring the whole world together to work on specific issues. It's great to hear that you have that mindset. You had mentioned technology earlier. Do you find that the use of technology can help you collaborate? Or are you finding any hurdles or could you offer any advice for people that are looking to collaborate? Anything like that?

Julie Cole Mecum: I think technology definitely has a role to play. As I mentioned earlier, that technology gives people opportunities to collaborate or provide impact that don't necessarily need us as community foundations. And so, when we can take that technology factor and use it to our advantage is when I think we're all going to prosper and all going to see advantages. One of the ways that we, in Indiana, are trying to work together and use technology is to, and it's both a trend, but also, a challenge that both large organizations, large foundations, as well as smaller foundations are figuring out that our cost drivers, such as how to make our back office operations, more efficient, are huge. And we need to maintain operational efficiency and the services that we're providing. But also, balance that with the value that we're adding to our communities. And in looking at technology and the factor that the technology can help us, but it also can be a challenge for us.

Julie Cole Mecum: One of the trends that we're seeing in the community is that decision-making is becoming more and more data-driven. Community as a whole, not just the philanthropic sector. And it's... That data is an internal, as well as an external necessity. We have to be able to show our donors results of how their funds are making a difference and that they're being spent for worthy causes. While at the same time, there's an ever-increasing expectation from our various constituents to have access to technology that's current and relevant. Our students want to submit online grant or scholarship applications, as well as those nonprofit organizations. People who are participating in a leadership program. We administer a leadership program for the Boone County area. They want to submit their applications online. They wanna have access to our financial information, our investment performance information but even our board members are grappling with, "Hey, we'd really like just a portal, an electronic portal." And we as a small organization are challenged with, "How can we keep up with modern technology, while at the same time, balance the financial challenges that some of those technologies pose?" [chuckle]

Jamie Serino: Right, right, right.

Julie Cole Mecum: Some of those needs to, for example as a community foundation, tracking our constituents and our fund-raising efforts is a critical need. And there are CRM, customer relationship management software packages out there, but sometimes they're really cost-prohibitive. And you don't necessarily just wanna operate off of an Excel spreadsheet. While at the same time we, as individual foundations and grant makers, and even just the nonprofit organizations that we work with, don't always have the financial means to purchase a product ourselves. But as you mentioned earlier, working collaboratively, we're trying to figure out ways that we can, whether it's we, with the nonprofit organizations, charitable organizations that are serving our

community, or we as a community foundation with other community foundations can figure out how we can share those resources.

Jamie Serino: Yeah, that's interesting. That's a good way to try to solve that problem. When we talk about collaboration with our customers, one of the issues that they bring up is the lack of a shared language, like a shared taxonomy. And what one person considers a success may not be what another person considers a success or how someone defines a problem may not be the same way that another person defines a problem. Do you run into that issue at all?

Julie Cole Mecum: Absolutely, most assuredly. [chuckle] How to define success and how to measure success is one of the greatest needs and one of the greatest challenges we face, both as grantmaking community foundations and as charitable organizations providing service within the community. We as funders are continuing to ask our grantees and even just individual folks, constituents that we're collaborating with out in the community to measure what we're doing. And it's challenging. There are organizations such as United Way, who have found methods to measure their impact in a very coordinated, consistent manner. And then there are those of us who have such a wide variety of causes and organizations and people that we're supporting that sometimes it's tremendously difficult to define how we're gonna report out on that, and what it is that we wanna measure?

Julie Cole Mecum: And when we use technologies such as our back office softwares, most of the time we're defining those measures very differently from one organization to the next organization. And we can report on numbers. Numbers of individuals or organizations that we've served or dollar amount that we've granted out in the community. Though as I've mentioned earlier, our constituents, particularly our donors and our advisors to the funds that we hold, are asking for more. They want to see more specifically, find a couple of specific areas you wanna focus on and then report out to us about that. Tell us how our few dollars or maybe many dollars have helped to move that needle.

Julie Cole Mecum: We have one fund that has provided a great deal of money to support literacy efforts here in Boone County. And we've been working with the organizations that have received those grants to report back to those fund advisors and those donors and explain that you really have helped to move that needle. And obviously those anecdotal, specific examples I think, are most meaningful while at the same time those donors wanna see some more coordinated, more concise information about in total how are we moving that needle.

Jamie Serino: Right, right. Yeah, the anecdotes are great from like a storytelling perspective. The individual stories are impactful and they make everyone feel good, but we're also hearing too that donors and constituents wanna hear what's the mass level impact here. So we're hearing a lot of the same things. So are you making shifts to try to address that or have you been already addressing that?

Julie Cole Mecum: We are. It's obviously a challenge. We've recently had a change in our executive leadership here at the foundation. And that's been a great opportunity for us to really step back and look at our role as a community foundation within Boone County, and how we can transition from not just being a community convener, but taking on more community leadership roles. Working those public-private partnerships and stepping back and looking at our grantmaking and thinking about, particularity with our unrestricted funds, which we call our community impact funds, how we can be a bit more proactive with some of that money versus primarily being a reactive grant maker.

Julie Cole Mecum: So, looking at how we can develop some concrete, measurable priorities or community initiatives that we can establish and then track more effectively. I think, the Indianapolis Foundation and the Central Indiana Community Foundation are a great example of an organization that did that 10 years ago. Really step back and made that transition. And it was hard. It was hard for some of the nonprofit organizations in the community to realize that we're gonna focus some of our grantmaking here. It's not all going to be just a response to your applications that you submit.

Jamie Serino: Right. Right.

JM: But I think they've seen tremendous success in helping to prepare students for college, college readiness and developing those inspiring places and thriving communities. I think they've served as a great example as a large foundation in the central part of Indiana and Indianapolis to us, as smaller communities around the Indianapolis area, on how we can make that happen.

Jamie Serino: Yeah that's a really great example. We hear a lot of the same thing too that, as a foundation begins to tighten up its program, it has to learn to say no a little bit more and sometimes that's hard. And it's hard to communicate that to people. They don't wanna hear that. It's about what we find our customers are doing when they do that is they're communicating more about where they're helping and how they're helping, and so why they're directing funds or efforts towards a certain thing. So it's not really about saying no, it's about just saying, "Let's have a greater impact in this one, more particular area". Sounds like a similar situation there.

Julie Cole Mecum: Exactly, exactly. I worked with an individual in Indianapolis for years and that's one thing that I think, a significant contribution she made to the Indianapolis foundation and CICF, is that she helped us as an organization step back and figure out how to say no. It was just as important to figure out what we're not going to do as to determine what we are going to do. Not just from a grantmaking perspective but also from a fund establishment perspective. What kinds of funds do we want to hold in our foundation, in our portfolio. And what types of funds are not necessarily where we can provide the greatest impact and the best service to our donors and things like that. And that has been something that I've tried to bring here to Boone County since I've been here is to step back and use some of that data to look at our trends and our stats and to help take that data to inform our decision making.

Jamie Serino: That's great. In wrapping up here, is there anything else that you see for the future one year or three years, five years out for your foundation, for your donors, your constituents, the sector in general? Is there anything, looking into your crystal ball, is there anything that you would say?

Julie Cole Mecum: Absolutely. As an endowed foundation we try to focus our assets on assets that will be here for a really long time. We are beginning to dance around the question of impact investing. How can we invest our funds, not just provide grants within our local communities or defined geographic region, but how can we invest our funds, at least a portion of our funds, in ways that support our local economies or causes that we're passionate about? And we see that we and our peers are not implementing it. I think, somewhat due to lack of confidence about the legal implications and how to make it happen, but also the potential drain on staff resource. We want to invest our funds locally, while at the same time we're just not quite sure how to do that. [chuckle]

Jamie Serino: Right, right.

Julie Cole Mecum: So I definitely see that as a significant trend in our sector of trying to figure out how we can make that happen.

Jamie Serino: Yeah. And it's such a great way. It's like you can have double impact. You're providing grants, you're doing work in your community and then the money that you're investing that could also be doing good work just as you're saying so that's fantastic that you're looking into that.

Julie Cole Mecum: Yeah. Exactly. We're excited about it but anxious at the same time.

Jamie Serino: Right. No. It does, it sounds like it gets pretty complicated. Okay, Julie thank you so much for joining us today. It was a really interesting conversation. I learned a lot so I wanted to thank you for joining us.

Julie Cole Mecum: Absolutely. Thank you Jamie. It's been a pleasure and I hope that we can work together to make our philanthropic sector better.

Jamie Serino: That's great, me too. So for our listeners, I hope you enjoyed this episode of Champions for Social Good. To learn more about the Community Foundation of Boone County, you can visit communityfoundationbc.org. And make sure to subscribe to the podcast so you don't miss an episode. Keep up with the conversation between episodes by following us on Twitter @jamieserino, @MicroEdgeLLC, and @blackbaud. Thank you for listening.

