

Foundations Taking The Longer View For Rebuilding

By Marla Nobles. *The Nonprofit Times*.
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While direct relief organizations such as the American Red Cross, Salvation Army, AmeriCares, the American Society for the Prevention of Cruelty to Animals and many other groups were providing immediate help in New Orleans, the nation's foundations were taking the longer-term view.

"I think the foundations are doing what they should right now," said Steve Gunderson, incoming president and chief executive officer of the Council on Foundations (COF) in Washington, D.C. He formally takes over October 1.

He said the COF would not be asking its members to increase their current giving, with the minimum amount by law being 5% of assets. Gunderson said he sees it is a mistake to use the 5% criteria as a guideline for how much foundations should give away in assets each year. However, he said, "I encourage giving more if needed."

When asked about the \$55 million members of the COF have donated to the Katrina relief efforts -- a number that pales in comparison to the more than \$500 million in charitable giving by the American public -- an unruffled Gunderson explained that the foundations are "just gearing up." It was expected that direct relief and religious organizations would be on the front line of the disaster. "With foundations, each one has a mission, and most don't include disaster relief as an initial focus."

Gunderson said that he hopes to change that and "make foundations more effective down the road." But, he added, "No one is suggesting (the foundations) haven't done their part."

Obviously there are very serious short-term needs in New Orleans and the other affected areas,

said COF Interim President Cole Wilbur, a trustee and former president of the David and Lucile Packard Foundation. "But we also need to focus on rebuilding a strong infrastructure, which happens over a long period of time."

Both Wilbur and Gunderson agree that the priority is to continue what it has been doing since its inception: providing leadership. "The Council exists to inform and provide financial resources to foundations," said Gunderson. Similarly, said Wilbur, "We exist to inform foundations on how they can give the money wisely. We provide the information and (the foundations) decide, but we also encourage members to always give more during a tragedy."

Gunderson said he also understands that tragedy could strike again, and relief efforts and resources will be needed for that as well. "There are exceptions to every rule, but this isn't the first hurricane and it won't be the last hurricane to hit," he said.

Gunderson, 54, is currently the senior consultant and managing director of the Washington office of The Greystone Group, a Michigan-based strategic management and consulting firm. Prior to that, he served eight terms in the U.S. Congress, and three terms in the Wisconsin State Legislature. He will succeed Dorothy S. Ridings, who served as the president of the COF for nearly a decade.

Rick Cohen, president of the National Committee for Responsive Philanthropy (NCRP) in Washington, D.C., said that the Hurricane Katrina crisis has revealed some of the strengths and some of the weaknesses of the nonprofit sector. "It's a great time for a fresh face, one with public policy experience to rethink the posture of the role of the nonprofit sector," said Cohen of Gunderson taking over at COF.

That role, said Cohen, should be more of an advocate for philanthropy rather than an enactor of it. "It's one thing to provide immediate relief; it's another thing entirely to re-think the mission of philanthropy," he added.

For now, it seems Gunderson is in agreement. "A goal of mine is to find a balance between charity and long-term strategic investment of our philanthropy," said Gunderson. "And to evaluate and educate how to move towards that balance. Regarding Hurricane Katrina relief, he added, "I want to look at what our role is in both the short- and long-term."

By the time Gunderson takes his seat as head of COF, however, the short-term decisions will have already been made by current President Wilbur.

"My job is to lay the groundwork," said Wilbur of his Interim status. "We are here to provide the information and show foundations how to give their money wisely," said Wilbur.