

**Live from PEAK Grantmaking 2017!**

Host: Ted Hart

Guests: Nancy Herzog - National Endowment for Democracy

Satonya C Fair - Annie E. Casey Foundation

Christopher Percopo - Leona M. and Harry B. Helmsley Charitable Trust

**Announcer:** Welcome to the *CAF America Radio Network*. A production of the Charities Aid Foundation of America. As the leader in global giving, CAF America offers more than 20 years of experience and expertise to corporations, foundations, and individuals who wish to give internationally and with enhance to due diligence in the United States. Through its industry-leading grants management programs and philanthropic advisory services, CAF America helps donors amplify their impact.

This show is dedicated to these donors and the charities they support. CAF America is uniquely positioned to serve as the bridge between these important partners and transforms vision into meaningful action. Guests on the *CAF America Radio Network*. are leaders in their field who share tips for success and stories that inspire. Our host is Ted Hart, the CEO of the Charities Aid Foundation of America. This is a live call-in show. Add your voice by calling 914-338-0855. After the show, you can find all of our podcasts at [cafamerica.org](http://cafamerica.org). Don't forget to dial 914-338-0855. Now welcome the host of the *CAF America Radio Network*, Ted Hart.

**Ted Hart:** Welcome here to the latest edition of the *CAF America Radio Network*. We are coming to you live from Hollywood, California and the PEAK Grantmaking, Grant Managers Network Conference. My first guest today here on the radio show is Nancy Herzog. She is the Senior Director of Grant Administration at the National Endowment for Democracy. Welcome to the CAF America radio network.

**Nancy Herzog:** Thank you, Ted.

**Ted:** I would like to start off by asking you to share with our audience a little bit about the work and the focus of the National Endowment for Democracy.

**Nancy:** Sure. Thank you for the opportunity. The National Endowment for Democracy is a private nonprofit organization located in Washington, D.C. We're dedicated to the growth and strengthening of democratic institutions around the world. Each year, NED makes more than 1000 grand to support projects of non-governmental groups who are working for democratic goals in their country. In 2016, we were able to make more than 1500 grand in 90 countries for more than a \$150 million worth of project support.

**Ted:** That's really, really important. With the pressure, work gets even more difficult and even more important because of what's commonly referred to as the shrinking of civil society. Increasingly, across the world, foreign funding, even private entities as being equated to negative trends. How do you think that this is affecting for SPS role, and specifically, your ability to make a difference International?

**Nancy:** This is a really important issue for us, specifically for the work that the National Endowment for Democracy does. Because of the type of work that we do, our grant fees are some of the most vulnerable to this situation. We're committed to supporting civil around the world. The trend is to squash civil society, whether intentionally or unintentionally, by some of these methods.

In terms of the ability to work, it is making everything a lot harder. All around making grants internationally now is just much more complicated, no matter what sector you're in because there's a lot more regulations. The banking institutions are sometimes feeling a bit overboard on their compliance because they're scared of getting in trouble in and sanctions or even just agreements for banks to share information cross borders, as well as finding sometimes the civil society groups who are still willing to work when they're at risk.

**Ted:** For them, of course, they're working in country, they're trying to make a difference. Funding becomes extremely important, and here you are trying to get money in the country with increased regulation. Do you have a sense of-- This is obviously specific to 90 different countries, even if you only have a few minutes to. Is your concern is that this is more often than not purposeful, where it is accidental to increase anti-money laundering and civil society is getting caught up in? Give us a sense of what the roles look like.

**Nancy:** I think it's both. For the work of democracy promotion, we're seeing the intentional side of it. There are government's that are out to not allow democratic improvements in their country. They think civil society is a threat rather than an asset to their country. We think that's a shame, and we're committed to supporting those civil society groups because that's the basis of a thriving culture.

**Ted:** One of the-- to your points, so part of a thriving culture is, of course, the ability to have freedom of speech, and freedom of association. Those are two areas that are particularly under threat. How do you succeed in 90 countries with that weight?

**Nancy:** I can't tell you that [laugh].

**Ted:** It is that difficult.

**Nancy:** No, it is difficult. We do it very carefully, but also we invest in our own resources all of that to be able to provide the support that we need to the groups on the ground and support it so we have to work harder.

**Ted:** Well, it's such important. Grants are only one tool, albeit, a very important one and as you said, that you've been able to this year increase your grantmaking, which is great, is that grantmakers have at their disposal to help strengthen civil society grants are just one tool. How can grantmakers use their position to push back against negative narrative and the threat against civil society?

**Nancy:** I think there's a lot of things that grantmakers can do. First and foremost, for us really is to stay true to our mission and keep that support going to the civil society group as best we can and find the ways to support those groups. Something we do very intentionally is doing very targeted grant making, not sending millions of dollars to support giant initiative, but to really create sustainable civil society organizations that have reasonable budgets that are also easier for us to support, and seeing that core support of civil society as a goal in and of itself, not to focus too much on impact and results necessarily, when some scenarios just the existence of the group is the positive result we need.

**Ted:** It is the positive. Sometimes being able to measure something that is not supported by the local government becomes that much more difficult but I would imagine because of your expertise you know success when you see it.

**Nancy:** That correct, you do.

**Ted:** That's great. Well, Nancy Herzog, Senior Director, Grant Administration at the National Endowment for democracy. Thank you so much for being my guest here on the CAF American radio network.

**Nancy:** You're welcome. Thank you for asking me.

**Ted:** Thank you. Next up here on the show, we're going to have Christopher Percopo. Christopher is the Director of Grants Management at The Leona M. and Harry B. Helmsley Charitable Trust. Chris, as you come in and get settled, we are live on Facebook. Just to let everyone know that you can find us at [Facebook.com//CAFAmerica](https://www.facebook.com/CAFAmerica). Now that Chris is settled in, let's start off helping our audience learn a little bit about the work and focus of The Leona M. and Harry B. Helmsley Charitable Trust.

**Christopher Percopo:** Sure. Thank you for having me. The Leona M. and Harry B. Helmsley Charitable Trust has been around its current form for about eight years and we're making Grantmaking primarily in health. We've coalesced around a theme of really broad health issues, disease criteria, access and as well complete-based work in Israel and Africa.

**Ted:** Terrific. You said focus on health, and focus in Israel and Africa, what are some of the health issues that you're particularly interested in in those areas?

**Christopher:** In Israel, it can be health innovations, how to get more access to some of the rural communities in Israel. Whereas in Africa, communication, cleanliness, trading, things like that. The things that also contribute to healthy society.

**Ted:** That's terrific. The Trust has been doing this work and it's been active, you said I think for eight years?

**Christopher:** Roughly, yes.

**Ted:** You learned a lot in eight years but you're getting started in the eight years. From your experience in Grants Management, what do you think are the characteristics of an effective grant system? Then I want to go on and just ask, how can grant makers make their processes more streamlined without sacrificing quality which I think is huge thing they have to deal with?

**Christopher:** Well, when I started the trucks we were still very new and actually had not-- We didn't have a process, did not have a system in place, had no grant management database, so it really was a great gift to start for scratch. We were to look at what he told us was the practice, how to set things up.

where to find efficiencies, where people had oftentimes falling a little short maybe in their process development, and really empower our staff and be a partner on our staff moving forward where the programming grants management team really worked together to find a way to make grants happen and no one's really a barrier. We've really tried to impart, have staff come on board to really make it clear. We're your teammates. If you worked together with us well, things will go very smoothly. I think that's a very important part.

**Ted:** I would imagine for you and creating that teamwork, it's easier to then get results, and you get reporting because it built in from the beginning. It's not an add-on to the end?

**Christopher:** Yes. I think that we-- I mean, nothing is perfect. We are of the continuous process improvement is very important, but try to be predictive. I think through the process and why you're asking certain questions is really a powerful thing right now.

**Ted:** If you could share with us maybe one of your favorite stories of something that needed to be improved because there's something that happens. Is there a particular story that you like to tell that gives people a sense of how that kind of improvement can work through a system and then be meaningful?

**Christopher:** I think a great number for us is that we spend a lot of medical research. Benchmarking success in medical research is a rather ambiguous process. When we first started, we tried to create very rigid guidelines on what's say for us, and very quickly realized we had it all wrong. How do you make it flexible enough so people can talk about what they're accomplishing without being boxed in and almost having the devil in the detail to prevent the largest success. Really flipping around what we're looking at as for success, and we looking at really what the researchers were able to do, what the long-term aim was without really stifling their own work. With the -

**Ted:** The very nature of researchers is not the same as building a widget?

**Christopher:** Correct.

**Ted:** Going through that research process, sometimes you don't get the outcome that you thought you would get but that's part of the research processes that we need to learn where the failures are so that you can reach rule to get to a success. How do you do that in the grant process and still have a sense of beginning and end, and reporting on outcomes? How do you do that?

**Christopher:** Well, it's really measuring what we feel our indicators of success in the long run. When you looked at-- getting people to accept that sometimes the failure and research actually is a success is actually a very counterintuitive fall process for people. Writing into our grants, and putting our systems, and our reporting, they listen. We want to hear about all of your results. If they're not what you expect, that's okay.

**Ted:** Because you'll learn something.

**Christopher:** Because we learned something and then also we want you to talk about it. We want you to go out in field and say, "Listen, we tried X study. It was not successful because of this. Don't we create this? Let the sleeping dog lie and move onto the next successful." We've been able to show people that even if they don't get the same results they want at the onset of a project. They need to get renewed if there was those little advocacies to them., we're finding in the long term.

**Ted:** That's where a grants officer or across like yours built up the expertise to be able to over time knowing yourself the difference between something that it just didn't come out the way, but the process was still valued and we learned something as opposed to someone who just took your money in real office or anything, and knowing the difference between those two becomes a very important part of your professional.

**Christopher:** Right. Saying little headed level-headed during that process to where I'm a pretty calm person. I'm excitable and plot fast, but when you look at-- looking at the broader strokes of what we're trying to look at saying, "Okay, let's talk about this, not react to it yet. If we get to hear back from a larger research project that they're having a stumbling block and instead of saying, " Oh my God, your clinical trial is behind on enrollment grant is going sideways. We have to think about what's going on," saying, "Listen, okay, what happened and how can we improve it? Is that we have to redo the enrollment or we do the protocol," and things through kind of that process in general. Again, learning and making that learning process part of your own professionalism as a Grantmaker.

**Ted:** I'm Chris, if you don't mind, we're going to just take a very quick break, but when we come back and want to ask you to sort of weigh in on the importance of compliance with relevant laws and particularly since you're working outside of the United States, how does multiple US laws, and then in your case, Israeli law and then applicable large in Africa. We're going to come back and we're going to talk about that in just one minute.

**Announcer:** Remember our podcast and archives are always available 24 hours a day at [campamerica.org](http://campamerica.org). If you're listening today, our phone lines are open, call in and ask a question by dialing 914-338-0855. Now, back to the *CAF America Radio Network*, and our host Ted Hart.

**Ted:** Making conference here in Hollywood, California. Chris, before we went on break, I wanted to ask you about compliance. How much of an issue does that come for you and where does that really fit grant making process?

**Christopher:** Well, I think that compliance is very important with privatization, because as I said earlier, when we were first starting, we had advocated talk to a lot of our peers and talk about what they feel is well, what they feel is a challenge for them, and ally identify that you really want a very strong compliance process in the beginning to avoid problems and oftentimes when there's a problem, when there's something that arises, that's when you have to look that, you have to have all these other steps that may not be totally necessary. Really, the compliance piece is meant to be complementary to the program due diligence. Our program staff are the subject matter experts, we're the compliance experts. How do we leverage both expertise to make the best grades possible? Because at the end, we really want to focus on impact. We need to be confined to keep our impact in full.

**Ted:** That's right. The last thing you want to do is move a grant and have it get solved because of some compliance issue and then maybe the opportunity for research has been lost.

**Christopher:** I think that that's a very important topic, or again, professionals, not only what do we want to happen, but what are local authorities and other laws is going to become great. Also, as a philanthropist you want to take some risks to their grant making and to do that you really have had a very buttoned up compliance process to make sure that it's all thought through in how you're approaching that risk.

**Ted:** Terrific. Christopher Percopo, the Director of Grants Management at The Leona M. and Harry B. Helmsley Charitable Trust. Thank you so much for being my guest here at *CAF America Radio Network*.

**Christopher:** My pleasure. [crosstalk]

**Ted:** We have a special guest here. I see her just off from camera here. Michelle Grenier is here, the leader of Peak Grantmaking. If you don't mind, stepping in, I know you weren't necessarily scheduled, but we're live on Facebook. We're here on *CAF America Radio Network* as well. We're right here live at Grantmaking the Grant Managers Network Conference. Tell us how are things going and what's going on here?

**Michelle:** Amazing. Where we're just-- It's amazing to me every year, it's like I blinked, and we're halfway through. I'm talking to people that the site visits they went to this morning on across that way and what they learned from funding. That's really my whole point. That's why we do what we do. That's why we're passionate about it. It's a change that we want to make in

the world. The organization that we support are really the ones doing the hard work on the grants. People got to spend the morning working at the-

**Ted:** When you bring these many professionals together on such an important topic and there-- What are some of the things that you're seeing come out of the sessions or they're trending at this point?

**Michelle:** Sure. There's a huge shift in the profession towards a knowledge management and using all of this information that's coming in about the what's going on with organizations in the population, and programs that are being served. How do you take that synthesize, and use it, not only can make a huge shift in the role of the grants manager and getting into that state? Then just figuring out all the details around that. It's not easy. You think it'd be a lot easier to give money away than it actually is.

**Ted:** I think that's true. I think that's really the power of a conference like this, is that for someone outside of the profession seems like, well, if you just give away money all day, well, that's got to be pretty easy, but it's not as easy to do it and to do it in a way that's effective, that can be measured, and that has impact. Learning those skills is one reason to come here to the conference.

**Michelle:** Absolutely.

**Ted:** Michelle, thank you so much for having us here. Thank you for joining us here on *CAF America Radio Network*.

**Michelle:** Thank you very much.

**Ted:** All right. Terrific. We do have one more guest here who's making her way over. A good friend of mine, Satonya Fair, Director of Grants Management at The Annie E. Casey Foundation. So good to see you again.

**Tanya:** Thank you so much to you.

**Ted:** Thank you so much for coming. Now, I think it's probably unlikely that there's many of our listeners who don't know about the important work of the Annie E. Casey Foundation, but just think the more than you just professional who's either watching us live on [facebook.com/capitalamerica](https://www.facebook.com/capitalamerica) or listening to us live today or on the podcast. Tell us a little bit about the work and focus of the Annie E. Casey Foundation.

**Tanya:** The Annie E. Casey Foundation was started by Jim Casey who started at UPS and named it for his mother. The foundation has been in existence since 1948. We say that the work that we've been doing has really been the last 25 or 26 years, the concentration of work. We focused on child welfare, juvenile justice, also leadership development, economic opportunity, and some community development, amongst some other areas.

We are funding primarily in the United States, we do not extend beyond that. It gives us great reach and depth across the country. We generally give about \$110 million away annually to both grant-making entities, traditional 50123s, as well as sometimes government entities, and universities.

**Ted:** I think one thing that most of us in the grantmaking profession have really grown to appreciate and rely on the Annie E. Casey Foundation is the enormous amount of data that you plucked about the welfare of children around the country, that's very superficial. You really dig down into communities. That's really where I wanted to go with our discussion here. Philanthropic institutions sometimes become separated from their communities, particularly when they've been around for awhile or even community foundations that might grow very large and think beyond why they were actually there and lose their roots, forget the roots. How can foundations and other grantmakers be more in touch with our stakeholders, whether it's direct service to a community, with their employees, or beneficiaries? What can you help because it is something that happens?

**Tanya:** Definitely. I'll speak from my experience in both working with nonprofits as well as different areas, not just private philanthropy, and also community, and corporate philanthropy over the years. I am so proud of the way Casey focuses on KIDS COUNT data, it's a great example of what happens locally. Our internal partners and external are working year-round to really think about what are these key indicators that impact children and their welfare and making sure that we collect that data and disseminate it in a way that allows people who are at the local level to use it and then start to act. That's the whole purpose of KIDS COUNT. I think about the fact that with KIDS COUNT, a lot of our partners on the ground are related and connected to the community foundations.

I myself just believe in the power of-- When you're, for instance, we're located in Baltimore. We do have offices in DC as well as in Atlanta, but it's so important for us to connect with local funders and community foundations to find out what the true areas of need are within a local city, state, or county. We work very extensively with community foundations, both in Baltimore and around the country because they are generally closer to the work, and they're closer to the people and the beneficiaries of those various grants that we make.

The role that community foundations play also in those areas where you are not outside of your mission, but you need to do something different and have to work through something like a donor-advised funds, which can be so critical to bringing multiple funders together, which I know is another key area of interest for CAF, which is partnership. Community foundations have an amazing ability to serve as an intermediary for those types of multilevel efforts. We believe in community foundations, we fund them, but also we partner with them very extensively.

**Ted:** Well, and the KIDS COUNT, I think it's such a important touchpoint for the foundation world to see how you can take expertise that you've developed and prepare it and provide it in such a way that the utilization of your data way beyond your grant that you fund, and has really

become the basis of good data on whatever's happening with children. If you can't see that in the data of Annie E. Casey, I think for most funders, apart from you and most governments, that it's not real.

**Tanya:** When I started my career, I worked in Cincinnati, and working as the advocate for children and families. In Cincinnati at that time, which was in 1995, we relied on that data. It was really at the start of the data collection, and locally we needed it to be able to see what we can and should do differently for children. It is something that we actively hear people all across the country, and even outside the country, looking at that model as a way of action and acting.

**Ted:** That's right. You mentioned earlier partnerships, they're becoming more popular and more important as funding strings coming together and having grantmakers realize that maybe they can't meet the entire needs, but maybe together. In particular corporations, I think have a responsibility to engage in community development and how they can partner with other groups rather than just trying to go it alone and maybe they don't really have enough money to make a difference. As in any relationship, they're accompanied with usual concerns about cooperation and power imbalances. As someone who has worked on both sides of the corporate philanthropy system, what can community foundations do to strike the right balance with corporate philanthropic partners, continuing their mission and not just giving up to those who have the money?

**Tanya:** All right, exactly. Well, again, I think the role often of community foundations is that they are normally representing people on the ground, those local nonprofits in the area, and they can really ensure that the ideas that funders sometimes think are solutions are not exactly what the community or the beneficiary needs. I also think that community foundations are able to start and engage us in those conversations that say, "It's fantastic that you're funding in this area." We have local individual donors on the ground, corporations, community, and family foundations who all really want to come together around this area. We need to think it so that we're not putting a burden on our nonprofits, that we're really working collaboratively, so they're not having to ask multiple parties for money.

I think again, community foundations is that convener. They play a role of intermediary and convener for us to make sure that we know when we do apply that money, how it is best going to be utilized, and also the power balance. It is important because often sometimes even community foundations, they too are receiving funding. They enter the door sometimes tentatively when working with corporate and private foundations.

The key is we're all interested in doing the same thing, which is helping this group get better, helping these children be safe. From that perspective, it allows us to just focus on what the end result is, and not think about who's bringing the most dollars, but really thinking about the fact that we're all coming together to do one thing. I think that's the key.

**Ted:** I couldn't agree more with you. I've often referred to foundation, funds, and grants that are in the philanthropic marketplaces the venture capital money of the philanthropic world.

Oftentimes, it becomes looked at as core funding and so keeping the lights on funding as opposed to pushing the envelope for change. There's a role for both. How do grantmakers find that balance?

**Tanya:** Well, I think that-- Many of us could have been in the philanthropic sector. There are organizations that are really pushing us, which is we actually have the ability to take risks. It's okay to take a big bet and bring a whole bunch of people together to fund something, and it does not work out. The lessons that you learned from that are the critical point. We do have, from both the IRS perspective and others, we have the ability to go out on a limb. We really do need to do a better job of exercising that company's corporate funders just as much as private foundations. There's really not a lot of ties on what we can't do. We do know what those lines are, but there's so much more that we should be pushing the envelope. We should be trying to do things that had never been done before, but we do also have to remember that when you think about individual private corporate funding, that percentage is so small against the larger government and other entities that are funded.

**Ted:** Individuals?

**Tanya:** Individuals. You know that there's a limit to what you can do, and you'll never have enough money to really solve anything. Again, partnership and pushing as far as you can go to help people as best as you can while you're in is key. I also think that corporate and often private funders have the ability to fund long-term, and that's something that Casey has done. We will go in for years on an initiative, and sometimes things work the way we want them to, and sometimes things don't. The fact that corporations and often community and private foundations, we can actually go in and say we're going to make that 10 or 15-year investment. There are lots of people who have collaborated with your organization and around the world who are willing to make those long-term commitments, which is what communities need.

**Ted:** If funders are not willing to take those risks, who will? Because, as you said, they have a latitude even though many of them approach their work in even more conservative ways and perhaps even corporations or others might. Where do we learn those lessons? I'm so glad that you put that on the table. I think that's an important lesson for all of our listeners that, think of ways to stretch your community, to stretch your dollars because you are the [inaudible] can really help everyone learn in their communities.

**Tanya:** Absolutely.

**Ted:** Satonya Fair, Director of Grants Management at the Annie E. Casey Foundation. Thank you so much for being my guest here on the CAF America Radio Network.

**Tanya:** Thank you. Thanks for all that you will do.

**Ted:** Great. That wraps up our show here on the *CAF America Radio Network* here at the Peak Grantmaking 2017 Conference here in Hollywood. Thank you for joining us.

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