



# Successful Nonprofit Leadership: Boards, Staff, and More

WITH SUPPORT FROM |



# Thinking Differently About Leaders

There are many qualities that help a nonprofit achieve its grand ambitions: a compelling mission, strong business practices, and significant financial resources. However, every single step taken on this powerful journey – whether small or big – would never happen without people: visionary leaders and creative staff.

What does it mean to be a leader today? Who are the people who face extraordinary challenges, both personal and organizational? What will enable them to tackle the challenges of the future and to find innovative solutions to the most pressing social problems?

The complexity of today's world and rapid growth of the sector adds to the urgency to develop a new generation of leaders in philanthropy and to provide extra support to current leaders. Without a doubt, leadership development is one of our key priorities.

With this article collection The Vladimir Potanin Foundation and its Center for Philanthropy Development want to emphasize the role of leaders and leadership in philanthropy. Development of human capital is the basis for everything we do – supporting leaders in the fields of education, arts and culture, and philanthropy contributes to long-term systemic change.

We invite you to join us in this very challenging but very exciting journey. We hope this collection will foster our discussions of the leaders of tomorrow and provide enjoyable reading.

Oksana Oracheva



General Director

The Vladimir Potanin Foundation

# Successful Nonprofit Leadership: Boards, Staff, and More

**4** How Millennials Lead

---

**11** How One Founder Started  
a Nonprofit — and Raised  
\$1 Million

---

**16** Lessons for Charity Leaders  
From EducationSuperHighway

---

**14** Help for the Heartland

---

© 2019 by the *Chronicle of Philanthropy*. All rights reserved. No part of this publication may be reproduced, forwarded (even for internal use), hosted online, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior

written permission of the publisher, except in the case of brief quotations embodied in critical reviews and certain other noncommercial uses permitted by copyright law. For bulk orders or special requests, contact the *Chronicle* at [copyright@chronicle.com](mailto:copyright@chronicle.com).



LIZ HAFALIA/SAN FRANCISCO CHRONICLE/POLARIS

**LIFE EXPERIENCE**

At One Degree, led by Rey Faustino, the staff reflects the people they serve: Most are people of color, and nearly half have been poor.

# How Millennials Lead

Creativity. Transparency. And higher wages for everyone. Here's what the next generation of CEOs has in store for the nonprofit world.

By HEATHER JOSLYN

**R**ey Faustino has a résumé any nonprofit leader would envy. Harvard Kennedy School graduate. Echoing Green fellow. Founder of One Degree, a tech-based organization that connects families with the tools and services they need to help pull themselves out

of poverty.

One Degree is supported by big foundations like Kresge and Knight. It serves the entire San Francisco Bay Area, Los Angeles County, and Gainesville, Fla., its work reaching more than a quarter-million people thus far.

And at age 36, he's already thinking about his

succession plan.

“I made a personal commitment to the mission for at least 10 years,” Mr. Faustino says. He intends to keep his pledge, but other social-change projects tempt him. “I’m the kind of person who has a running Google Doc with lots of ideas.”

Mr. Faustino’s focus on what’s next is a marked contrast to older generations who have often run the nation’s nonprofits for decades at a time. Now millennials like him — people in their 20s and 30s — are starting to take top leadership jobs at charities nationwide. And with their ambition, tech savvy, and willingness to rethink leadership, power, and even the very notion of an “organization,” the nonprofit world can expect a shake-up.

“Older CEOs sit around and complain about millennials too much,” says Susan Tomlinson Schmidt, 46, and president of Nonprofit Leadership Alliance, which runs college-level certificate programs for people interested in charity careers. But she’s upbeat about the rising generation’s future as leaders. “How exciting is that, if they could all take over and actually do the things we’ve been trying to do forever?”

As changes at the federal level threaten the budgets and missions of many charities, millennials will get more opportunities to prove themselves as leaders and fundraisers, says Frances Kunreuther, 65, co-director of Building Movement Project, which generates research and creates tools to foster leaders at social-change groups.

“There’s going to be far, far less money from government to address social issues,” Ms. Kunreuther says. “We’ll need the millennials to think about who they’re going to tap to help solve those problems in a new way. They’re going to be the ones to do it.”

### NO WAITING FOR THE ‘BIG GAME’

Young people often find leadership opportunities early at small or grass-roots organizations. “This idea that we’re all just waiting to be called up to the big game is not entirely accurate,” says Jamie Smith, 33, who leads the Young Nonprofit Professionals Network.

But many millennials who are already leading nonprofits are founders. One reason: It can be difficult to move up in traditional organizations. About 30 percent of leadership jobs at nonprofits are filled internally, compared with about 60 percent of comparable positions at businesses, according to the Leadership-development nonprofit Bridgespan Group and other sources.

Stereotypes about millennials — such as that they feel entitled or that they seek change for the sake of change — are too often used against young nonprofit workers who advocate for themselves and their ideas at traditional nonprofits, Ms. Smith says.

She calls that state of affairs a threat to nonprofits. “There is a lot of potential in this generation, in the sector, that’s going untapped,” she says. “It is tragic to be leaving vast amounts of resources untouched. Not just for those organizations but ultimately for the communities they are trying to make better.”

Leadership experts and millennials who lead nonprofits suggest changes that are likely to follow as the rising generation takes over the charity world:

### TRADITIONAL HIERARCHY WILL CHANGE.

Mr. Faustino, from a working-class family of Philippine immigrants, arrived in America at age 8. His background, he says, shapes how he thinks about traditional nonprofits. “A lot of the best practices we are using — the royal ‘we’ — have been passed down to us from for-profit corporate structures,” he says. “Which are inherently colonial. Extracting resources. Growth for the sake of profit-seeking.”

Many millennial leaders like Mr. Faustino say they’re not interested in perpetuating that approach, worrying that it chokes off innovation and encourages the hoarding of information and power at the top.

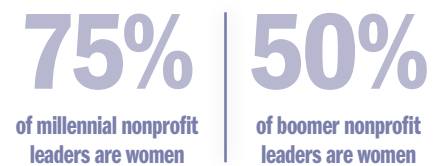
At Young Women Empowered, in Seattle, which provides mentors and creative projects for teenage girls, co-founder Jamie-Rose Edwards, 33, serves as a co-director of a nine-member staff. The charity’s board is also run by co-directors.

“We do solicit and receive a lot of feedback before we make decisions,” says Edwards, who prefers to be identified with the gender-neutral pronoun “they.” “I find that even though the decisions take longer to make, by the time the decision is made, you have buy-in. The decisions tend to be more sustainable and set up for success.”

Co-directorships are becoming a popular way to share power at nonprofits. In 2013, Ms. Kunreuther invited Sean Thomas-Breitfeld, now 38, to help run Building Movement Project. The arrangement has drawn the curiosity of millennials, she says.

For his part, Mr. Thomas-Breitfeld says the track record of shared CEO roles at nonprofits is “mixed,

### YOUNG PEOPLE IN CHARGE



6%

of nonprofit CEOs are under the age of 35

honestly.” But the idea of distributed power remains influential, he says: “Look at United We Dream or Black Lives Matter, where there’s very strong national leadership, but there’s less attachment to empire building.”

### **PRESSURE TO PRODUCE IMPACT WILL INCREASE.**

Just as young nonprofit leaders are questioning traditional hierarchy, they’re also asking tough questions about charities’ work.

“Millennials need a very clear idea of why an organization exists for them to feel deeply committed,” says Mark Lipton, professor of management at the New School’s Milano School and an expert on nonprofit founders.

Like young donors, young leaders demand to see impact. They care less about how many meals were served to the hungry than about what is being done to prevent hunger in the first place.

“One big thing I’ve seen is millennials are shifting from outputs to outcomes,” says Philip Dearing, 24, senior associate consultant at Bridgespan Group. “They’re not satisfied with doing the work and having a feel-good story.”

The serial entrepreneur — rather than the social worker — seems to be a model for many millennial nonprofit leaders. Young leaders, like Generation Xers before them, are more inclined than boomers to jump in, work to accomplish a goal, and then take up a new challenge.

“Founders from the 70s and 80s, they would hunker down and not leave,” says Mr. Lipton, describing “founder’s syndrome,” when an organization’s creator struggles to pass the baton gracefully. “The younger people now, they’re moving on: ‘This needs someone with deeper skills.’”

### **EXPECT MUCH MORE TRANSPARENCY.**

Because millennials grew up in an era when information about everything was a mere click away, they resent when their bosses hoard information about their organization. Younger leaders often make it easier for more people to see how the sausage is made.

At Third Sector Capital Partners, a nonprofit that develops innovative financing for social-good projects, CEO Caroline Whistler, 31, believes she can keep employees on the job longer by making sure they are always in the loop. She’s seen friends leave jobs in part because they felt they weren’t trusted with information about the big picture.

“They’re not down for being a cog in a machine,” says Ms. Whistler, who co-founded her organization. “That’s the worst thing you can be: someone who just comes in, does their part, and goes home.”

So she shares compensation data with the entire

staff: “Everyone knows everyone else’s salary.” And after every board meeting, she says, “I share the entire board deck with the entire team and talk them through it. I think it’s valued by my team but also expected.”

### **MORE PARTNERSHIPS WILL BLOOM.**

For traditional nonprofits, more collaboration — among other charities or with government and business — is likely as more millennials take the reins. Today’s problems demand an all-hands-on-deck approach, leaders say.

“Millennial leaders are looking to each other,” says Suhad Babaa, 32, leader of Just Vision, which works to increase visibility for Palestinians and Israelis who do nonviolence work. “They’re really eager to connect across sectors — business, government, nonprofits. Also across movements. We’re realizing that all these issues are deeply linked, and we need each other.”

At California’s Bay Area office of the Council on American-Islamic Relations, Zahra Billoo, 34, the affiliate’s leader since 2010, often works with other charities and views them as partners, not competition. She doesn’t feel the need to scrap over credit. “I’m not always rushing to put CAIR’s name on something, because I get that the work can speak for itself.”

And besides, she says, donors “like collaboration because it’s more efficient. We’re not trying to drain their resources.”

At the Kresge Foundation, Michael Shaw, a 35-year-old program officer, has noticed that the vast majority of the social-service charities that seek grants through his division have at least one millennial on their senior leadership teams. The young leaders, he says, approach him differently than their elders do, in a less transactional way. They ask him for advice and cultivate the relation-

### **MILLENNIAL WORKERS WANT MORE DIVERSITY**

**75%**

of boomers at nonprofits say their organizations pay enough attention to diversity when recruiting new staff

**60%**

of nonprofit workers under 35 say the same

**65%**

of boomers at nonprofits say their group pays enough attention to diversity when developing and promoting staff members

**40%**

of nonprofit workers under 35 agree



NOAH BERGER, FOR THE CHRONICLE

#### SHARING CREDIT

Zahra Billoo (left), of the Council on American-Islamic Relations, says she sees her group's nonprofit allies as partners, not competitors.

ship before asking about funding.

He predicts the grant maker-grantee connection will evolve into “more of a partnership model.”

Already, he says, “our own funding practices have changed — more unrestricted support, more renegotiating grants midstream. We know the world is evolving quickly.”

#### IT'S ALL ABOUT EQUITY.

Many millennial leaders instinctively turn to matters of equity in their work. “I feel like for the majority of nonprofit leaders it's new information: They are open to it, but they are often new to having their eyes opened,” says Jamie-Rose Edwards, of Young Women Empowered. “But for my generation, we grew up with that language already. I started with those trainings right out of college, when I was an AmeriCorps member.”

Seeking community feedback to help shape pro-

grams designed to serve them is a hallmark of millennial leadership. Young Women Empowered, whose clients are overwhelmingly immigrants or people of color or both, started a program modeled on Big Brothers Big Sisters, with one adult mentor assigned to each girl. When the girls complained about the lack of choice, the program changed to allow them to select the adult they wished to be paired with.

In fact, Edwards says, the girls usually picked more than one adult mentor: “They liked to go to one mentor for family advice and another for school and career advice.”

Mr. Faustino, whose One Degree serves many immigrant and minority families, leads a staff that reflects the people the group serves. Sixty percent are people of color, for instance, and 40 percent have firsthand experience with poverty.

“We know that's a strategic advantage,” he says. “When we have people on our team who are from

the community, we know we can build tools for the community. It's not 'in theory.' It's from our lived experience.”

### **PHILANTHROPY WILL GROW MORE DIVERSE AND INCLUSIVE. OR NOT.**

About 80 percent of nonprofit CEOs are white — and that's been more or less the case for the past decade, according to data from the Building Movement Project. About 47 percent of nonprofit CEOs are women, according to the latest compensation study by GuideStar, but the largest organizations are still usually run by men. Will the most diverse generation of Americans change that?

It might, but only with a lot of effort that starts now, say young leaders and other experts.

“We're a generation that's been raised with the idea that equality is supposed to be, and it's just a matter of time,” says Rye Young, 31, executive di-

rector of Third Wave Fund, a grant maker that supports projects by young LGBTQ people and young women of color. “But what our generation shows is that it's not a matter of time, actually.”

Philanthropy is still not investing sufficiently in developing minorities as leaders, says B. Cole,

**“This is the moment and time to start backing millennial leaders of color. We have a window of about seven to 10 years to do that well.”**

### **TEAMWORK**

The staff of The Third Wave Fund switched to a four-day workweek with no drop in productivity, says leader Rye Young (second from left). He thinks that's a better reward than offering sabbaticals, which benefit mostly people at the top.



BRYAN THOMAS, FOR THE CHRONICLE



founder of Brioxo, a social enterprise that builds online and in-person networks for young professionals of color. And obstacles for them remain.

“The threshold for expertise is much higher for young leaders of color, and the tolerance for risk is much lower,” she says. “Part of the problem is that people aren’t betting on this generation of leaders to do things the way they want to do them.”

She has a message for grant makers and nonprofits: “This is the moment and time to start backing millennial leaders of color. We have a window of about seven to 10 years to do that well.”

### A FIGHT TO RAISE WAGES LOOMS.

Slightly more than half of millennials have student-loan debts or expect to incur them, according to Ernst & Young data, and many endured financial setbacks during the Great Recession. For those reasons, along with skyrocketing housing costs in major cities and the increasing professionalism in the nonprofit world, young leaders and their staffs will be less likely than their elders to put up with traditionally pitiful nonprofit pay.

“People say you don’t go into nonprofit work to get rich,” says Jordan Vernoy, managing director of network development at Feeding America. “Well, I didn’t go to college to get a degree in nonprofit management so I could be poor, either.” (His current compensation, he says, helps keep him on the job.)

Low wages represent a significant barrier to making nonprofits more diverse, says Ms. Billoo, of the Council on American-Islamic Relations. “People need a second income or independent wealth to sustain careers,” she says. “Until wages get better or there are shifts in how wealth is concentrated, diversity is a longer-term objective.”

Ms. Billoo has seen her office grow sixfold since she started as director. But everyone in her office is a fellow millennial, and compensation is a key reason. “If someone comes in the door with 10 years’ experience, I probably can’t afford them.”

Paying nonprofit staff a fair wage is “a justice issue” to Aubrey Thonvold, 35, executive director of the St. Paul charity Reconciling Works, which works to get LGBTQ people more involved in Lutheran communities and organizations.

When she first sat her two full-time staff members down for their annual reviews, she was startled that they weren’t asking about raises. “I said, OK, we’re going to do some coaching,” Ms. Thonvold says. She directed them to research what their nonprofit peers were making in the local market and come back to her in a couple of days.

“The next year,” she says, “both of them were ready with their documentation to say, ‘This is what I think I’m worth.’” (The employees got raises both years, she adds.)

### BRICK-AND-MORTAR OFFICES ARE DOOMED.

A hallmark of the organizations already run by millennials is a fervent embrace of telework.

May Boeve, 33, has led the environmental group 350.org for seven years. The organization, co-founded by Ms. Boeve, six other millennials, and activist Bill McKibben, a boomer, now includes about 120 staff members, spread around the globe.

“People will ask, where’s the headquarters? Well, there isn’t one,” says Ms. Boeve, who’s based in Brooklyn, N.Y. The biggest cluster of employees lives in Oakland, Calif., where seven staff members work together in person some of the time.

In a largely all-remote organization, she says, creating a shared culture takes creativity: “Someone just suggested today that people have lunch together on a video call.”

Alix Dunn, 33, incorporated the nonprofit she leads and helped create, the Engine Room, in the United States. But Ms. Dunn, an American, lives and works in London. Other members of the staff, which helps social-change groups make better use of data and technology, are spread out: Abuja, Nigeria; Berlin; New York; Rome; Santiago, Chile; and other points around the globe.

“The internet is our offices,” she says.

Being all-remote widens the candidate pool exponentially when there’s a job opening, Ms. Dunn says. “We’re able to recruit a much more diverse staff,” she says, “We’re not worried about visa requirements or getting anyone to move somewhere.”

The system, she says, helps the staff of 13 not only live where they want but develop close ties with nearby nonprofits the Engine Room works with and, in some cases, grant makers and other donors.

It can be difficult to explain to donors the group’s budget for staff travel, which allows occasionally for working together in-person. But overall, she says, supporters seem intrigued with the Engine Room’s virtual setup. “I can tell some of our funders are excited by it. It shifts power away from the global north.”

### MILLENNIAL CARRY DEBT BURDENS

53%

of millennials are either paying off student loans or expect to be taking on such debt

59%

of those with loans worry about paying it off

**OPEN-PLAN OFFICE**  
 May Boeve oversees about 120 staff members spread around the globe for the environmental group 350.org. “People will ask, where’s the headquarters? Well, there isn’t one.”



ETHAN HILL/REDUX

**PERSONAL LIVES MATTER.**

Many of the tradeoffs previous generations made in the workplace — long hours in exchange for job security — have been wiped away, especially since the Great Recession. At the same time, laptops, tablets, and smartphones have ensured that people are available to their bosses and others seven days a week, 24 hours a day. Millennial leaders, experts say, are likely to prove better than their elders at protecting their personal time.

“They’re saying, I want to have a quality of life,” says Akaya Windwood, 61, president of Rockwood Leadership Institute. “I want to have experiences. I want to have friendships. I want to be a human.”

Rockwood, she notes, shifted to a 32-hour workweek in 2009. “We’re more productive than we’ve ever been, and our budget has close to tripled since we started this,” she says.

At Third Wave Fund, Mr. Young’s staff now also works a four-day week, with no drop in productivity. It’s preferable to, say, the traditional sabbatical to help staff members recharge.

“Sabbaticals tend to benefit people at the higher levels of an organization,” he says. “What feels more equitable for our staff is to have time off and wellness time built into the organization so that everyone has access to it. Rather than, ‘Here’s your reward for burnout!’”

At One Degree, Mr. Faustino turns off work-related notifications from his cellphone to maintain some boundaries. And he’s instituted a very flexible vacation policy. “The policy was, you need a vacation, take a vacation. We don’t have a set number of

days. And that worked well for a long time,” he says.

But now, Mr. Faustino says, “we’re starting to see the blurred lines: Is it OK for this person to take two months off?” His organization is still figuring out how best to strike a balance.

It’s “almost a given now” that job candidates negotiate work-at-home days as part of their contracts, says Abe Taleb, 31 and vice president at Koya Leadership Partners, an executive-search firm that works with nonprofits. “We’ll especially see that now as more millennials are becoming parents.”

When not on the road, Mr. Verroy is hunkered down not at Feeding America’s Chicago headquarters but at a shared office space in downtown Waterloo, Iowa, where he is raising a family.

He is passionate about his organization’s mission, he says. But his dad was very consumed by his job and absent a lot, and he wants to be around more.

“I think there’s a lot of pressure on millennials to not care about work-life balance, because there’s still a lot of boomers in the workplace. I think telecommuting has made it easier for me,” he says, adding with a sharp laugh, “because I don’t see the baby boomers staying until 10 o’clock at night.”

**YOUNG WORKERS WANT FLEXIBILITY**

**64%**

of young professionals prefer to choose their work location

**69%**

prefer to decide when their workday starts and ends

# How One Founder Started a Nonprofit — and Raised \$1 Million

By TIMOTHY SANDOVAL

Kim Tschirret loved horses as a child, so when she suffered emotional abuse, she found comfort talking to them. These days, her nonprofit is helping children who have experienced trauma.

REBECCA MILL

**K**im Tschirret's father was a high-functioning alcoholic. During her childhood, everything looked fine from the outside. Tschirret's father was successful in the steel business, then the oil business. The family belonged to country clubs, and, as a teen, Tschirret raised horses and showed them in competitions; her father encouraged her and attended the events.

But there was a side to her father that no one knew outside the family. He had an explosive temper, and alcohol made it worse. Tschirret's father wasn't physically abusive, but he regularly hurled invectives at his wife, at Kim, and at her older brother and sister.

"He would call me four-letter words and tell me how worthless I was," Tschirret says, "just things that you don't say to your kid."

Tschirret, now 50, didn't discuss what happened inside the house with anyone, not even her siblings.

Instead, she talked to her horses — they lived in stables close to her home in Aurora, Ohio, just outside Cleveland, then in Oklahoma City. "I could talk to them, and I knew that they wouldn't tell anybody else," she explains.

Tschirret grew up, went to college, and married, eventually settling in Raleigh, N.C., with her husband.

Like her father, she was successful in business. Tschirret worked in marketing, including for tech firms during the dot.com boom in the late '90s and early 2000s. She managed multimillion-dollar budgets and oversaw production of national television advertisements.

## FINDING THE INSPIRATION

Her son was born in 2001, and she left the work force to care for him a year later. Around that time, she also became a Christian. "I'd been searching my whole life, and I knew I was missing something," she says. When her mother died a few years later in 2004, she started attending therapy sessions. Childhood memories came rushing back.

Eventually, her interest in horses rekindled, and that led her to a book called *Hope Rising*. Written by Kim Meeder, the book describes a ranch in Oregon that Meeder founded for troubled children to care for abandoned or abused horses. At the ranch, the kids and the horses help each other heal, according to the book. The stories reminded Tschirret of her childhood — and lit a fire.

She decided to start a nonprofit to help heal kids who experience trauma by giving them a

chance to care for, and bond with, horses. God was calling her to do it, she says: "I just knew that was it."

Still, it seemed far-fetched to some. In early 2009 — when Tschirret first started talking to friends and family about the idea — the country was in recession. How was she going to get donors? Find land? Tschirret knew such concerns were serious — but she moved forward anyway.

## BRINGING A NONPROFIT TO LIFE

Lots of people say they'd love to start a nonprofit. Few do.

Most people think about the mission: housing the homeless, caring for the sick, mentoring children. Few focus on the rest: drawing up business plans, dealing with creditors, assembling a board of directors — and, of course, fundraising. But Tschirret is a business person; the boring (but important) stuff didn't scare her.

**Most people think about the mission. Few focus on the rest: drawing up business plans, dealing with creditors, assembling a board of directors — and, of course, fundraising.**

In 2009 Tschirret founded Hope Reins, a Christian nonprofit that enables youths who've experienced trauma to spend 90-minute sessions caring for a rescued horse, a tactic often referred to as "equine therapy."

Last year, the group's annual revenue reached \$1 million, in part because of a \$300,000 gift from a big donor. And this year it hopes to bring in \$1.3 million. The group is about halfway there and has a strong base of support to meet the goal, Tschirret says. It has taken hard work, drive, creativity — and some luck — to surpass the \$1 million mark on its annual operating budget, Tschirret says. Here's how her charity went from idea to reality to stability in less than 10 years.

**Don't overlook the basics: Verify the need for your mission and sharpen skills.**

When she starting out in 2009, Tschirret knew



REBECCAMILL

**Hope Reins lets children like 5-year-old Destiny care for and bond with horses.**

she had to do her homework. After some research, she found that no organization in the area was quite like the one she had in mind.

She also enrolled in a training program at Mission Increase, an organization that helps Christian ministries develop their fundraising capabilities. There, she learned the fundamentals, including how “not to treat your donors as ATMs,” she says.

**Make connections: Sometimes it comes down to being in the right place at the right time.**

In those early days, Tschirret got lucky too. After seeing a 70-acre plot of land in downtown Raleigh at an Easter egg hunt with her son, she met with an official at a local Baptist church that owned the plot.

On the spot, he offered to lease her 20 acres at the rate of \$1 a month. It was quite a gift. But she knew there was more to do before she could accept the offer.

**Form an advisory board.**

Tschirret would need to recruit trustees, so she

drew up a list of people with the types of skills she would need, including those in law, finance, business, and nonprofits. And, of course, she included people who understood how to care for horses.

**“We had the location, we had the opportunity — and [the advisory board] really had a heart for what we were doing.”**

Tschirret asked friends, family, acquaintances — pretty much anyone she knew — to recommend individuals to serve. When she reached out to candidates, she asked them for more recommendations and then tracked those people down too.

Before she invited trustees to sign on, she wanted to vet the idea. After six weeks of networking, Tschirret formed a seven-person advisory board to assess the viability of her idea.

The board met twice and mulled over big questions: Would there be enough community support? How would the organization acquire horses? How many employees did it need?

“We sat in a room and went through the pros and the cons,” Tschirret says. “We talked about: ‘What’s it really going to take?’”

In the end, Tschirret and the advisers concluded that Hope Reins could work — and that it would take the land on offer from the church. One consideration was especially important: The board concluded that the charity could differentiate itself from nearby nonprofits by offering unique services. “We had the location, we had the opportunity — and [the advisory board] really had a heart for what we were doing,” Tschirret says.

#### **Seek advice from other leaders.**

Tschirret also traveled to Bend, Ore., to meet Meeder, who runs Crystal Peaks Youth Ranch, the nonprofit featured in the book *Hope Rising*. Meeder offered encouragement but also pressed Tschirret on her motivations for starting a nonprofit. Meeder made it clear that doing so wouldn’t be easy. It was a gut check, Tschirret says, “a good reminder ... that there’s going to be hard times.”

#### **Hit the ground running.**

The organization obtained nonprofit status in October 2009, and the work began in earnest. The advisory board disbanded, but three of its members became trustees on the newly formed Board of Directors. Tschirret quickly sent a letter to nearly everyone she knew — family, friends — asking them to contribute to the fledgling nonprofit. Volunteers helped Tschirret clean up the donated property and obtain three horses from rescue groups. All of this quick action enabled Hope Reins to begin serving children in mid-2010 — on a razor-thin budget.

#### **Hold a kickoff fundraising event that makes you proud.**

Tschirret and the board knew the organization needed to build a broader base of donors. Toward this end, Mission Increase offered Tschirret a \$25,000 grant to hold a kickoff banquet in late 2010.

Hope Reins went all out. Speakers, including Tschirret and a mother whose child was being served by Hope Reins, drew up speeches. Meeder flew in from Oregon to speak. Meredith Andrews, a Christian singer, performed a version

of her song “You’re Not Alone” while a video of children working with horses played on a screen in the background.

Allin Foulkrod, the Hope Reins board chair who acted as an “executive producer” for the banquet, said the gathering had to demonstrate to attendees that Hope Reins cared enough to invest lots of time and energy. Foulkrod runs an event-planning company based in Raleigh and says, “Most nonprofits do a really bad first event. They decide that there’s no money to produce something, so as a result, they cut all the corners.”

**“Most nonprofits do a really bad first event. They decide that there’s no money to produce something, so as a result, they cut all the corners.”**

The event brought in \$120,000 in donations — much more than expected — and gave Hope Reins a lot of supporters to follow up with. “We were blown away,” Tschirret says.

#### **Deepen the pool of donors.**

Tschirret held many one-on-one meetings with those who attended the banquet, asking them to commit to long-term support.

She and other board members also asked donors to invite people they knew to the stables to see the group’s work in action. “If we can get people out to our property ... they’re very likely to support us,” Tschirret says.

Hope Reins held additional banquets during the first few years and promoted them far and wide to draw in new donors. Organizers also asked supporters to invite friends and family.

By the end of 2014, the group’s revenue reached \$340,000.

#### **Set ambitious goals: \$400,000 in five months.**

Late that same year, Hope Reins embarked on its greatest challenge to date: acquiring a new property in Raleigh, a 33-acre farm about five miles north that would allow it to serve more children. Things were in motion: The family selling the farm accepted the group’s \$1 million offer for the property and gave it six months to secure funding. Officials running a federal conservation program agreed to give the nonprofit a low-interest loan for the purchase.

However, the trustees wanted to ensure the organization could pay for desired upgrades to the property and the increased expenses that came with a bigger facility, so with Tschirret's input, the board members set a goal to raise \$400,000 in five months — from January 2015 to the end of May. The thinking was: "If our supporters aren't going to support us, then we're not going to take this loan," Tschirret says. "It just wouldn't be wise."

So the nonprofit rented the farm and held open houses on the premises, hosting about 20 in five months. They invited donors, volunteers, and families that were being served and asked them to invite others they knew.

During the events, Tschirret and others gave short tours, displayed renderings of structures they hoped to build, and shared potential numbers: conveying that they could serve 1,000 children by 2018 at the new location. Tschirret wanted people to understand "why having this place was going to help us serve more kids and provide more hope and healing."

Tschirret followed up with those who visited the new farm — through phone calls, meetings over coffee, lunches, and dinners. The group sent mail and email appeals too, reminding supporters about the organization's goal and providing updates when they reached certain milestones — like passing the \$200,000 mark, Tschirret says.

By the end of the campaign, the group exceeded its goal and raised \$407,427 — plus an additional \$735,635 that was pledged over the three subsequent years.

## **SOME SETBACKS ALONG THE WAY**

Hope Reins moved to its new location in late 2015. As expected, expenses grew, and fundraising had to keep pace.

Tschirret admits that times have occasionally been tough. In 2016, for instance, there were periods when the organization didn't bring in many gifts and making payroll was difficult, she says.

But there were lots of bright spots too. In 2017, a \$300,000 gift from a prominent local donor enabled the group to build a covered arena so kids could ride and care for the horses even in bad weather.

The big gift from the high-profile donor was a "real stamp of approval for us," Tschirret says.

These days, the organization is on firmer ground, according to Tschirret. Early this year, it launched its first giving society, Legacy of Hope, for donors who make five-year commitments of varying sizes.

So far, about 40 donors have joined the society, and Tschirret hopes more than half of all revenue ultimately will come from the program.

"Everyone I'm meeting with, I'm asking to join," Tschirret says. If successful, the program will relieve some fundraising burden in coming years because a portion of the annual budget would be locked in.

To meet its revenue goal for this year, Hope Reins must raise \$540,000 by December 31 — the largest sum it has ever raised in such a short period. Still, she expects some big donors to step up this year. "I'm nervously confident," Tschirret says.

# Lessons for Charity Leaders From EducationSuperHighway

By HEATHER JOSLYN



**Evan Marwell was a serial entrepreneur looking for his next challenge when he learned that his daughter's school had inadequate Wi-Fi.**

**E**van Marwell, founder and CEO of EducationSuperHighway, a nonprofit formed to bring broadband internet to every public school in America by 2020, has some advice for having maximum impact in a short period of time. Here's his advice:

#### **Pick a finite, measurable problem to solve.**

"Don't commit to solving world hunger," says Marwell. "Solve hunger in San Francisco. Or solve hunger in the Tenderloin district of San Francisco."

#### **Seek support in stages.**

Think of funding in terms of what is needed to accomplish specific milestones in a specific time frame rather than in terms of annual funds. This approach will resonate with philanthropists who have started companies or made their fortunes in the tech world.

#### **Measure your progress.**

Do it for yourself, not just for your donors. Data has helped EducationSuperHighway make its case to grant makers, persuade others to join in its efforts, and find inefficiencies. "Data matters," says Jim Bildner, a board member of the charity and CEO of the

Draper Richards Kaplan Foundation. "I don't mean crazy data obsession. I mean having an understanding of the few key data points that really matter, and living by them."

#### **Look for workers in the for-profit world.**

They may be more attuned to working with a sense of urgency. Most of EducationSuperHighway's staff members come from businesses, and Marwell thinks the organization's time-limited nature helped draw them. Such professionals tend to join a company for a few years, accomplish certain goals, and move on. "When you ask them to join a nonprofit, the reaction is often, 'I'm worried I'll get stuck here.'"

#### **Avoid mission creep.**

Well-meaning grant makers can sometimes push a charity off course by making suggestions or requests that stray from the grantee's mission. Stay focused, Marwell advises, even when it means turning down money. "Funders sometimes ask, 'Can you solve the problem of bringing broadband to the students' homes?'" He breaks into a sorry-not-sorry grin. "Nope!"



# Help for the Heartland

A nonprofit leader from Russia guides Kansas community foundations on their path to growth.

By HEATHER JOSLYN

**S**vetlana Pushkareva Hutfles sits at attention as one after another of the community-foundation leaders she's gathered here in a conference room at the city's Epic Center tell their stories of success.

Elizabeth Weese, who has led Dickinson County's community foundation since February, delivers big news: A donor has underwritten her organization's

operating expenses for the next few years with a \$500,000 gift and on top of that made two \$1 million pledges to the local hospice and library.

"I am so glad this came during *my* tenure," Weese deadpans. Her peers laugh, knowing the gifts probably took years of cultivation.

Many of the other stories, though, highlight more modest accomplishments. Hutfles, executive director

DANIEL JOHNSON, FOR THE CHRONICLE

**Svetlana Pushkareva Hutfles learned about community foundations as a student in post-Soviet Russia. As head of the Kansas Association of Community Foundations, she's spearheaded efforts to educate and empower small grant makers.**



of the Kansas Association of Community Foundations, eagerly listens to those, too. It helps her serve them better, she says: “It’s important for me to hear what they’re proud of — but also what they’re dealing with.”

And so the stories unfold of small improvements in places largely ignored by big private foundations: In a town of 1,400 in central Kansas, with no grocery store or school, a group of local residents has pledged to spend the next year in conversation about the community’s future. Another community fund recently helped find a new owner for a local grocery store that was slated to close. A food pantry opened at a school and started providing bottled water, once organizers learned that some students don’t have running water at home.

Through it all, Hutfles chimes in with praise and practical advice about how to advance even small gains. In conversation later that afternoon, though, she expresses dismay at how few national grant makers offer support to rural communities like those she and her members serve. To some degree, Hutfles suggests, a wide cultural gap between those communities and many urban grant makers could play a role: “They might think rural isn’t ‘sexy.’”

Nineteen percent of Americans live in rural areas, but less than 6 percent of private grant making goes there, according to the Foundation Center. “Sometimes people forget that the rural areas provide a lot to cities: We grow their food,” says Bekki Pribil, the Kansas association’s board chair and head of the South Central Community Foundation. “If rural America were to die, the cities aren’t going to last.”

### **‘A FORCE OF NATURE’**

Hutfles, 42, knows exactly what she and the mostly rural charities she serves are up against. Since 2009, when she was named the first full-time executive director of her organization, she’s been leading an effort to help the state’s small philanthropies form, affiliate, and grow.

A native of Togliatti, Russia, Hutfles is a community-philanthropy scholar who wound up in Kansas after marrying a Midwesterner.

The community-foundation association she leads now has 94 members, up from 46 when she started; 97 percent of all community funds in the state belong. The membership’s combined assets have grown from \$1.4 billion in 2010 to \$3.6 billion in 2017, with grant making up from \$260 million to \$397 million during the same period.

Five years ago, Hutfles spearheaded the creation of Keep 5 in Kansas, the state’s version of a widespread push to capture a sliver of inheritable wealth for local philanthropy before those assets are distributed to far-flung heirs. Great wealth rests in the farms and businesses throughout the state: About \$79 billion has been projected to flow from estates by decade’s

end, according to a 2012 study by researchers at Wichita State University.

Three years ago, Hutfles and a team of advisers rebranded her organization’s annual state conference to serve growing community foundations around the country, aiming to fill a void left after the Council on Foundations stopped running its community-foundation-centered national conference. Now, each October, community-fund leaders from around the country converge on Wichita to swap ideas. Last year, more than 320 people from 32 states attended.

This year, her organization released a new online-learning program, CF Express Training, aimed at helping community-foundation boards and employees acquire skills.

**“Sometimes people forget that the rural areas provide a lot to cities: We grow their food.”**

“She’s kind of a force of nature,” says Steve Alley, a strategic-management consultant for nonprofits in Tucson and a former community-foundation head who serves on the advisory board for the national conference in Kansas. “When she sees something that needs to be done, she does it.”

The word “tireless” comes up a lot when others speak of Hutfles. “She’s a tireless champion” for Kansas and rural philanthropy, says Brad Ward, director of community philanthropy at the Council on Foundations. “She’s really starting to put together in her mind what is a winning aspiration for rural community foundations, starting with what do they need to be confident and able community builders.”

Pribil also vouches for Hutfles’s energy. “When you believe in the mission, then you can work tirelessly to help achieve those goals,” the board chair says. “And I do believe she works tirelessly.”

### **A HOMETOWN BUILT FROM SCRATCH**

Hutfles, who moved to Kansas in 2007, grew up during the Soviet Union’s final years, in Togliatti, a city on the Volga River dominated by auto plants. Her parents first connected through their work: Her mother, Tatiana, and father, Vladimir, both worked at a car factory. Her mother ran an electrical-switching system inside the plant, her father, an engineer, ran the department that managed the plant’s water and electricity.

“My parents’ generation who came to Togliatti pretty much built that town from scratch,” she says.

“It was populated by people who were entrepreneurial enough to come to a land of nothing and build a brand-new city.

“It is not surprising that the first community foundation in Russia was established there and that my generation, raised by such innovative parents, isn’t scared to try new things.”

As a student, she was asked to help translate a meeting by officials from major American nonprofits (including the Ford, Charles Stewart Mott, and Charities Aid foundations) aimed at helping create Russia’s first community philanthropy.

It was an alien concept to Hutfles and to other Russians after the collapse of the Soviet regime.

“Here we were speaking about volunteering, when volunteerism was mandatory under communism,” she recalls. “Here we were speaking about sharing resources when people were still in that stage of acquiring resources, when the national resources were up for grabs.”

She grasped that a community foundation allowed ordinary people to mobilize their own resources: “You don’t need to wait for the state or federal government to make change. You can give the power back to people to make change today, for tomorrow, forever. I knew I had to learn more.”

So she joined a team that, in 1998, started a community foundation in her hometown, still run by its founder, Boris Tsyrlunikov. She attained a master’s degree in international studies at the University of Leeds, where she did her thesis on community philanthropy, and worked at the Transatlantic Community Foundations Network, the Worldwide Initiatives for Grantmaker Support, and the Global Fund for Community Foundations.

The work frequently brought her to the United States, including to Kansas. She’s been visiting America since 1990, when she came as a 14-year-old in a student-exchange program, seeing Chicago, New York, and Washington. The trip gave her an early introduction to rural America: “I got to do archaeology in the cornfields of Illinois.”

Her background and her fluent but Russian-accented English can pose both advantages and challenges as she travels around the American Midwest. “On the one hand, people remember you, which is good for business. People are curious. So you always have a reason to talk to somebody,” she says. “And Kansans are a very welcoming people. I have met kindness and genuine support.”

On the other hand, she adds, “I recognize I might always be a foreigner in Kansas. But I know I’m dedicated to the future of the state, and this country, and I hope that’s what I’m judged on.”

## FUEL FOR GROWTH

Like several states in the Midwest, Kansas has endured decades of large numbers of people moving

from its small communities. Many towns have lost their schools, their churches, their grocery stores, and their economic vitality.

“For rural communities, the needs just continue to grow,” says Aubrey Abbott Patterson, an association board member who led the group before Hutfles was hired. “The communities are going to be looking to us more and more for help.”

The Kansas Association of Community Foundations started in 2005 as a program at the Hutchinson Community Foundation, aimed at helping to organize the state’s community organizations. Patterson, then a new program officer at Hutchinson and now its president, was assigned to oversee the fledgling association. The size of the task became apparent quickly.

“My board thought I was spending 10 percent of my time on it, but I was really spending 50 percent,” she says.

The association’s efforts dovetailed with a push by the Kansas Health Foundation to help boost community grant makers.

“There were a lot of community foundations in Kansas, but a lot of them were not functioning well. A lot formed for a project — a swimming pool, a senior center,” says Jeff Usher, senior program officer at Kansas Health. “And now that they had founded that project, they were floundering in some way.”

Beginning in 2002, Kansas Health committed \$60 million in total for two decade-long programs, known as Grow I and Grow II, which provided management assistance and fundraising incentives like matching grants to help the organizations build their assets. The 39 community foundations that participated in Grow II built their endowments from \$236 million, when the program started in 2009, to nearly \$700 million today.

**“You don’t need to wait for the state or federal government to make change. You can give the power back to people to make change today, for tomorrow, forever.”**

As Patterson’s workload on behalf of the Kansas Association of Community Foundations grew, its board decided to hire a full-time executive director in 2009. The Kansas Health Foundation, Usher says, chipped in \$700,000 in support, seeking to secure more individualized assistance for Grow II participants than the consultants his group hired could provide.

Enter Hutfles, a Russian émigré with deep experi-



WENDY SKELLENGER/HUTCHINSON COMMUNITY FOUNDATION

ence in community philanthropy.

“We thought, this can’t be real. But we interviewed her and she was by far the best candidate,” says Usher, who served on the hiring committee with Patterson. “It was a no-brainer.”

In her job interview, he says, Hutfles talked about “trying to regionalize how community foundations work together.” Her strategy, Usher says, has proved successful.

“What it does is keep Kansas on the cutting edge of what local place-based philanthropy communities can do, whether urban or rural,” he says. “It helps us, the Kansas Health Foundation. We’ve learned from it.”

### **MAKING A QUILT**

One of the things Hutfles is proudest of is her organization’s role in breaking down feelings of isolation among its members and strengthening their identity as Kansas grant makers. Meetings like the one at the Epic Center have also helped dissolve feelings of competition among the community foundations, she says. The emphasis is on self-determination: The groups determine how and when to form

affiliations to consolidate their resources and multiply their impact.

“Philanthropy in rural areas can be pretty lonely,”

**“There were a lot of community foundations in Kansas, but a lot of them were not functioning well. A lot formed for a project — a swimming pool, a senior center, and now that they had founded that project, they were floundering in some way.”**

says Patterson, who is now a board member of the association. “If you’re serving your community well, it’s a tough job. It’s a lot of hours. The association allows that connection and leaning in on each other.”

The association, Hutfles says, is trying to weave its members into the “patchwork American quilt,” as she calls it, of community foundations around the country, connecting them to services they can share or learn from, such as a legal help desk run by the Indiana Philanthropy Alliance or advocacy expertise gleaned from the Council of Michigan Foundations.

The organization’s annual Conference for Growing Community Foundations, put together with help from consultants Gabriel Works and Diane Miller and an advisory board with members from around the country, aims to give even the smallest groups practical takeaways. “We ask our speakers to go down to the trenches, keep it very how-to,” Hutfles says. “We need details.”

Theresa Hearn, head of the Derby Community Foundation, was a public-relations professional with no fundraising experience when she was recruited in 2004 by the founders of her organization.

The Derby fund started out with \$80,000, and the founders’ vision was narrow, says Hearn: “They were all about art and trees and sidewalks.” Now, thanks to what she and her board learned from the Kansas association about cultivating donors (and participation in Grow II), the fund has \$2 million in assets and is running its first endowment campaign.

“I’m a believer,” says Hearn, a former board chair of the association who will give a presentation with a peer from the Twin Cities area at this October’s conference.

She appreciates the nuts-and-bolts focus of the association’s programming. “People say, You have to find out what a donor is passionate about,” she says. “But how? KACF taught me the ‘how.’”

Along with CFUnited, a biannual gathering of affinity groups that launched last March, the Kansas group’s October conference “fills a niche: How do we talk about the very basic issues of community foundations,” says Ward, of the Council on Foundations. “They’re doing it well.”

The conference and the new Express Training modules are intended not only to help support and educate community grant makers but also to develop into revenue-generating enterprises.

Financial sustainability is the number-one challenge her organization faces now, according to Hutfles and others close to the organization. The Kansas Health Foundation’s association’s commitment to annual \$200,000 grants for operating support runs out in 2020, and Usher says Hutfles’s organization will have to build up other sources of revenue.

The foundation’s grant, Usher says, “doesn’t come close to supporting all the technical assistance [the association] is providing.”

## IMPACT INVESTING

After sharing their success stories at the Epic Center conference, participants yield the floor to Patterson and the day’s emcee, Yazmin Wood, head of the Legacy Regional Community Foundation, who take up the subject of impact investing.

Using nonprofit assets for loans aimed at furthering a social-change mission might be old news for the risk-taking one-percenters from Wall Street or Silicon Valley. But for community foundations built on the wealth of frugal farmers and other small entrepreneurs, impact investing is a novelty.

Patterson tells of how the Hutchinson Community Foundation got funds from a local bank and the state to make a \$200,000 loan to a nonprofit to help it build affordable housing.

She’d like to see her group devote up to 5 percent of its assets to such investments and urges her peers to put some of their money into economic development too.

## “Philanthropy in rural areas can be pretty lonely.”

“All of us should be thinking about it,” Patterson tells her colleagues. “It could turn so many things in Kansas around. And if we’re truly moving in that way, maybe we can bring others along with us.”

After her passionate presentation, Patterson fields questions: What guarantees do you have of repayment? Can you come speak to my board? Is there a TED Talk about this I could watch?

Hutfles chimes in, “This is fairly new, but we believe this is the future of the sector.” And she breaks some news: The Kansas Health Foundation has just awarded a grant to NetWork Kansas, a clearinghouse on business-development information, to help the state’s community foundations explore impact investing.

The discussion exemplifies Hutfles’s vision for her association: to lead community-foundation officials beyond the basics into bigger conversations about their shared future.

Says the association leader: “We’re determined to continue lifting up emerging, overarching, or acute topics for the field — the 2020 Census, equity, economic investment, and others that years ago would not necessarily have been on a community foundation’s radar.”

All three of those topics were on the agenda for last month’s conference.

**Celebrating  
the power  
of philanthropy  
in Russia and  
encouraging leaders  
worldwide to shape  
a social milieu  
that values  
creativity and  
professionalism**

fondpotanin.ru



**V7**  
VLADIMIR  
POTANIN  
FOUNDATION

**20** years

THE CHRONICLE OF  
**PHILANTHROPY**<sup>®</sup>

---

1255 Twenty-Third Street, N.W.  
Washington, D.C. 20037

(202) 466-1000 | [Philanthropy.com](http://Philanthropy.com)