



SPENCER COUNTY COMMUNITY FOUNDATION

For Good. For Ever. For Spencer County®

## What is a Community Foundation?

Community foundations bring together people who care about their communities. They are independent, volunteer-driven, charitable organizations that aim to strengthen their communities by facilitating philanthropy, by partnering with donors to build permanent endowments and other funds from which they support community projects, and by providing leadership on issues of broad community concern. Founded on trust, community foundations help donors achieve their charitable goals and invest financial capital in their communities. But they also stimulate and nurture the relationships that link us to others and that create our sense of belonging to a community. Social scientists call these vital connections "social capital" and have found that they are linked to many measures of community and individual well-being. Community foundations, experienced in building financial capital for their communities, also have a leadership role in building social capital — the glue that holds communities together.

### **An Overview of Some Special Strengths**

#### *A long-term view*

Because community foundations focus on building permanent endowments, they are able to tackle long-term community challenges as well as immediate needs.

#### *Permanence*

Gifts to a community foundation endowment meet community needs in perpetuity.

#### *Community-based, personalized donor service*

Community foundations are uniquely equipped to help individual donors meet their particular philanthropic goals by providing in-depth knowledge of community opportunities along with expertise in a wide range of flexible charitable giving options.

#### *A broad perspective*

Community foundations make effective grants and develop networks in a wide range of sectors. With this in-depth community knowledge, they can identify opportunities in many fields and build on existing community strengths. They are also well placed to make simple, but often powerful, connections between people and organizations in the community.

#### *Commitment to community service*

Community foundations are broad-based, volunteer-driven local organizations. Because their view of community issues and priorities is independent and crosses many sectors, community foundations have an opportunity for collaborative leadership that transcends "special interests" and reflects the interests of the community at large.

#### *Accountability*

Community foundations believe that their values and way of working, not just their work, can be a powerful tool for building social capital. As responsible members of the voluntary sector, community foundations strive for flexible, transparent governance and leadership practices that welcome volunteer involvement, encourage dialogue among diverse voices in the community, and inspire commitment to philanthropy.

### **The Three Roles of Community Foundations**

All community foundations combine three main roles:

- Endowment building and flexible, comprehensive donor services
- Broad and effective grantmaking
- Inclusive community leadership

Yet, every community foundation is unique in the way it fulfills these roles and in the priority it places on each area. The emphasis on each role also can vary at different times in a community foundation's development. As they work toward fully implementing all three roles, individual community foundations will reflect each role to a different degree.