



Foundation Role and Practice:

Building Healthy Communities, 2010-2020

Tom David and Prudence Brown | November 2020

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About TCE

The California Endowment (TCE)’s mission is to expand access to affordable, quality health care for underserved individuals and communities and to promote fundamental improvements in the health status of all Californians.

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Executive Summary

Foundation Role and Practice and Sustaining Board Engagement: Building Healthy Communities, 2010-2020

Building Healthy Communities (BHC) is a signature program of The California Endowment (TCE) that has combined 10 years of continuous funding in 14 historically disinvested communities with related state-level and regional policy campaigns and coalition building. It is a novel approach to health improvement that both encompasses the social determinants of health and has increasingly focused on power building to promote systems change and advance racial equity. BHC is characterized by a unique blend of “proximal” neighborhood-level engagement with sophisticated media strategies to shift the public narrative toward a deeper understanding of systemic inequities and the potential of people power to transform them.

The BHC experience has built on 30 years of effort by organized philanthropy to comprehensively address the needs of whole communities in a more integrated fashion. Traditionally, most foundation grantmaking has been “siloed” by subject matter, with funders specializing in education or economic development or the arts, but rarely joining forces to see how those efforts might best be combined and coordinated for maximal impact. BHC built on the efforts of a generation of “comprehensive community initiatives” in both its scope and scale, in the process helping to expand the boundaries of health philanthropy.

BHC employed the inclusive “umbrella” of community health to stimulate creative combinations of activities across systems boundaries to address the root causes of health and economic disparities. It consequently found itself working in areas like school discipline reform, youth organizing, voter engagement, and environmental justice that lay outside the conventional borders of health grantmaking.

Over that same period of time, philanthropy has also been evolving from a “command and control” paradigm that is driven by foundation-developed goals and theories of change to one that seeks to engage not only non-profits but also community residents

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as partners in the change process. BHC has been a transformative journey for TCE itself, as it has learned how to listen more deeply to voices that are not often heard by grantmakers. It has consciously set out to explore what it takes to be a changemaker rather than just a grantmaker. By committing itself to a 10-year timeline, TCE has also gained a longitudinal perspective on what it takes to effect and sustain change at the policy and community levels. BHC expands the traditional foundation definition of an “initiative” to a more grounded intergenerational approach that seeks to transform an entire policy and power ecosystem.¹

As the conclusion of its initial investment in BHC approaches, TCE has commissioned several retrospective analyses of this extraordinarily complex undertaking. Our analysis focuses on the roles and practices that the Foundation brought to bear in designing, implementing, and learning from BHC. How did TCE conceive of its role and how did its role evolve over the past 10 years? What capacities and structures supported implementation? What did it take to keep its Board engaged and supportive over such a long period of time? Finally, what lessons about foundation practice might benefit other philanthropic organizations committed to long-term, place-based equity and power-building work?

To sample the perspectives of multiple BHC participants, we conducted more than 50 phone interviews with current and former TCE Board members, Foundation leaders, and program staff, as well as BHC partners and consultants. We also reviewed outside evaluations of BHC, Board materials from 2002-2020, and TCE internal reports. (See the Appendix for further details).

We have written two reports that aim to synthesize themes and lessons from our interviews about “what it takes” to do this work in a way that speaks not only to TCE and its partners but also to the interests of the broader philanthropic community. Both reports share an Executive Summary and Afterword. We have chosen this unusual format for several reasons. Because little has been written about boards overseeing foundations engaged in long-term social change work, we wanted to analyze and present the results of our board interviews in a form that could stand on its own. But we also knew that our own broad take-aways about how foundations plan, design, and implement this kind of work were informed by TCE staff and BHC partners as well as by the Board. So we present these thoughts in an Afterword for the reader of either document. The two documents represent two parts of the same philanthropic whole and together paint the fullest picture of a foundation that did indeed transform itself in a process that necessarily continues to be confounding, hopeful, and important.

¹ This evolution from initiative to a movement-building stance is described in **“Ten Years of Building Community Power to Achieve Health Equity: A Retrospective,”** Prepared for TCE by THP Impact, April 2020, p. 13-15.

Foundation Role and Practice

BHC set out to expand the past practice of place-based philanthropy by combining intensive investment in a limited number of neighborhoods with sophisticated strategies for influencing public policy at the state level. TCE called this approach “grassroots and treetops.” The implementation of this concept was guided by the Foundation’s ambition to no longer operate merely as a grantmaker, but to extend and deepen its influence as a changemaker. Over the ensuing 10 years, what began as an investigation of root causes of longstanding health disparities evolved into an effort that was increasingly centered on building grassroots power to promote health and racial equity.

To function as a changemaker, our interviews suggest that TCE played six roles that were particularly instrumental in shaping the trajectory of BHC: Patient Long-Term Investor; Proximal Ally; Narrative Driver; Principled Risk-Taker; Campaign Director; and Strategic Opportunist. Implementation of these roles both built new capacities within TCE and encountered challenges, particularly in the areas of partnership, collaboration, learning, and management.

Patient Long-Term Investor



TCE’s 10-year commitment of significant funding was probably the most important role played by the Foundation from the viewpoint of grantees and external observers. It acknowledged just how complex the challenge of community transformation would be and allowed BHC partners to pursue a much longer-term policy agenda and stick with it despite inevitable setbacks.

Proximal Ally



Program Managers were assigned to the 14 communities, where they spent a good deal of time developing an extensive network of local relationships, fostering collaborative planning and action, and helping turn local ideas into actionable strategies. They also built trust with local activists that had every reason to be skeptical of the motives of a big foundation. The proximal ally role was challenging to implement, requiring transparency, humility, political acuity, and an ability to forge a balance between accountability to TCE and to the community.



Narrative Driver

A substantial body of work was dedicated to communications efforts by TCE and its partners to help shift the public narrative about what constitutes a healthy community. BHC helped to expand the boundaries of health philanthropy to encompass the social determinants of health, and eventually racial equity and justice. By calling out “people power,” BHC embraced organizing and advocacy as essential strategies for tackling the social determinants of health.



Principled Risk Taker

In its public statements and direct actions, BHC consistently demonstrated its commitment to a set of core values that prioritize principles such as diversity, equity, and inclusion, and health and justice for all. Pressure from the community upped the ante on how far the Foundation was willing to go to live its principles... in some cases into territory outside most foundations’ comfort zone. TCE intentionally sought to change the dominant philanthropic narrative about “risk” by reframing these issues and organizations as mainstream public health concerns.



Campaign Director

TCE itself took the lead in designing and implementing multiple state-level public policy issue campaigns that combined messaging with mobilization around issues such as Affordable Care Act (ACA) implementation, health care for the undocumented, and reform of school discipline policies. TCE got better over time at maximizing the authenticity of its messaging by seeking out and listening to the people who were living those issues rather than relying primarily on the advice of media professionals.



Strategic Opportunist

Something that has vexed other foundation initiatives is the inability to pursue emerging opportunities due to “locked in” multi-year funding commitments. Even In the case of a major investment like BHC, TCE retained the budget flexibility to allocate significant additional dollars in short order to pursue timely opportunities that complemented BHC’s core purposes such as California ACA implementation and state-wide leadership development for young men of color.

Implementation

No matter how bold or creative its intent, the actual success of a foundation's initiatives comes down to the details of implementation. How does the foundation show up in communities? What does it do best, where does it struggle, and what does it learn along the way? Our interviewees voiced uniform support for BHC's vision and goals but were mixed on aspects of Foundation practices and operations that contributed to and constrained BHC's results. Among the most relevant both for TCE's work going forward and for other foundations considering similar work are the following four areas of capacity: **partnership**, **collaboration**, **learning**, and **management**.

Partnership

BHC's commitment to 10 years of continuous funding, plus a "proximal ally" role, set the stage for a different way for a big foundation to partner with communities. Over time, TCE's growing emphasis on power building and equity helped it to build a deeper relationship with the BHC communities, but it was not a smooth journey. We share some of their challenges because they illustrate the kinds of knowledge, skills, and capacity foundations need to build effective partnerships of this nature.

- **Beginnings.** How a foundation enters a community is critically important; mistakes made in the initial stages of an engagement can take a long time to undo. A foundation can consider early missteps as "a necessary period of trial and error," but the cost to the participating communities in terms of trust and social capital can be incalculable.
- **Establishing clarity** in communications and shared definitions of success are key elements of a successful partnership. TCE was challenged to implement both. For at least part of BHC, communities were confused by getting different messages from staff in different departments within TCE. Internal clarity is necessary to achieve external clarity with partners.
- **Managing power dynamics** is particularly challenging when such a profound differential in power exists between the Foundation and its community partners. The degree of control that TCE initially exercised over the early implementation of BHC proved to be counterproductive, but over time TCE was able to listen better and grow into its role as a Proximal Ally.

Collaboration

Effective changemaking requires a capacity to collaborate and a commitment to do so. Our interviewees suggested that TCE's experience with collaboration was two-fold. By funding Hubs² and related local organizing activities, TCE prioritized collaborative governance structures and encouraged cross-sectional coalition-building in each of the 14 communities. On the other hand, TCE did not seriously consider inviting other funding partners to join them in BHC in a significant way until BHC's later stages, when sites were focused on planning for their long-term sustainability. There's no guarantee that a collaborative funding strategy (even if it were feasible) would have been of significant benefit to the enterprise, but any time a single funder visibly "brands" an activity, past experience shows that most other funders are not eager to be invited in at a later date.

Learning

An extraordinary amount of learning clearly took place over the life of BHC, as evidenced by the increasing sophistication of program staff in engaging with local power ecosystems. But many felt an opportunity was missed to capture and share that learning across the BHC enterprise and with external audiences. For example, there was little to no systematic assessment of the impact of the state-wide issue campaigns or other narrative work. There was also minimal investment in creating the kind of cross-site learning communities that might have helped all parties to reflect regularly together and to capitalize on their hard-earned experience in a way that could have potentially improved the work in real time.

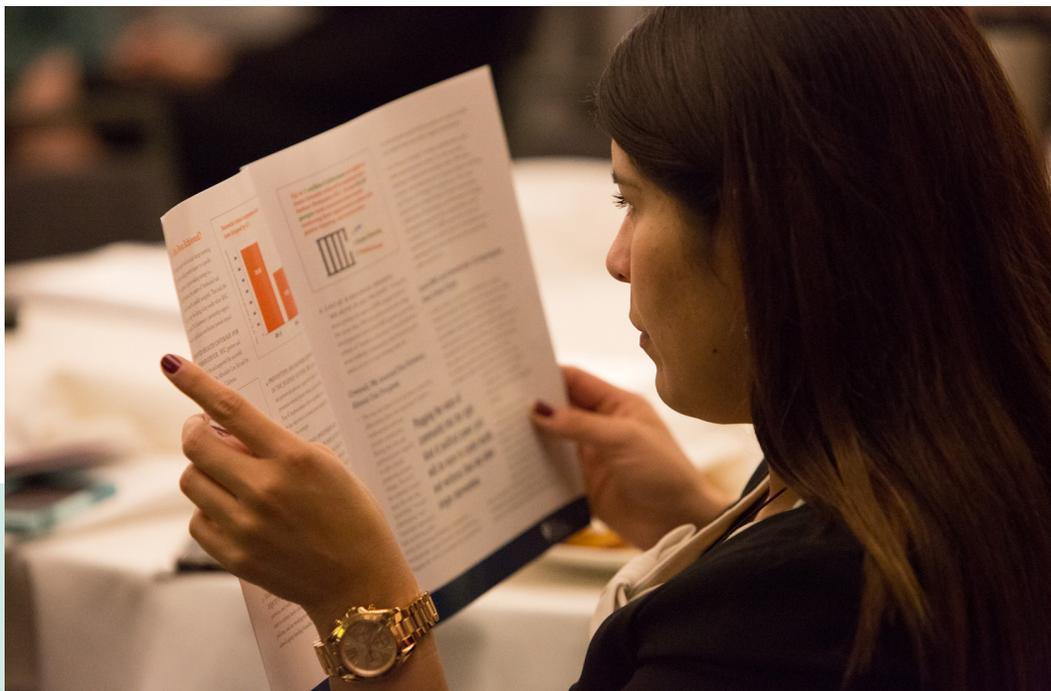
² The original BHC design provided funding for intermediaries known as "Hubs" in each of the communities to serve as mechanisms for communication, coordination, and program management.



Management

TCE was sailing into relatively uncharted waters in its ambition to serve as a changemaker rather than just a grantmaker. But that type of venture called for continuous management attention to ensuring clarity in communications, anticipating and making necessary course corrections, and achieving and maintaining consensus on the institution's role. There was no single individual charged with "holding the whole" of BHC by making individual executives accountable for collaboration, alignment, and consistent application of policies and procedures in accordance with TCE's professed institutional values. Instead, different departments and executives within TCE demonstrated distinctly different understandings of how the Foundation should manifest its influence on the work of various BHC partners and their allies.

No foundation begins an enterprise the magnitude of BHC with all the necessary systems, staff competencies, and organizational practices in place. Accordingly, the success of the work depends on building broad learning capacity among diverse players so that they all contribute and reflect together and then adjust their roles and practices accordingly along the way. By listening and learning, the Foundation shifted its framework to power building and affirmed its commitment to deep organizing as a primary strategy that resonated strongly with its community partners. But when it came to overall implementation of BHC, TCE fell short in some significant ways.



Community Perspectives

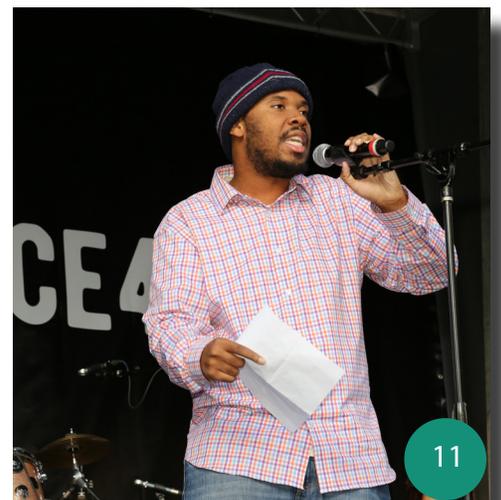
An extensive Community/Stakeholder Engagement Study was conducted in year seven to solicit feedback from a broad cross-section of BHC participants. It included interviews with key partners and external observers, as well as multiple focus groups with community participants.³

When the results urged TCE to listen more carefully to community perspectives and priorities, TCE’s leadership issued a public statement about the need for internal changes to optimize BHC’s potential:

“...We need more humility from TCE, and less arrogance; we need more true partnership and less top-down; we need more input into decisions, and not merely communications about decisions that have been made; we need less of an emphasis from TCE on building our capacity to lead change, and less ‘doing and directing’ from TCE staff.”

These findings have become part of ongoing dialogue for transition planning going forward.

³Farrow, F. & Rogers, C. **Voices of Partners: Findings from the Community/Stakeholder Engagement Study.** Center for the Study of Social Policy (2017).



Sustaining Board Engagement

Long-term community and systems change work is notoriously challenging for foundation boards. The work takes place at many levels with many partners; the pace is often slower and more circuitous than anticipated; measures of success are often “soft” and can raise questions about the value of the investment; and both local context and larger macro forces shape the work in unforeseen ways. Efforts to make systems and policies more equitable and to elevate the voices of communities that have been historically marginalized inevitably face push back.

TCE’s Board never wavered in its support for BHC. Examination of what it took to engage the Board and sustain its investment in BHC over 10 years identified eight strategies that have contributed to effective board guidance of BHC.

- 1. Establish Commitment to the 10-Year Timeline at the Outset.** Board member understanding of BHC’s timeline was secured early on, reinforced regularly by staff and outside speakers, and then passed along to new people joining the Board.
- 2. Maintain Some Resource Flexibility.** Building in enough funds outside of regular program budgets to be responsive and opportunistic while staying disciplined enough to avoid mission creep or diffusion of resources is a balance that boards need to review regularly.
- 3. Recruit Board Members Who Share Values but Bring Diverse Backgrounds and Experience.** Shared core values can facilitate effective governance, as can diversity in racial/ethnic background, expertise, and networks. However too little ideological diversity can constrain it.

4. Build Board Culture of Respect, Engagement, and Self-Assessment. The capacity of a board to reflect regularly on its own performance contributes to a strong board culture that reinforces productive engagement and a sense of accountability to one another.

5. Encourage Active Learning and Exchange. Boards need ways to understand and learn about the work in a way that is sufficiently deep and continuous to enable them to provide effective oversight and to become powerful champions for the foundation’s agenda.

6. Ensure that Evaluation Serves an Accountability Function. Boards have an important role in contributing to a foundation-wide culture that values the role of evaluative data in decision-making and invests in an evaluation and learning system that supports the goals of the work.

7. Embrace an Activist Role within Established Limits. Clear organizational guidelines can empower boards to exert the full weight of the foundation’s assets—money, knowledge, networks, credibility, and political capital—in the service of equity and systems change.

8. Foster Transparent Relationships with Staff. Depending on its own history and culture, each foundation has to find the organizational arrangements and communication pathways that best serve to incorporate dialogue across roles and perspectives in order to improve the work.

The ways these strategies were implemented, and their relative success and potential downsides, evolved as both the Board and BHC matured. No one who planned BHC is still on the Board in 2020, and many have joined the Board midstream or more recently as TCE is developing its post-BHC plans. TCE’s Board is now poised to think about the Foundation’s role as but one component of a complex ecosystem of power. With deeper understanding of this ecosystem, the Board is ready for the Foundation to put the community at the center of the agenda and make the necessary changes in philanthropic roles and practices to support that shift.

Introduction

What does it take to build resident power and advance racial and health equity in historically marginalized and disinvested communities? What roles and philanthropic practices can a private health foundation deploy to best support emerging grassroots

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leaders, policy and system change advocates, and other potential partners committed to equity? In the boldest terms, how does a foundation use its resources and privilege in service of building power among those people most affected by health and racial injustice? For the past 10 years, The California Endowment (TCE) has committed more than \$1.75 billion to an unprecedented effort to tackle those questions in the form of a multi-site, multi-component program called Building Healthy Communities (BHC).

Above all, this is a story of transformation. BHC aspired to transform organizations, policies, and public narratives across California with a concentration on the social and political ecosystems of 14 communities. But TCE as an organization has itself been transformed over the past 10 years. Since its inception, TCE has embraced a broad definition of health that looks beyond medical care and medical institutions in order to better understand the root causes of longstanding health disparities in communities of color that experience low income. BHC afforded TCE the opportunity to further evolve its strategic vision and sharpen its focus on grassroots organizing, power building, and racial equity.

To set the stage for our examination of how TCE has defined its role and how it evolved over time, it is useful to revisit the beginnings of the BHC concept.

Origins

The vision for BHC emerged at a time of significant ferment and upheaval at TCE. A strategic framework developed in 2002, based on its first five years of grantmaking, guided the distribution of hundreds of millions of dollars both in the form of regionalized, responsive grantmaking and several focused initiatives. The latter included pathfinding investments in farmworker health, increasing diversity in the health professions, healthy eating and active living, upgrading Information Technology in Community Health Centers, and California Works for Better Health. It was also a major funder of state-wide public policy work and contributed significantly to the development of a robust advocacy community that was the envy of most other states.

While that way of operating built a large and appreciative state-wide constituency for TCE, it left many—both inside and outside the Foundation—with questions about its cumulative impact. As California’s largest private health funder, TCE faced substantial pressure to demonstrate results while it was still developing its own internal capacities and systems. High profile place-based initiatives, such as the Annie E. Casey Foundation’s (AECF) Making Connections and the Harlem Children’s Zone, seemed to be showing just those kinds of results by concentrating their resources in defined geographic areas over an extended period.

In 2007, after considerable reflection on TCE’s accomplishments to date as well as the needs and opportunities in the community, the Foundation’s leadership proposed to the Board a new strategic direction that would “put a stake in the ground at the nexus of place, prevention, and poverty.” Building Healthy Communities would expand traditional place-based philanthropy by combining intensive investment in a limited number of neighborhoods with sophisticated strategies for influencing public policymaking in Sacramento. They dubbed this approach “grassroots and treetops.”

The new direction built on the success of earlier TCE support for state-level advocacy and policy work like Children’s Health Insurance Coverage and Childhood Obesity and Asthma, which included both state-level policy work and the formation of several local advocacy coalitions. The encouraging verdict on these initiatives was that they had “succeeded in being more intentional in connecting local energy, passion, and creativity with state-wide change.” Initial plans to fund “20 communities through 2020” were scaled back to 14 sites to reflect fiscal realities, and BHC was born.

Not surprisingly, this new direction required a different set of staff roles and competencies and led to significant staff departures including several of the most experienced senior program leaders. Many of the new staff tapped as program officers had backgrounds as community activists and organizers, often from communities like those BHC would be funding. Most did not, however, have substantial grantmaking experience. BHC also required new organizational systems and structures. Two new internal departments were created: Healthy California (focused on state-wide policy and narrative change work) and Healthy Communities (home to the place-based grantmaking in the 14 communities). Two new Senior Vice Presidents were hired to lead these new departments.

The overall guiding vision for TCE's new direction, put succinctly, was that it would no longer operate simply as a grantmaker. TCE and its staff framed their role henceforth as changemakers. Instead of responding to proposals from the field, TCE would play a more active role in setting the agenda and directly challenging the status quo in pursuit of health equity. The Foundation would aspire to move beyond a more conventional transactional approach to philanthropy to one that was transformational in nature. In hindsight, that aspiration was increasingly seen by staff within TCE as overly simplistic. Much has subsequently been learned over the life of BHC about the complexities (both pros and cons) of assuming a changemaker role. Nevertheless, at the time it set an inspirational and aspirational tone for how the Foundation envisioned its role in the rollout and implementation of BHC.



Key Foundation Roles

A foundation implementing long-term, place-based work plays many roles: funder, champion, problem-solver, convener, behind-the-scenes broker, knowledge-developer, field-builder, and so forth. Our interviews suggest that TCE played six roles that were particularly distinctive and instrumental to understanding how BHC evolved and what it accomplished: Patient Long-Term Investor; Proximal Ally; Narrative Driver; Principled Risk-Taker; Campaign Director; and Strategic Opportunist.⁴ Individual TCE staff played different (sometimes multiple) roles at various points in BHC’s development. Some were called on to specialize in one or two specific roles, while others pursued a broader role repertoire. We have attempted to describe the roles assumed by the foundation in the aggregate. No one individual could be said to do it all. We describe the key foundation roles in this section and then in the next section address the key implementation issues that TCE faced in carrying them out.



TCE’s commitment of 10 years of significant funding was probably the most important role played by the Foundation from the viewpoint of grantees and external observers. From the beginning, TCE’s leadership recognized that a typical two or even five-year commitment would be insufficient for the type of community transformation to which BHC aspired. The 10-year timeline also allowed BHC partners to pursue a much longer-term policy agenda and to stick with the work despite inevitable setbacks. As this first decade of funding ends, it is clearer than ever that the most realistic timeframe for community transformation and related policy and systems change is generational.

⁴ Our observations resemble though differ somewhat from those of Doug Easterling and his colleagues who identified six roles that foundations play within place-based work (Driver, Activator, Facilitator, Capacity-BUILDER, Enhancer, and Supporter). See Easterling, D., Gesell, S., McDuffee, L., Davis, W., & Patel, T. (2019), **The Cultivation Approach to Place-Based Philanthropy: Evaluation Findings from the Clinton Foundation’s Community Health Transformation Initiative.** *The Foundation Review*, 11 (4).

One of the most exciting indicators of generational change is the emergence of a new cohort of youthful leaders who have essentially “grown up” with BHC as a constant presence in their neighborhoods. Many became involved while they were high school students, have since attended college, and have now returned to their communities, committed to sustaining this work.⁵ Years of investment in their leadership development are just now coming to fruition in the past two to three years. The same generational “payoff” is increasingly evident in the stronger community organizing infrastructure and in the large number of the policy wins that BHC worked to achieve over many years.⁶

A second big advantage of a 10-year funding horizon is that it allowed TCE and its partners to reorganize when the work faced challenges. Illustratively, once the flurry of initial planning and logic model construction was concluded in the sites, TCE and its local partners began to recognize that not enough time had been spent in building relationships and addressing longstanding conflicts and sources of trauma.⁷ Those issues could not be ignored if the work was to move forward. Rather than having to rush toward an artificial short-term finish line, communities were able to regroup, reconfigure their local governance structures, and collectively create the space to examine their shared history, definitions of belonging, and hopes for the future. Foundation timelines and plans were adjusted to reflect local realities.

Communities that have been historically marginalized are confronted by a necessarily long arc of change that has tested the patience of donors impatient for quick results. Given the inevitable complications observed in other long-term, place-based initiatives, not everyone within TCE expected that all 14 BHC communities would be able to stay the course. And sites did experience conflict and turnover in key personnel in some instances, particularly in the early years. However, TCE stood firm in its commitment, and no sites were defunded. The continuity provided by 10 years of sustained support reflected a critical shift away from funders’ typical preference for urgency in favor of adaptation and durability.⁸

⁵ Terriquez, V. & Serrano, U. **A Beloved Community: Promoting the Healing, Well Being and Leadership Capacities of Boys and Young Men of Color.** USC Program for Environmental and Regional Equity, 2018.

⁶ Ito, J. & Pastor, M. **A Pivot to Power.** USC Program for Environmental and Regional Equity, March 2018.

⁷ Although the literature includes many references to the extended time it takes for a foundation and community to build trust, foundations typically have a hard time actually translating existing knowledge into their own practice if other organizational imperatives exist. See Kelly, Brown, Yu, and Colombo, **Evaluating for the Bigger Picture: Breaking Through the Learning and Evaluation Barriers to Advancing Community Systems-Change Field Knowledge**, *The Foundation Review*, 11(2), 2019.

⁸ The role of the Board is key here as is the continuity provided over the decade by a single CEO. These factors are discussed in [Sustaining Board Engagement: Building Healthy Communities, 2010-2020](#).



Proximal Ally

All place-based funders face the inherent conundrum of trying to support or catalyze change from outside the community while recognizing that the change must reflect the goals and ownership of the community if it is to be sustainable. Funders have tried different structural arrangements in their efforts to mitigate this challenge such as funding an intermediary; working in close partnership with a local funder or lead organization; co-designing the effort with a local stakeholder team; or delegating substantial authority to local actors. Another distinctive approach is to actually assign a foundation staff person to each community, as TCE did by embedding⁹ a dedicated Program Manager

(PM) in each of the 14 BHC communities.

By positioning PMs close to—and in many ways part of—the action, TCE aimed to forge authentic relationships with residents and organizations and build the trust essential for effective collaborative work. The Foundation knew that it needed to assume a “proximal” role to better understand the local landscape and listen in a new way to the community’s challenges and aspirations. Having PMs on the ground allowed the Foundation to support grassroots groups and emerging ideas that it would be hard pressed to identify at a distance.

Traditionally, most big foundations have hired program staff for their expertise in a particular subject matter area. That kind of background often leads to staff prioritizing the “expert advisor” role in their dealings with grantees and other external partners. BHC pursued a quite different model of staffing by assigning PMs to the sites who had the potential to function as a “proximal ally.” In most cases, the PMs had grown up or had previously lived

⁹While that’s how the place PMs were referred to by TCE, they weren’t totally “embedded” in their neighborhoods. All had life experiences consonant with their assigned community, but most didn’t physically live within its boundaries, nor was their office space located there. While they certainly spent a good deal of time on site (including evening and weekend events), some PMs had to travel considerable distances to meet with grantees and attend public meetings within their place.

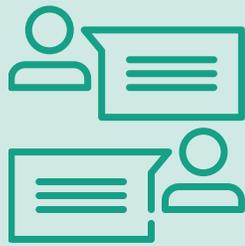
in their place (or one just like it) and had a base of personal experiences and contacts to draw on. But to be good at their jobs, they had to question their assumptions, be open-minded about divergent views, and regularly acknowledge and look to expand the limits of their knowledge.

The PMs tailored their approach to community conditions and opportunities. In places with little history of collaboration or limited non-profit capacity, PMs initially played a more “hands-on” role, backing off over time to support local ownership of the work. In places with a more robust organizing infrastructure and more experience with foundation-funded initiatives, they worked to overcome initial skepticism about TCE’s new role and intentions, especially among established organizations that already had longstanding relationships with the Foundation. In both kinds of communities, PMs aimed to help turn local ideas into actionable strategies, foster collaborative planning and action, and provide funding and other resources for effective implementation.

Committing to operating “proximally” in these communities was a different kind of role for a state-wide foundation like TCE, requiring transparency, humility, political acuity, and patience. Embedded PMs had to balance accountability to TCE with their accountability to the communities in which they were working. On one day, they could find themselves in an occasionally difficult position of having to sensitize TCE executives and colleagues from other departments to the nuances of change and political dynamics at the local level. On another, they might have to attend to and sometimes mediate or manage community conflicts.

Serious about building grassroots power, BHC inevitably challenged those who benefitted from the status quo. In some communities, BHC activists came into direct conflict with powerful business and development interests that were pursuing a different vision of a “gentrified” future. In others, long-time elected officials who were accustomed to minimal pushback from their constituents found themselves operating in an uncomfortably transparent manner. Some long-established, non-profit community “gatekeepers” also experienced unprecedented demands for accountability from newly organized residents. Knowing they could rely on TCE as an ally in those situations was a formidable asset for BHC’s emerging leaders.

As we will see in the section on Implementation, playing a proximal ally role does not entirely solve the challenge of forging effective partnerships between an external funder and a community. The embedded PM position is a particularly challenging assignment, and it is not for everyone. The degree of personal “fit” with the role made a significant difference both for partners on the ground and TCE’s responsiveness to the interests of a site. Moreover, each partner brings different assets, each has access to different kinds of knowledge and resources, and each faces different consequences as a result of the success or failure of the enterprise. Nonetheless, TCE’s role as a proximal ally did enable the Foundation to work more deeply in community, build understanding, and shape a new role and power-building agenda for itself going forward.



Narrative Driver

There was a strong consensus among those interviewed that one of the most important roles TCE played was to help shift the public narrative about what constitutes a healthy community. BHC helped to fundamentally expand the boundaries of health philanthropy to encompass social determinants of health and eventually racial equity and justice, personified by its widely-circulated, branded media messages such as *“your ZIP code shouldn’t predict how long you’ll live, but it does.”*

BHC developed the organizing theme “Health Happens Here/Health Happens Aqui” and utilized it widely along with a distinctive “pin drop” graphic across the effort to expand public consciousness about the multiple venues outside of medical settings where prevention and health promotion can and should take place. It also became the overarching narrative to describe the various bodies of work that took place under the BHC umbrella: Health Happens with Prevention; Health Happens in Schools; and Health Happens in Neighborhoods.

In addition to broad communications and targeted policy campaigns, TCE commissioned art, videos, social media, advertising, and public events to promote its key messages. Many of those activities specifically featured the voices of young people, who were drawn to activities that included theater, songwriting, spoken word poetry slams, and concerts that promoted collective healing and mobilization. Artists contributed a unique

perspective to the work. As one interviewee shared, “They don’t think like policy folks and they don’t think like organizers, and this is a good thing.” Art has the power to move people, inspire them, incite new questions, and provoke curiosity and outrage. The degree to which art was instrumental in catalyzing community education and mobilization was one of the most intriguing aspects of BHC.

Over the years TCE’s external communications role served to adapt BHC’s evolving frameworks for an ever-widening public audience. It continued to re-frame prevention and health promotion from solely an individual responsibility to identify institutional racism and systemic failings as fundamental barriers to building community health. It further embraced organizing and advocacy as appropriate strategies for influencing the social determinants of health. By calling out and naming “people power,” TCE sent a signal to the field about the value of funding the activity of community organizing directly, not just as a component of a larger health promotion or prevention project.

More recently, TCE’s narrative work (directly informed by BHC grantees and partners) has made an important contribution to the growing conversation about racial equity, both within philanthropy and across the public and private sectors. BHC’s early support for Governing for Racial Equity in East Salinas has helped to encourage its spread to other communities in California.¹⁰ Indeed, while it has taken some concerted effort on behalf of TCE’s local partners to influence the foundation’s thinking, racial equity has become a foundational concept for where TCE’s work is likely to head next.

¹⁰ Jordan, A. & Teng, S. **Spread and Scale Year Three Evaluation Report**, March 2020.





Principled Risk Taker

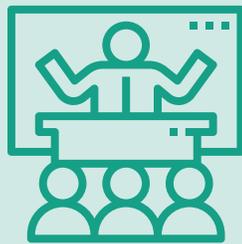
BHC “walked the talk” by openly addressing issues of power, race, equity, and justice. Through both public statements and direct actions, BHC repeatedly demonstrated a solid grounding in a set of core values that prioritize principles such as diversity, equity, inclusion, resident power, and health and justice for all. That commitment has laid the foundation for multiple examples of principled risk taking, which our interviewees identified as one of TCE’s most significant roles. In practice over the past 10 years, that values-driven commitment has taken BHC and its partners well outside what many large foundations would consider their comfort zone for risk in both

organizing and policy advocacy.

Risk taking was reciprocal. By committing to support community-defined priorities, BHC opened the door to the pursuit of more transformational objectives on which communities were unwilling to compromise. If the Foundation had persisted in the traditional role of setting the agenda, it is likely that more incremental change strategies would have predominated. Pressure from community and state-level partners upped the ante on how far the foundation was willing to go to live its principles. Meanwhile, TCE’s long-term support enabled and emboldened local and state-level activists to build their power.

By design, BHC set out to invest in some places with minimal organizing infrastructure, where TCE grant dollars increasingly flowed to small, emerging grassroots and power building organizations that ordinarily would not meet the risk criteria for a foundation grant. On occasion, that has led to conflict with more established non-profit organizations (some of them long-time TCE grantees) accustomed to a more accommodating—and less confrontational—relationship with public systems. Further, as these BHC-affiliated organizing groups presented highly vocal and visible challenges to the existing power structures in their communities, TCE executives have sometimes found themselves on the receiving end of complaints from elected officials and other representatives of the status quo.

But TCE quickly developed a reputation for being relatively impervious to political blowback from those sources. Consequently, grantees and foundation front-line staff felt TCE’s leadership “had their backs” in conflict situations. From the viewpoint of community activists, it was immensely rewarding to have a large, powerful foundation affirm the health connection of their work and demands. Such political validation went a long way toward shaping how decision-makers saw and responded to the organizing efforts nurtured by BHC. That kind of institutional support also helped many previously silent individuals have the courage to publicly speak out on community issues. Over time, TCE has become the largest California funder of community organizing and base building, seeing that work as central to its commitment to resident power building in the ultimate service of health equity.



Campaign Director

Consonant with the role of changemaker, TCE’s Healthy California division took the lead in designing and implementing multiple “catalytic” state-level public policy issue campaigns that combined messaging with mobilization. State-level policy work is a complex field of play where it’s rarely possible to attribute success solely to the actions of a finite group of advocates. But these highly visible BHC-supported efforts were credited by our interviewees with helping shift the debate and momentum in favor of Affordable Care Act (ACA) implementation in California (#Asegregate), health coverage for people who are undocumented (#Health4All), and reform of

school discipline policies (#FixSchoolDiscipline), in favor of the pre-Prop 47 system that was feeding the school-to-prison pipeline (#SchoolsNotPrisons; #DoTheMath). Another successful example was the School Success Express, which elevated the profile of the Local Control Funding Formula at a critical moment and engaged communities across the state in the development of regulations.¹¹ As a local evaluator observed, “No other entity had the capacity to do something at this scale and in such short order.”

¹¹ EdSource. **California Speaks on Fair School Funding: Final Report of the School Success Express**, The California Endowment, 2013.

In addition to contracting with highly skilled media professionals, TCE staff learned to seek out and listen to the people who are living these issues. That requires more than professionally facilitated focus groups. Even grantee partners are sometimes removed from the harshest realities of those who have been disenfranchised, disengaged, and disconnected. As a TCE executive observed, *“the most powerful ideas for meaningful change are usually the least filtered or brokered.”* Some of the most defining and engaging expressions of the catalytic campaigns were not in the original BHC plan as drafted, but emerged only after TCE staff were in direct and regular contact with local residents and youth.

A memo to TCE’s Board describes how the stories collected from over 900 youth formed the core of the campaigns, communicated via paid and earned media, and augmented by opinion polling and substantial social media/online communities, which cumulatively engaged more than 300,000 people in health-related issues. Public events and associated collateral media (such as t-shirts, signs, and bumper stickers) served to give the campaigns high visibility in communities throughout the state. An estimated 400,000 people attended nine large community events where the #DoTheMath campaign partnered with other organizations in Southern California. Young spokespersons for the campaigns (many of whom came from the 14 BHC communities) helped to design visuals, write scripts for radio ads, produce video content, and organize and participate in press events.

In the past two years, BHC has developed media alliances with a state-wide network of partners to close gaps in civic participation among young adults, Californians with lower-incomes, and Californians of color in key regions of the state. A Board memo posits that TCE’s resources have provided new tools, creative designs, technical assistance, and message research to help community-based partners integrate #VOTA! Messaging (in multiple languages) into their Integrated Voter Engagement outreach and communications plans in nine targeted counties.

While TCE's role as Campaign Director was instrumental to BHC's policy and advocacy agenda in BHC's early years, it also created challenges in the working relationship between the campaign-focused staff and those staff working directly in the 14 communities and their local grantees and allies. More recently, our interviewees note that TCE has been reviewing this role to assess whether and when it should direct or brand a campaign or public event, when it should take a back seat to grantee organizations, and when some sort of campaign partnership makes most sense.





Strategic Opportunist

One of the most frequently voiced critiques of multi-year funding initiatives is that they “lock in” a substantial proportion of grantmaking dollars for an extended period of time, thus unduly constraining a foundation’s ability to move quickly and nimbly to respond to timely opportunities when they arise. Foundations can also become so laser focused on a specific theory of change that they neglect to pursue potentially important midcourse adjustments in strategy. TCE was fortunate to have the Board support and resources to both fulfill its core commitments to BHC and to also pursue what it came to call “strategic opportunism.” Several interviewees voiced appreciation for the Foundation’s capacity to play the role of strategic

opportunist while not threatening commitment to its patient investor role, balancing opportunism with disciplined focus.

Key to this role was a pool of resources that were left unprogrammed in each annual budget. TCE was willing and able to marshal these resources in short order to pursue timely opportunities that complemented and ultimately enhanced the ongoing work of BHC. Illustratively, conversations about Youth Organizing with the Movement Strategy Center and other advocates helped to stimulate an eventual allocation of \$50 million for a multi-year strategy on Boys and Men of Color that was not part of BHC’s original design or budget but has become one of its most significant and sustainable achievements.

A second example occurred when TCE’s executives and Board recognized the historical significance of the approval of the Affordable Care Act (ACA). But rather than modify the BHC spending plan, they took the extraordinary step of dipping into TCE’s endowment to fund a timely and strategic response. It allocated a \$350 million “overspend” for multifaceted state-wide efforts to ensure full and rapid implementation of the ACA in California, including advocacy specifically to expand coverage for the undocumented. Following the 2016 elections, the Board also allocated an additional \$49 million to capitalize a quick turnaround “Fight Fund” to shore up the capacity of key non-profit advocacy and organizing groups in the face of potential actions that might jeopardize California’s progress on health equity.

TCE’s actions in both these instances were relatively unprecedented in scale and scope, and in addition to their obvious benefits for grant recipients, they had consequences for the Foundation. Staff who were already stretched thin with the complexities of BHC implementation were unexpectedly given additional assignments on top of their regular responsibilities. Due to the speed of these transactions, they were also incompletely—or awkwardly—integrated into the ongoing work in the 14 BHC communities. For example, much of the ACA implementation work was administered separately from the sites.

It certainly created additional challenges around communications and coordination for staff, and in some cases, mixed messages to grantee partners about what work should take priority. Parallel and even redundant structures emerged within TCE to manage different aspects of the Boys and Men of Color work, for example, causing confusion externally among grantees and other non-profits. In an enterprise with so many moving parts, it takes skilled management to prevent the simultaneous pursuit of multiple “strategic opportunities” from becoming “too much of a good thing.” Broader management challenges are discussed in the next section of this report.



Implementation

No matter how groundbreaking its theories of change or innovative its intended roles, the actual success of a foundation's initiatives ultimately comes down to the details of implementation. How does a foundation actually show up in communities, what is it able to do best and where does it struggle, and what does it learn along the way? Even if it could anticipate all the barriers to effective implementation at the start, no foundation launches work as complex as BHC with all its internal systems in place, its staff competencies fully developed, or its organizational structures and practices perfectly matched with its external goals.

Ideally the foundation's capacity to learn and adapt leads to increasingly effective implementation. This is indeed the story with BHC. Missteps early on were acknowledged and addressed, genuine efforts were made to solicit feedback both from staff and partners, and new internal capacities to implement were developed. Certain organizational and cultural struggles persisted, however. Some seem inherent in the nature of the work, some result from the challenges of change in any large philanthropic organization, and some were simply too challenging organizationally for TCE to address in a timely and direct manner.

Our interviewees voiced uniform support for BHC's vision and goals, but were mixed on questions of implementation. The observations that follow provide an astute and constructive portrait of foundation practices and operations that contributed to and constrained BHC's results. Among the most relevant both for TCE's work going forward and for other foundations considering similar work are the following four areas of capacity: partnership, collaboration, learning, and management.¹²

¹² Because the Board's role and capacity are so important, they are addressed in a separate analysis in **Sustaining Board Engagement: Building Healthy Communities, 2010–2020**. Available at: <https://cssp.org/resource/bhc-board-engagement-2020/>.

Partnership

Central to TCE's aspiration to act as a changemaker, rather than just a grantmaker, was its intent to form a different kind of partnership with communities, one that redefined the traditional grantor-grantee relationship. The Foundation's 10-year funding commitment and decision to assume a "proximal" ally role with PMs out-stationed in the 14 communities signaled from the outset the threshold for a deeper, less transactional way of working together. Over time, BHC's growing emphasis on power building and equity further expanded the possibilities for a different conception of partnership.

BHC thus called for a different way for a big foundation to partner with communities. Our interviews suggest that early on TCE faced implementation challenges that made it difficult to establish the kind of partnerships to which it aspired. We describe some examples of these challenges because they suggest the kinds of knowledge, skills, and capacity that foundations need to develop to "get ready" for effective partnerships with communities.

Forming a partnership. How a foundation enters a community is critically important: mistakes made in the initial stages of engagement can take a long time to undo. A foundation can consider early missteps as "*a necessary period of trial and error,*" but the cost to the participating communities in terms of trust and social capital can be incalculable. By the estimates of several of our interviewees, BHC "*lost 2-3 productive years*" due to the way the early stages of BHC were managed. With the wisdom of hindsight:

- TCE's initial assessments of the sites lacked sophistication when it came to mapping, analyzing, and understanding local power and race dynamics and how they might subsequently affect BHC's trajectory. The Foundation sometimes arrived with preconceived (sometimes incorrect) notions about the effectiveness of certain local non-profit leaders, based on historic grant relationships rather than "ground truthing" their observations in the specific context of BHC's intentions around power building. Established non-profit leaders can be just as resistant to change as any other system that benefits from the status quo.

- Initial invitations to participate in the planning process at the local level were issued based on the assumption that TCE could identify what the appropriate tables for local action would look like. *“We also assumed we were bringing something that was not already present in the community.”* But sites with a long history of organizing saw no need for a new table. As one former Board member observed, *“we were stunningly naïve about power dynamics and differentials and the world of hurt that these communities have around public systems.”*
- TCE tried to move too quickly at the front end, not considering the steep learning curve for its new PMs (many of whom were relatively inexperienced) and failing to appreciate how difficult it would be for them to straddle traditional and non-traditional grantmaker roles.
- The consultant-facilitated structural logic model process failed to adequately include important grounding discussions about personal and community identity and shared values to lay the groundwork for trust building necessary for the integrity of the work.

Establishing clarity. Clear ground rules and shared definitions of success are important elements of a successful partnership. TCE was challenged to implement both. For a good portion of BHC, communities were confused by getting different messages from staff in different departments within TCE. Staff who were playing the Campaign Director role seemed to exert pressure to get residents to mobilize and support timely policy and advocacy initiatives while the PMs playing the Proximal Ally role communicated a different set of priorities around the slower process of building community capacity that would be sustainable over time. Conversely, Place PMs were at times viewed by Campaign PMs as playing an inappropriately restrictive gatekeeper role to limit access by other TCE grantees to their communities. Even though these priorities are not inherently incompatible as it felt to some interviewees, they do need to be coordinated and have equitable standing and perceived value within the Foundation and communicated externally with clarity and opportunity for dialogue.

Another important dimension of clarity is a shared set of expectations about what success will look like and, specifically, whose definition of success matters. There were a lot of mixed messages communicated over time and a resulting constant push and pull over the answer to that key question. Several interviewees noted that TCE kept changing goals, outcomes, frameworks, tools, and indicators throughout the life of BHC, sowing confusion and frustration among community partners. As one local partner observed, *“it was impossible to make coherent work plans.”* Another noted that *“attitudes toward evaluation changed at the sites because it didn’t seem like the data we were collecting was important to TCE.”*

Establishing clarity in external relationships requires establishing clarity internally. Speaking in one institutional voice and communicating clearly and consistently about priorities and definitions of success are tasks that challenged TCE throughout much of BHC.

Managing dynamics of power and control. This aspect of partnership is particularly challenging when such a profound differential in power exists between the Foundation and its community partners. The dynamic gets further complicated in BHC’s case, as one of its emergent goals became building the power of grant recipients and other community members. BHC has been a voyage of discovery for TCE that has exposed inevitable conundrums about the ways in which it exercises its own power.

More than one of our interviewees shared observations like *“TCE doesn’t understand its power fully. You can’t build power with contingencies.”* The way TCE initially chose to set the stage for BHC (e.g., a non-transparent site selection process; foundation-defined geographic boundaries; and foundation-defined goals, outcomes, and planning process) proved to be a counterproductive exercise of control that was ultimately at odds with BHC’s eventual purposes of power building and equity. Much has since been learned within TCE about alternative approaches to planning that engage potential partners in a more participatory fashion.¹³ That knowledge is shaping the way it is going about planning the next generation of its programming.

¹³ For example, the **Four Voices of Co-Design** approach developed by ThinkPlace Global.

Grantmaking constituted another arena in which TCE exerted control that appeared to conflict with BHC's goals. TCE's continued reluctance to make multi-year grants or grants for general opportunity support were repeatedly cited as evidence that it was not ready to give up total control, even if it was seen by most partners as a *"necessary step to really help build local power."* While some foundations have moved toward more participatory grantmaking or *"trust-based"* funding, TCE was always clear that grantmaking decisions were to remain in the Foundation's control. The way it aimed to increase partners' input into these decisions, however, was to *"strengthen community participation in BHC's strategies"* that guide those funding decisions.

Over time, however, TCE was able to listen better and adjust its role as Proximal Ally. What Manuel Pastor and his colleagues at USC PERE have referred to as BHC's *"pivot to power."*¹⁴ was inspired by listening to communities. When residents insisted *"it's about power,"* TCE was flexible enough to adapt its own role in convening and funding to prioritize power building. Similarly, early in BHC when young people spoke passionately about school discipline/pushout issues and restorative justice at an open forum during a TCE Board Meeting in Fresno, CA, TCE listened and then incorporated those goals into the body of BHC's work. Inspired by that work, Dr. Ross appointed a President's Youth Council to provide a formal mechanism to incorporate the unfiltered voices of young people in an advisory capacity to the CEO. In that setting, they were able to advocate for more attention to their self-identified priorities, including enhanced support for Mental Health and Healing and LGBTQ+ issues. Dr. Ross shared that his proximity to them *"has changed my view of young people as agents of change."*

When the Community/Stakeholder Engagement Study¹⁵ came back urging that TCE listen more carefully to community priorities, TCE leadership talked publicly about the need for internal changes if TCE was to optimize BHC's potential: *"...We need more humility*

¹⁴ Ito, J. & Pastor, M. **A Pivot to Power.** USC Program for Environmental and Regional Equity, March 2018.

¹⁵ Farrow, F. & Rogers, C. **Voices of Partners: Findings from the Community/Stakeholder Engagement Study.** Center for the Study of Social Policy (2017).

from TCE, and less arrogance; we need more true partnership, and less top-down; we need more input into decisions, and not merely communications about decisions that have been made; we need more of an emphasis from TCE on building our capacity to lead change, and less ‘doing and directing’ from TCE staff..”

When a foundation solicits and gets consistent feedback about its conduct and its president articulates a desire to shift this conduct, something important is happening. The call for less “*doing and directing*” is now shaping TCE’s post-BHC plans, including its increased willingness to consider multi-year and general operating support grants. Certainly, TCE evolved in its understanding of what an effective partnership entails, built its capacity, and made significant adaptations over the decade. Nonetheless, TCE’s genuine efforts to become a “*proximal*” partner demonstrate how challenging the role is for a foundation and raise questions about the potential pluses and minuses of proximity.



Collaboration

Effective changemaking requires a capacity to collaborate and a commitment to do so. Our interviewees suggested that TCE's experience with collaboration was two-fold. By funding Hubs¹⁵ and related local organizing activities, BHC prioritized collaborative governance structures and encouraged cross-sectional coalition building in each of the 14 communities. Its work at the state level also supported the creation and expansion of numerous topical advocacy coalitions and alliances, as well as networks of young people of color that transcended regional boundaries. These were cited by our interviewees as significant indicators of TCE's commitment to promoting effective collaboration.

On the other hand, interviewees noted some missed opportunities to advance BHC's work via other forms of collaboration. TCE didn't seriously consider inviting other funding partners to join them in BHC in a significant way until BHC's latter stages, when sites were focused on planning for their long-term sustainability. There were exceptions such as TCE's engagement with multiple funding partners in the ACA implementation work and in some of the policy campaigns. But by choosing to occupy center stage from its inception and by strongly and publicly identifying its institutional brand with BHC, TCE essentially chose to go it alone.

Not creating a funding partnership upfront is a strategic choice with pluses and minuses. Designing its own initiative certainly had advantages for TCE when it came to moving quickly into the 14 communities, responding to emerging opportunities, and engaging in relatively unfettered risk-taking. Collaboration among multiple funding partners requires a careful and often time-consuming process to form and maintain consensus about appropriate actions, to negotiate complementary roles, and to craft appropriate means of mutual accountability. There's no guarantee that such a collaborative structure (even if it were feasible) would have been of significant benefit to the enterprise, but any time a single funder visibly "brands" an activity, past experience shows that most other funders are not eager to be invited in at a later date.

¹⁵ The original BHC design provided funding for intermediaries known as "Hubs" in each of the communities to serve as mechanisms for communication, coordination, and program management.

While BHC did not begin with funding partners, little consideration also seemed to have been given to engaging them in the first years of BHC’s implementation. When other funders were engaged, it was typically because TCE’s CEO reached out rather than a reflection of an institutional priority. Both our Board and staff interviewees noted that until concerns about sustainability arose, few efforts were made to find creative ways to collaborate with both traditional and nontraditional partners for collaboration, including the private sector.

Where the absence of funding partners was most keenly felt was at the community level. Substantial funding from TCE for local infrastructure proved to be difficult to augment or replace. When other foundations were approached, they were not eager to serve as a secondary funder. The perception was (as one site was told) *“TCE’s got you.”* While some sites were more attuned to the need to pursue a more diversified funding base early in BHC, helping others build their fundraising muscle in anticipation of the initiative’s 2020 end date was not an institutional priority for TCE until recently.

TCE is certainly not alone in not prioritizing collaboration or seeing itself as part of a larger philanthropic landscape that would benefit from less competition—or at least more information sharing—among foundations. In some communities, BHC discovered the presence of other foundations’ initiatives, neither of which knew about the other, an unfortunate dynamic that works against the interests of grantees and communities. As one former TCE Board member observed, *“Philanthropy needs to see itself as part of the system that needs changing.”*



Learning

An extraordinary amount of learning clearly took place over the life of BHC. As PMs gained a deeper appreciation for the power ecosystem of each of their communities, they became more adept at *“recognizing where the energy is,”* navigating conflict, backing off when appropriate, and *“helping communities to evolve rather than attempting to dictate outcomes.”* As one observed, *“if we’re forcing communities to work on TCE’s agenda, we’re not building their power.”* State-wide staff gained new insights into how to better incorporate community insights, feedback, and genuine participation into more effective strategic messaging and narrative development. Collectively, their experiences helped inform TCE’s institutional transformation to embrace a different approach to place-based power building focused on racial equity. As Dr. Ross shared with us, *“we achieved a better balance as a health foundation by owning up to power and race.”*

Nevertheless, a significant number of our interviewees from both inside and outside TCE felt an important opportunity was missed to capture and share that learning across the BHC enterprise and with external audiences. TCE evinced *“no coherent understanding of what learning meant and how it could be integrated into the work of BHC.”*

What began as a rather traditional theory-driven evaluation with an ambitious set of quantifiable population-level outcomes morphed unevenly (and incompletely) into a more real-time, learning-focused approach. If TCE had been more clear about framing and structuring BHC as an emergent learning enterprise, it would have fostered more of an initiative-wide spirit of experimentation, and Learning and Evaluation (L&E) would have been positioned rather differently. Instead, there was little or no institutional support for systematic feedback (and learning) loops among sites or across local and state-wide programming.

While a variety of learning activities took place at the site level in coordination with local L&E partners (e.g., annual grantee gatherings, data collection, and power mapping), they tended to be *“not on the radar of TCE leadership.”* Moreover, there was little to no systematic assessment of the impact of the state-wide issue campaigns or other narrative work. Personal and anecdotal lessons abound, but they were not documented, collected, or shared. The absence of a learning agenda tied to key decisions the Foundation was making during BHC implementation made it difficult for learning to be aggregated

or applied.¹⁷ There was no effort to create the kind of cross-site learning communities or communities of practice that might have helped all parties to reflect regularly together and to capitalize on their hard-earned experience in a way that could have potentially improved the work in real time.

Key TCE executives (and some Board members) shared a healthy skepticism about the value of external evaluation from the beginning of BHC. Consequently, as several interviewees noted, creating an institutional culture of learning within TCE was not a priority. Although there was some significant investment in external data sources, such as the California Health Interview Survey, there was no consistent institutional commitment to longitudinal data collection on a shared set of measures of success, except in the case of the youth work. For some years, there was an effort to collect comparable data on advocacy priorities and activities across the sites, but that was ultimately condensed down to a compilation of “*policy wins*” both large and small. But, as one Board member observed, “*we have no way of knowing whether the 14 communities couldn’t have achieved the same wins without BHC. In several instances, we know that nearby communities did achieve the same success without our funding.*”

Reasonable people can (and will probably always) disagree on the “proper” form of evaluation for an enterprise as complicated as BHC. From the perspective of the authors, at the end of the day, what’s most important is that the Foundation is committed to an open and candid exchange of information in order to learn and hold itself and its partners accountable. When most of the evidence for success is self-reported, conclusions are subject to the classic sources of confirmation bias (no matter how well-intentioned) that have long bedeviled social change work.

¹⁷ Moss, Coffman, and Beer, **Smart Decision-Making**, Stanford Social Innovation Review, Spring 2020.

TCE Board members and executives reported that they have engaged in “*serious disagreements and continuing dialogue*” about strategy and what constitutes appropriate progress over the lifetime of BHC. That is admirable, and it demonstrates a commitment to avoiding groupthink. However, with absent ongoing exposure to candid feedback from outside the bubble of the Foundation itself, it’s inevitable that (as one Board member observed) “*it can sometimes feel like we are being protected from real learning*” (and real accountability).

Given that lack of institutional consensus on the importance of evaluation, those charged with structuring learning opportunities within the Endowment had a difficult job. With minimal official authority to compel their colleagues’ cooperation, they led a major effort to collaboratively pull the various strands of BHC’s work together into a common set of “North Star” goals and indicators. They subsequently attempted to apply that framework to bring staff together to make meaning about their BHC experiences and to craft a more coherent way of formulating future strategy. They also commissioned and managed an extensive stakeholder feedback process that utilized a team of external consultants to collect a set of recommendations that are proving to be influential in the design of the next generation of TCE’s work. But persuading the institution to commit to incentives, structures, and procedures to incorporate real-time learning into its workflow has proven to be more challenging.

Despite those difficulties, what had been learned along the way was that this was not merely a 10-year experiment or a temporary conventional grantmaker/grantee partnership. TCE had discovered a new way to work. BHC had also demonstrated a new way for communities that have been historically disinvested to view themselves, their capacity for power building and self-determination, and their relations with external funders and other partners. Together, those insights argue for a qualitatively different commitment to shared learning as integral to the next generation of TCE’s programming.

Management

The best ideas and most talented people are unlikely to achieve their full potential if they are not well managed. This is something of an industry-wide challenge for philanthropic organizations, which typically do not prioritize or exemplify state-of-the-art management practices. The management challenge is exacerbated when an enterprise is as complicated as BHC, with its multiple moving parts requiring clear lines of authority, regular communication, and a commitment to coordination in order to achieve optimal alignment of effort. When that doesn't happen consistently, there is likely to be an ongoing lack of clarity about roles and responsibilities, which affects the performance of both internal and external partners. As more than one of our interviewees observed, *"TCE's internal dynamics were the biggest hindrance to BHC's success."*

There was no single individual charged with "holding the whole" of BHC by making individual executives accountable for collaboration, alignment, and consistent application of policies and procedures in accord with TCE's professed institutional values. Almost by default, the executive team became the venue where such disagreements were addressed, rarely to everyone's ultimate satisfaction, causing ripple effects across the organization. Instead, as one executive shared, *"things happened by the strength of your personality."*

Judging by the various actions of the Foundation over the course of BHC, it is fair to say that it never achieved institutional clarity on one preferred leadership role. Rather, different departments and executives within TCE demonstrated distinctly different understandings of how the Foundation should manifest its influence on the work of various BHC partners and their allies. As several of our interviewees observed, *"TCE housed at least two different foundations under the same roof...three if you count the finance/administration department."* That's not necessarily a bad thing, if all are clear on the advantages and disadvantages of operating in that fashion and on protocols for coordination and collaboration. That was not the case in BHC for the most part.

Many of TCE's staff are ambivalent about the concept of hierarchy, but they also readily pointed out the difficulties that arise and persist when there's a lack of strong and consistent management and oversight of the entire enterprise. TCE repeatedly attempted to deal with management challenges by internal structural change and reorganization. Even though they proved the hypothesis wrong that structural change can fix cultural problems, they continued to try this method.

TCE as an institution was sailing into relatively uncharted waters in its ambition to serve as a changemaker rather than just a grantmaker. But that kind of a venture called for continuous management attention to maintaining clarity about mechanisms to effect necessary course corrections, including achieving and maintaining consensus on the institution's role.

Instead, our interviewees reported fundamental unresolved differences among TCE executives on institutional role and related strategy and implementation that resulted in distinctly different subcultures within the organization that directly affected the conduct of BHC. While there were some efforts to bring staff from different departments together periodically, those gatherings were typically more focused on updates or training rather than culture building or collective problem solving. Staff interviewed from across the organization noted “*weak internal relationship building and communications.*” There was no centralized internal communications function until the ninth year of BHC, somewhat ironic given TCE's major investment in external communications.

Several interviewees also pointed to TCE's “*lack of investment in appropriate staff development.*” From the beginning, BHC was understaffed for the type of work it aspired to do. There was no formalized effort to identify the specialized skill sets that would be needed or to provide appropriate and consistent job-related training. There were many training opportunities offered in the early years of BHC, but they were largely uncoordinated. Those trainings also didn't meet a number of priority needs, such as imparting standards for good grantmaking (particularly for new PMs) or providing coaching for directors assuming the role of manager.

Consequently, several of our interviewees shared that sophisticated grantmaking practice was not widespread within BHC, particularly in the early years. According to the PMs themselves, grantmaking was relegated to a low priority compared with other changemaking activities. Often it was a rushed process at year's end to meet payout deadlines rather than a deliberate tool for strategically building local capacity.

Numerous instances were also cited of organizations receiving multiple grants from different sources within TCE simultaneously, without any sharing or cross-referencing of information. Since they could not accept unsolicited grant proposals, PMs and directors developed the habit of making an extraordinary number of small grants for a big foundation

(e.g. 1,000 per year) to take advantage of simplified bureaucratic requirements in order to help meet urgent needs of local partners on a timely basis.

Effectively managing the high volume of BHC-related grants was a daunting challenge for the TCE administrative staff. Over the life of BHC, there were difficulties with consistent collection of grants-related data and the data systems themselves. The task of simply generating a “crosstabs” listing of expenditures across a variety of different grant categories over the 10 years of BHC has proven to be challenging. It should go without saying that a reliable, readily accessible, and systematically coded grants data base is an essential management tool which should be a priority for the next generation of TCE’s grantmaking.



Reflections

The views of our interviewees, both inside and outside of TCE, were remarkably consistent, though certainly not uniform. They affirm how significant TCE’s organizational transformation has been over the decade. TCE’s ideas have evolved substantially, its approach increasingly articulated within a power building framework. Deep community organizing is now understood as a key ingredient of efforts to achieve health and racial equity. Interviewees cite with approval the ways in which TCE has learned to insert itself constructively into the policy and systems change arena, negotiating politics without being partisan. They also marvel at the consistent support and engagement the work has received from the Board.

TCE played many roles in implementing BHC that some noted have inspired other funders to consider for themselves. Program Managers in two regions have been instrumental in helping inspire and facilitate the creation of local multi-foundation working groups on equity, for example. Funders at both the regional and national levels are also sharing knowledge and practice about youth organizing. The work of BHC has helped shape a new dialogue and commitment to action around racial equity. And TCE’s leadership and Board are well positioned to build on BHC’s lessons and design the next phase of the work.

The standard “playbook” for long-term community change work is one of an iterative process of learning and doing.¹⁸ No foundation begins the work with all the systems, staff competencies, and organizational practices in place when such complex work is launched. The success of the work then depends on building broad learning capacity among diverse players so that they all contribute and reflect together and then adjust their roles and practices accordingly along the way. It should go without saying that learning is important not just for the foundation’s own purposes but to enhance and strengthen the capabilities of grantee organizations, community partners, and other

¹⁸ Kubisch, Auspos, Brown, and Dewar, *Voices from the Field III: Lessons and Challenges from Two Decades of Community Change Efforts*. Aspen Institute, 2010

potential allies in the work of community transformation. Therefore, foundations sponsoring the work need well-attuned systems of learning, internally and with partners; good management to guide the work as it continually evolves; and a willingness and ability to share decision-making power with its partners.

We have cited earlier TCE's genuine efforts to solicit feedback from staff, partners, and outside analysts and to use this feedback to adjust its thinking and practice. The Foundation shifted its framework to power building, for example, and affirmed its commitment to deep organizing. However, when it came to overall implementation of BHC, TCE fell short in some significant ways. For much of BHC's decade, it did too much *"doing and directing"* as Dr. Ross calls it, and not enough listening, trusting, and supporting. The challenges of proximal partnership were mirrored internally. We heard again and again from staff deeply committed to the work that TCE's structure, and lack of internal accountability, coordination, and communication, frustrated them and hindered their work in the community.

A foundation has the "luxury" and responsibility of learning along the way but how it learns, alone or with others, and how it translates that learning into new policies and practices really matters. TCE's willingness to examine and share its BHC experience represents a real plus for the field.



Afterword

Just as no foundation initiative can anticipate and solve all the problems it encounters, no report on an enterprise this complex can do justice to the full array of potential questions that it raises. Our data source was largely retrospective interviews with direct participants in BHC, primarily TCE staff or close partners, complemented by the observations of a few well-positioned outsiders and our own personal observations. We anticipate that other products in TCE’s planned suite of reports on BHC will engage different perspectives and explore important related questions that are not raised here.

TCE has already engaged in nearly two years of internal conversations about the lessons of BHC and how it plans to organize itself for the next generation of its programming. All the events described here also took place before COVID-19 emerged as a game-changing “wild card” phenomenon that is still playing out at this writing and is likely to substantially affect foundation practice for years to come.

Consequently, we envision our reports¹⁹ being primarily of use to other funders, community organizations, and emerging leaders who have not been engaged in the BHC experience but are curious about how it might inform their own journey. We have not delved deeply into the details of personalities or structures within TCE but have tried to present our observations and conclusions in a way that will maximize their utility for a variety of audiences.

Private foundations have often been criticized for playing it safe and unnecessarily minimizing risks in their grantmaking and investments, particularly given their relatively unfettered potential to take independent action. With BHC, TCE has taken a bold step outside the comfort zone of much of organized philanthropy in both the scale and style of its programming. It has put its considerable resources in service to its values in a way that few others have. By promoting an expanded definition of health philanthropy that seeks to directly address the root causes of powerlessness and racial and economic inequality, it has also demonstrated real leadership for the field.

¹⁹ See companion report: Brown, P., David. T. **“Sustaining Board Engagement: Building Healthy Communities, 2010-2020.”** Center for the Study of Social Policy (CSSP), 2020. Available at: <https://cssp.org/resource/bhc-board-engagement-2020/>.

The past 10 years of BHC have not been a smooth or linear pathway to readily measured improvements in population health. But all who have been involved in that journey now have a clearer sense of just what it will take to achieve those kinds of results in communities that have long been disinvested and disenfranchised. Moreover, significant capacity has been built in those neighborhoods that had little recent history of organizing or power building at the beginning of BHC. Across the state of California, a growing cohort of energized grassroots leaders is emerging, who now own the work and are poised to take it forward.²⁰

What can other funders potentially take away from the experience of Building Healthy Communities? Few have access to the level of resources required to attempt something of this magnitude. Moreover, not all would have the institutional courage to tackle potential “hot button” issues like power building and racial equity. But whether one’s mission is to support health improvement, civic participation, youth development, reform of public systems, or some combination of all the above, the BHC experience has much to offer.

²⁰ USC Program for Environmental and Regional Equity. **California Health and Justice for All Power-Building Landscape: A Preliminary Assessment**, October 2018.



It takes thinking outside of an “initiative” box.

Looking ahead, one can now more clearly observe the limitations that the frame of a time-limited foundation “initiative” places on not only on the conduct of the work itself but how the foundation sets about to learn from it. The label “initiative” implies novelty, and instead of building directly on existing community assets, it typically necessitates the creation of new structures (e.g., Hubs), jobs, and even organizations that will have to be sustained or discontinued once the foundation’s attention has moved on. Even with the relatively expansive frame developed for BHC, it was still TCE’s creation, and a very significant investment of its capital and reputation. When grantees are solely dependent on the foundation’s support, no matter how generous, it also sets the stage for a less-than-equitable partnership. It also lends itself to an over-emphasis on a foundation-driven, theory-heavy conceptualization of the work, with accompanying goals, objectives, and plans for implementation developed by foundation staff.

Much of the Foundation’s initial framing of BHC was later discarded in favor of a more community-centric approach, but not before a significant expenditure of time and resources in the initial years of BHC. As TCE expanded the initiative paradigm’s role of the funder, it opened itself up to a different kind of reciprocal learning relationship with its partners. The work of community power building clearly benefited from TCE’s dedicated funding and efforts to coordinate activities, but it was not enhanced by artificial constraints associated with a foundation-designed initiative.

It takes thinking hard about the nature of partnership.

BHC has demonstrated the value of investing deeply in relationships. By choosing to operate as a “proximal” partner to its chosen communities, it manifested necessary patience and the kind of sustained face-to-face contact necessary to build trust. That approach was essential in neighborhoods with long histories of broken promises and unfulfilled commitments from outsiders seeking to effect change. It took years for trusting relationships to be established, forged in moments of difficulty as well as success.

A foundation’s proximal relationship with a community differs from one that is embedded, as when a foundation actually is part of the community, one that is established through an intermediary, or one in which a foundation plays a cultivation and support role. The pros and cons of these and other possible partnership arrangements should be

examined carefully upfront when a foundation decides to work with a community. Each one suggests a different role for staff and a different way to deploy foundation resources. The choice depends on such factors as the foundation's mission and goals; the time and resources it needs to spend to "get ready" internally to be a competent partner; how much tolerance it has for sharing power and decision-making; and its long-term vision for the relationship in light of its institutional goals. There are inherent tensions in most arrangements—how much doing/operating versus supporting; how close to the action to be while not undermining productive community processes and leaders; determining which partner is accountable for which decisions and outcomes; and so forth.

BHC was a conscious effort to broaden the boundaries of a traditional funder-community relationship. TCE's recent commitment to making racial equity a priority going forward provides the opportunity to recalibrate that relationship once again. What that will mean for the next generation of TCE's work remains to be seen. But it suggests the possibility of shaping its role in a larger ecosystem to address the question that all foundations visit and revisit periodically: what role is the foundation particularly well positioned to play in light of its goals? And how can that role build on and enhance the roles of other players in that ecosystem to achieve maximum impact? Rather than support another foundation-designed, time-limited "initiative," TCE can explore multiple partnerships of different kinds with different communities, organizations, and other funders that can align interests and resources to promote the shared goal of racial equity. Through its experience with BHC, TCE brings much to the table for such an enterprise.

It takes a management culture that values learning.

Foundations often play a vital role in learning in multi-site and complex work. They can foster individual site learning, organize cross-site learning venues, and aggregate learning to identify broader patterns and takeaways. But what foundations frequently undervalue—and underinvest in—is their own capacity to learn and grow as an organization. This underinvestment hinders the ability of management to create an open and inclusive learning culture throughout the foundation and slows the pace of strategic pivots and innovation.

At best, TCE's actual investment in Learning and Evaluation activities throughout the life of BHC has been less than two percent of the funding provided. Of that amount, most of the resources were devoted to local evaluations, capacity building, and developmental evaluations. That limited the amount of real time learning to inform staff development

as well as decision-making. TCE's bare bones administrative budget also allows limited funding for the kinds of cross-organizational efforts required to effect necessary cultural and structural changes.

As TCE struggled to combine its different lines of work into a cohesive whole, it became clear that the solution was as much cultural as it was structural. Each of the two major groups of staff had its own set of expectations, incentives, and informal learning systems. What was lacking was a strong message from leadership and the accompanying supports for developing a shared culture of learning. This would mean, for example, that the foundation's vision and values are widely understood and agreed upon throughout the organization; that rewards are built in for collaboration and sharing knowledge and resources; that staff regularly examine relevant data for the purposes of collective meaning making and shared strategy development; and that mechanisms exist for inviting critical peer review and benefiting from the diverse experiences and perspectives of all staff.

Scores of subtle, daily interactions within foundations reinforce some behaviors and values and discourage others. Staff recognize the messages sent in these interactions regardless of what leadership or the organization professes.²¹ Candor, curiosity, and humility undergird a vital learning culture. Mutual accountability is key. These are the same values that make for effective foundation relationships with partners and grantees so it makes sense to invest in their development at "home." Management that accomplishes this aim positions the foundation to communicate clearly and consistently with its external partners and learn much more effectively with and from them.

It takes prioritizing change management.

Changemaking is a heady and absorbing undertaking, and there is nothing else quite like it, particularly for those committed to dismantling entrenched patterns of systemic racism and economic injustice. It is energizing but also exhausting, as often the work must struggle to maintain forward progress against powerful prevailing headwinds of opposition. BHC has uncovered layers of historic trauma and damage in its communities and has helped its participants to identify and support the need for collective healing and appropriate self-care as an integral part of the work of power building.

²¹ Hamilton, R. et al. **Learning for Community Change: Core Components of Foundations that Learn.** Chapin Hall Center for Children, 2005.

The deep emotional complexities of the work, combined with the fact that it tends to be so much more than a job for its participants, call for an enhanced level of attention to the importance of sound management practices at all levels of the enterprise. While everyone is “in it together,” policies and procedures and daily management practices need to be in full alignment with the ultimate goals of changemaking, power building, and racial equity. Few organizations have consciously designed themselves to operate in that fashion. Staff and Board roles, decision-making processes, internal communication channels, performance standards and human resource policies, and grantmaking practices need to be clear, aligned with the foundation’s goals, and consistently executed.

The goal is not to put a rigid structure in place but rather to reduce the amount of energy staff must exert to get things done within the organization. Without this clarity and transparency, staff learn to keep their heads down and focus only on their own agendas, cutting their own deals with management for going forward. Under these conditions, even passionate and talented staff experience low morale or burn out and can disengage from the organization in ways that undermine its collective potential.



Appendix

Interviewees

All interviews were conducted by phone between August 2019 and January 2020. Our inquiry focused primarily on the first nine years of Building Healthy Communities and did not explore details of TCE’s internal transition planning process that will ultimately establish the design for the next generation of its work. Likewise, COVID-19 was not on anyone’s radar at that point in time, so its implications for TCE and for philanthropy in general were not explored.

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