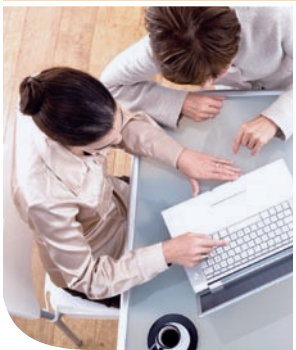




# TECHNOLOGY ADVANCING PHILANTHROPY



REPORT AND RECOMMENDATIONS OF THE TECHNOLOGY TASK FORCE



## WHO WE ARE

The Council on Foundations is a national nonprofit association of approximately 2,000 grantmaking foundations and corporations. As a leader in philanthropy, we strive to increase the effectiveness, stewardship, and accountability of our sector while providing our members with the services and support they need for success.

## OUR MISSION

The mission of the Council on Foundations is: *to provide the opportunity, leadership, and tools needed by philanthropic organizations to expand, enhance, and sustain their ability to advance the common good.*

## STATEMENT OF INCLUSIVENESS

The Council on Foundations was formed to promote responsible and effective philanthropy. The mission requires a commitment to inclusiveness as a fundamental operating principle. It also calls for an active and ongoing process that affirms human diversity in its many forms, encompassing but not limited to: ethnicity, race, gender, sexual orientation and identification, age, economic circumstance, class, disability, geography, and philosophy. We seek diversity to ensure that a range of perspectives, opinions, and experiences are recognized and acted upon in achieving the Council's mission. The Council also asks members to make a similar commitment to inclusiveness to better enhance their abilities to contribute to the common good of our changing society. As a national voice of philanthropy, the Council is committed to promoting diversity. We are equally committed to including a wide range of perspectives, opinions, and experiences as we work to achieve our mission. Similarly, we ask Council members to commit to diversity and inclusiveness to enhance their own work. To that end, we provide them with the tools, educational programs, and opportunities they require to more effectively serve the common good.



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# COUNCIL ON FOUNDATIONS

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## THANK YOU FROM AKHTAR BADSHAH

This project looks at two questions:

- What is the role of technology in 21st century philanthropy?
- What role, if any, should the Council on Foundations play in serving the field's technology needs?

This report answers both questions in important and positive ways.

I want to thank and acknowledge my fellow members of the Technology Task Force for the tremendous amount of time, energy, and content they have contributed to our work. Without their full commitment this work would not be possible. And finally I want to thank the Council's board for giving us this opportunity to contribute to our sector and share with all of you why we believe this is a unique and historic moment.

As you work through this set of recommendations, I ask that you consider framing them in terms of "relevance" to our collective work as a field and to the urgency of the issues. But, most importantly, please know that the Technology Task Force sees the opportunities afforded by the application of technology (as opposed to the technologies themselves) and the importance of technology on the sector. As a business executive considering the prospects of both change and investment, you would expect no less.

Sincerely,

Akhtar Badshah

Chair, Technology Task Force, Council on Foundations  
Board Member, Council on Foundations

# TECHNOLOGY TASK FORCE MEMBERSHIP



*It is with deep gratitude that the Council on Foundations expresses its appreciation and admiration to the many technology leaders within the field of philanthropy who have given so much time to study, consider, and produce the recommendations of this report.*

- **Akhtar Badshah**, Chair, Technology Task Force; Senior Director of Community Affairs, Microsoft
- **Charles Benton**, Chair and CEO, Benton Foundation
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- **Sharon R. Burns**, Chief Information Officer, the John D. and Catherine T. MacArthur Foundation
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# THE OPPORTUNITIES



The time is ripe for the philanthropic community to harness technology to improve our efficiency and to collectively tell our story. But for this to happen, we must act.

We need to use technology to:

- *Establish higher standards of transparency*
- *Formalize and share knowledge in support of our work*—How can we use technology to share information to cut our evaluation costs, streamline grant application and reporting processes, uncover new insights and better chart social investment returns?
- *Set the stage for new collaborations with traditional and nontraditional partners*—How can we replicate and scale innovative collaborative approaches to using technology to increase efficiency and effectiveness?
- *Enable integrated and individual local, regional and national advocacy*—How can we use technology to empower our advocates to improve productivity and pursue social change?
- *Strengthen communities by strengthening community foundations and NGOs*—How can we share best practices and proven models of technology and collaboration to support efforts at the community level?
- *Bolster organizational capacity and improve efficiency*—How can we educate our field to leverage technology to measure success, facilitate collaboration, and improve productivity?
- *Tell our individual, group, and collective stories in the right place, at the right time, to the right*

*audience*—How can we use technology to promote our success and advocate for change to a wider audience?

The answers to these questions—and the key to realizing these opportunities—can be found within the recommendations on the following five aspects of technology in philanthropy:

## DATA STANDARDS

Through a common set of data standards, we can define an appropriate methodology to develop common definitions of real data in ways that enable us to categorize the information, apply for and administer grants, make appropriate funding or programmatic decisions and ultimately report on both outcomes and best practices—individually as a grantor and collectively as a field. Through common data standards, we can almost immediately capture real-time information for an individual foundation and for the entire field.

## KNOWLEDGE MANAGEMENT (KM)

The amount of knowledge and data available today within philanthropy is exploding, and the field is struggling with how to capture, filter, and leverage it effectively. Through development of a common KM system (currently being developed by the Council and the Forum of Regional Associations of Grantmakers), the philanthropic world will be able to capture experiences, share lessons learned, and provide advice to other organizations to avoid duplicated efforts.

## THE OPPORTUNITIES, CONTINUED



### DONOR ENGAGEMENT

During the last decade, numerous technologies were developed to assist in donor prospecting and engagement. Although these flexible, cost-effective technologies now exist, the organizational ability to deploy them effectively throughout many foundations does not. Training the sector to use this technology effectively will result in an increased client base and deeper engagement of a new generation of donors.

### NGO COLLABORATION

Today, a variety of online tools, social networking sites, mobile devices, and nonprofit technology service providers exist to aid in successful NGO collaboration. Yet many entities are still trying to figure out how to apply these tools and leverage

their effect in more substantial, scalable ways. The Council, working with the Technology Affinity Group and others, should develop an ongoing education program for the broader nonprofit sector as it relates to the use of technology with the grantmaking community.

### TECHNOLOGY POLICY

Public policy decisions relating to the use of and access to technology affect the philanthropic sector, our nonprofit colleagues, and most importantly, the people we seek to serve. Philanthropy, led by the Council, should help members directly engage in technology policy—especially in the areas of universal access, transparency, and collaboration.

### SHARING TASK FORCE RECOMMENDATIONS WITH THE FIELD

Through this report, the Council is sharing the Task Force's recommendations with the field. We seek your comments. We seek your input in how we best move forward to both address the realities of technology opportunity and to enhance the quality of work within our sector.

## DATA STANDARDS [ RECOMMENDATIONS ]



### THE CHALLENGE AND BENEFITS

How do we efficiently answer questions such as: “How much has been spent on fighting malaria using nets in Africa by all private foundations between 2004 and 2007? How can the sector better assess and tell the collective story of its work and impact?”

Since nearly every organization collects and shares data differently, it is virtually impossible to see the big picture of an initiative that multiple foundations worked on separately.

But imagine a world where information about a grant—the who, what, when, and where—is caught and captured in a consistent manner. It is typed only once, at the point of entry where it is checked and verified, and then sent smoothly through the appropriate grantmaking ecosystem. Once tied to an actual grant, these same structured data points find their way into reports, budgets, and to other relevant organizations such as the IRS and Foundation Center. This allows an unprecedented look into the good work being conducted by philanthropy. It eases the burdens placed on grantees and greatly cuts the costs incurred by us all for measurement and analysis.

### RECOMMENDATIONS

- Partner with a third-party vendor to facilitate and manage the standards collection process.
- Promote the process and standards to the philanthropic community.
- Promote the standards to grants management/donor management software vendors.
- Identify a standards developer vendor with the experience necessary to convene stakeholders, coordinate the process, and maintain the data dictionary in the public domain through the Council.
- Secure funding support from the sector to engage in this important work.
- Ensure the participation of appropriate stakeholders.
- Maintain the leadership of the Technology Task Force as the Council's voice and guide in the standards process.

# KNOWLEDGE MANAGEMENT

[ RECOMMENDATIONS ]



## THE CHALLENGE AND BENEFITS

How does the sector capture best practices and then share, leverage, and scale these experiences instead of duplicating resources and reinventing the wheel?

The amount of knowledge and data available today within philanthropy is exploding, and the field is struggling with how to capture, filter, and leverage it effectively. Through knowledge management (KM), the philanthropic world is able to capture experiences, share lessons learned and provide advice to other organizations to avoid duplicated efforts. Unfortunately, KM means different things to different people—a significant challenge when designing systems to meet user needs.

A unified KM system, built upon the work currently being done by the Council and the Forum, would enable users to share best practices, findings, evaluations, schedules and other important data easily and effectively. It is a go-to resource, where organizations can access tools, information, and social networking capabilities in a single platform.

It includes user-oriented tools designed to facilitate the identification of individual and institutional peers for collaboration. Finally, it is customizable to individual needs.

## RECOMMENDATIONS

- Develop and facilitate webinars or educational events to explain the benefits of Knowledge Management (KM) to the sector.
- Organize and coordinate a KM requirements definition symposium with the Forum.
- Define a set of functional requirements for the KM system that are common to the sector.
- Establish an implementation strategy for the creation and deployment of the KM system.
- Secure assistance in curriculum development from the Council's and the Forum's Education and Professional Development groups, with additional input from the field.

## THE TECHNOLOGY TASK FORCE CHALLENGE

Technology can define both what we do and how we do it. Individually in our respective philanthropic organizations and collectively as a field, we can make small but important changes in how we do our work. Though engineers have developed the protocols for different pieces of technology to communicate with one another, what's missing is the ability of philanthropy to consistently, effectively, and widely use such technology to our advantage. And that is the challenge the Technology Task Force endeavored to meet.

While the world of philanthropy is grounded in similar core values and focused on the same fundamental goal—making the world a better place—it is simultaneously fragmented and scattered. This fragmentation results from the very qualities that make our sector unique—diversity in thought, programmatic, and geographic interests. It also means that every foundation's story is different. Though these individual stories are both engaging and powerful, they alone do not sufficiently represent philanthropy's contributions.

Today, with the influx of such powerful communication and information technology tools, any individual blogger has the power to decide what our story has been, is, and will be. Moreover, the threat exists within others who consume this information—policymakers, donors, grantees, and the general public—and then act on the decisions they make about us. Common data standards can provide current, collective information in ways that best define our collective work.

# DONOR ENGAGEMENT

[ RECOMMENDATIONS ]



## THE CHALLENGE AND BENEFITS

How can community foundations be more successful at donor prospecting and engagement to compete with entities that might have far more advanced operations and strategies? What is the specific role, if any, for the Council in serving this sector's technology needs?

Over the last decade, numerous technologies have been developed to assist in donor prospecting and donor engagement. Although these flexible, cost-effective technologies now exist, the organizational ability and strategy to deploy them effectively throughout many community foundations does not.

Training the sector to use current and future technology effectively will result in an increased client base, deeper engagement, and the ability to better compete for and retain donors. Foundations will be able to engage and retain donors via multiple channels such as Facebook, e-newsletters, and Twitter. Moreover, fundraising will be more efficient through online donating applications and the use of new technology such as texting-to-give.

## RECOMMENDATIONS

- Develop a series of webinars and regional seminars on the use of new technology in donor engagement and customer relationship management.
- Collect and/or develop best practice case studies of community foundation donor engagement and services.
- Provide appropriate technical expertise on software available for donor prospecting and engagement.
- Help create lists of consultants and organizations that can assist community foundations with this work.
- Continue the active participation of a community foundation-based working group to identify priorities for donor engagement, prospecting, technology, and best practices.

## THE TECHNOLOGY TASK FORCE APPROACH

The Task Force sought to explore three very important yet basic questions:

1. What opportunities in technology will define 21st century philanthropy?
2. What is the role of technology in 21st century philanthropy?
3. What role, if any, does the Council on Foundations have in leading the field to this new level of leadership and service?

The Task Force targeted the following areas of information and communications technology within the field of philanthropy:

### Operational Use of Technology

- Utilizing technology throughout the operations of philanthropic institutions to build capacity, enhance performance, leverage communications, increase transparency, and promote more effective philanthropy.

CONTINUED ON NEXT PAGE

### Collaborative Use of Technology

- Developing standards of practice to promote new giving tools and platforms.
- Ensuring foundations use technology to better map, advocate, and collaborate on initiatives.

### Programmatic Use of Technology

- Using technology in grantmaking and external program support to more effectively enhance lives.
- Ensuring technology is viewed as a strategic and necessary tool senior foundation management can easily integrate into program strategies.

### Use of Technology Between the Council and Its Membership

- As a convener for the field, the Council should work with the Technology Affinity Group, the Forum, and similar organizations in a common partnership to enhance this work.
- Ensuring the Council and its membership become technology leaders in service to the field.
- Using and sharing the Council's technology platforms, policy support, and content resources to better support the field's use of technology.



## THE TECHNOLOGY TASK FORCE OUTCOME

The work of the Technology Task Force resulted in the release of *Information and Communications Technology in 21st Century Philanthropy: a Call to Action*. This full report, completed in November 2009, details the Task Force's recommendations to the Council on Foundations' board of directors on how technology can maximize philanthropy's mission and increase efficiency. This report can be found at [www.cof.org/tap](http://www.cof.org/tap), where you can also find the report you're now reading, *Technology Advancing Philanthropy*, which is a summary of the Task Force's full report. That full report made recommendations that focus on five critical aspects of technology within philanthropy:

1. Data Standards
2. Knowledge Management
3. Donor Engagement
4. NGO Collaboration
5. Technology Policy



## THE CHALLENGE AND BENEFITS

What are the best ways to implement the vast variety of tools in the technology space to help foundations and nonprofits maximize their missions and work? With all of these tools at our fingertips, how do we apply them for the most effective outcomes throughout philanthropy and its grantee partners?

Almost a decade after the dot com crash, a variety of online tools, social networking sites, mobile devices, and nonprofit technology service providers exist to help foundations and nonprofits use technology with tangible results. Unfortunately, while access to basic technology tools and skills has improved for the sector, many organizations are still trying to figure out how to apply these tools and leverage their effect in more substantial, scalable ways. We will need real engagement from leadership to set things in motion and start making true progress.

To improve productivity and pursue social change, we must bring the philanthropic sector and its nonprofit partners into the 21st century. The good news is that innovative technological partnerships between foundations and nonprofits already exist, and have been successful in improving the way both parties work and achieve their goals. The goal and challenge is to replicate, expand, and promote these innovative partnerships to a much wider audience.

## RECOMMENDATIONS

- Develop and deliver—in partnership with others in the field—a multi-faceted education framework supporting nonprofit technology adoption and collaboration with the goal of improving productivity and pursuing social change.
- Include in the framework a combination of case studies, training sessions, and opportunities for foundations, corporate grantmakers, and nonprofits to meet, collaborate, and demonstrate how these partnerships serve the field.
- Build the education framework around topics of foundation partnerships with nonprofit technology intermediaries, consortia, and experts to leverage technological innovation, including:
  - Basic education—defining the rationale for funding current technology for NGOs.
  - Collaboration models—presenting models of successful technology collaborations including 501(c) (3) partners, consortia, organizational partnerships, NTAPS, and online social networks.
  - Technology product and service delivery—highlighting examples of successful collaborations in technology product and service delivery to better deliver and scale technology for the sector.
  - Technology impact assessment—providing examples of collaborations and tools that generate objective data and metrics proving technology's efficacy for the sector.

# TECHNOLOGY POLICY

[ RECOMMENDATIONS ]



## THE CHALLENGE AND BENEFITS

How can the Council on Foundations and the broader field of philanthropy engage in technology policy at the national level to help push change and increase opportunities for the philanthropic and nonprofit sectors?

The Council is committed to engaging in legislative and regulatory policies that can grow philanthropy's role in service to society. Within that definition, technology policy must be a new part of the Council's public policy work in the 21st century. We see the Council's and philanthropy's interest in technology policy from two perspectives—understanding when to proactively lead and inform technology policy, including its application to philanthropy; and when to facilitate its membership's involvement in public-philanthropic partnerships that enhance access to and use of technology, especially among underserved communities.

Public policy obviously plays an important role in the general philanthropic mission of supporting the common good. Under the umbrella of broadband policy, not only can the Council and its members take advantage of this short-term opportunity, but its underlying goal—universal access for the underserved—has always been championed by philanthropy. When we provide universal access to technology and the Internet to the underserved, we create an educated, empowered America.

There are three broad, natural areas for the Council and philanthropy to engage:

- 1) Access (for example, through universal access to broadband)
- 2) Transparency (for example, through data standards, openness and net neutrality)
- 3) Standards and collaboration

All three areas help foundations and nonprofits—but most importantly, the people we seek to serve—better achieve full participation in a 21st century technology world.

## RECOMMENDATIONS

- Disseminate information and opportunities—for example, promoting broadband opportunities and issues through foundation communication outreach to members on a timely basis.
- Promote best practices—support and promote best practices in technology-based grantmaking.
- Collaborate—work with organizations like Philanthropy Northwest, Grantmakers in Film and Electronic Media, and those foundations which have already taken a substantive position in technology and policy discussions—and share their work with the Council's broader membership.
- Provide technical support—offer best practice examples from grantmakers on how to participate effectively in the broadband initiative as a philanthropic partner; or once technology infrastructure has been made available locally, how best to use broadband in meeting the needs of our underserved communities and populations.

# THE ROADMAP FORWARD



“WE DON'T SCHEDULE LEADERSHIP MOMENTS!”  
— *Ralph Smith, Board Chair, Council on Foundations*

This report reflects the potential role technology can play in 21st century philanthropy. The Technology Task Force has identified those key steps essential to moving toward a more effective use of technology in both what philanthropy does and how we do it. The following is a roadmap for this work:

## 2009

- ✓ Completed the development of a standards prototype for use in communications with the field.
- ✓ Presented the preliminary report at the Technology Affinity Group Annual Conference on November 4 or 5.
- ✓ Presented the final report to the Council's Board of Directors on November 19.
- ✓ Began preparing the final report for public and sector distribution in 2010.
- ✓ Continued the Council's Public-Philanthropic Partnership's role in collecting and sharing broadband information and capacity building to the field, especially as it relates to the second and third Notices of Funding Availability (NOFA).

## 2010

- Complete the public version of the final report. Distribute the report electronically to all Council membership, with appropriate press announcement.

- Host technology and philanthropy town hall meetings at each of the Council's major conferences and the Forum's Annual Meeting:
  - Family Philanthropy Conference in San Diego (January 31-February 2)
  - Annual Conference in Denver (April 25-27)
  - Community Foundation Conference in Charlotte (September 13-15)
  - Forum of Regional Associations of Grantmakers Annual Meeting
  - Other venues as determined.
- Council-Forum will complete design and development and begin delivery of Knowledge Management platform and content. This will be used as the basis for building a larger sector-wide KM system.
- Begin fundraising for development of sector standards; define an appropriate methodology to develop standard data elements (standards or definitions) that are used to categorize information in ways that enable the field's technology to engage and interact through grants management/donor management software.
- Create an advisory group of philanthropy's technology policy experts to monitor and advise the Council on legislation and/or regulations that directly influence philanthropy. Such reports should go to the Executive Office and to the Director of Public Policy at the Council.
- Share appropriate technology policy related to philanthropy with the field through both our Public-Philanthropic Partnership Initiative Web site, and if appropriate, the public policy section of the main Web site.

## THE ROADMAP FORWARD, CONTINUED



### 2011

- Based upon successful fundraising in 2010, convene the working group and consultants to begin work on sector standards for grants management/donor management software.
- Continue work on KM content and possible expansion to partners beyond the Council and Forum.
- Define a set of functional requirements for the KM system beyond the Council and Forum.
- Develop and facilitate education sessions to the field introducing the KM system.
- Anticipate a joint Council-IS project to develop educational framework on ICT adoption and collaboration for NGOs, based upon our report and the expected work of IS in this area during 2010.
- Collect and share best practices case studies of how ICT has improved outcomes in nonprofit delivery.
- Working with the CFLT, Community Foundation Services, and the Professional Development Division at the Council, create a series of educational deliverables for community foundations on new technology and donor engagement.
- Working with the CFLT and Community Foundation Services, collect and share best practices of community foundations donor engagement/donor services through technology.

- Develop a small working group of community foundation technology experts through the CFLT to advise the Technology Standards Working Group on what, if any, such standards are needed to support the field's work in donor engagement.
- Through the Community Foundation Services Division, create a list of consultants and organizations that can assist community foundations in the adoption of technology related to donor engagement/donor services.

### 2012

- Determine what project timelines need to be extended.
- Continue work—and, we hope, complete—the development of appropriate standards. (This would then require a new round of education and conversation with the field and the sector's vendors to achieve consensus and buy-in for this important work).

Clearly, there is much ground to cover to implement these recommendations and start to see change happen, and no one organization has the expertise or the voice to move forward alone. For this report to become reality, we recognize the time, resources, and philosophical changes required. We must also recognize the unique context the current economic crisis has created. We see this as an urgent call-to-action for the field, individual foundations, corporate grantmaking organizations, support organizations, the Forum, and others.



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