

# Building a Foundation that Makes a Difference

Bob Copeland  
Partner  
Sheppard Mullin LLP  
Founder/President/Director  
Thomas C. Ackerman Foundation

Hot Topics 2013

# The Ackerman Foundation

- Founded August 6, 1991
- Funded by estate of Tom Ackerman who bequeathed his estate to charity
- 7 Person Board elected and grant making began
- Purposes of Foundation very broad, limited to 501(c)(3) organizations with primarily activities in San Diego
- Consensus guidelines: Health & Human Services 40%; Education 25%; the Arts 15%; Community Development 15%; “Other” 5%.

# The Ackerman Foundation

- Result-70 grant requests/quarter; shotgun funding; no impact which was something we came to realize was important and even essential.
- Tried real focus on our own-“Job Creation” to address the unemployment situation. Had consultants from higher ed, other charitable orgs, government. Issues:

# The Ackerman Foundation

1. Limited resources-around \$300K/year
2. No staff to run a program; no knowledge on how to run a program
3. Huge issue-neither government nor God seems able to fix-so what are we thinking??

# The Ackerman Foundation

- Hired another consultant
  1. Streamline process-use LOI rather than grant application (voluminous/organizations feel they need to hire a grantwriter thereby using precious resources)
  2. Find a focus area.

# The Ackerman Foundation

- a. 2005=lots of publicity about how far behind US students and therefore the US was falling in turning out scientists and engineers
- b. We had knowledgeable Board members when it came to education-Joanne Pastula (ED of Jr Achievement) and Dr. Gail Naughton then Dean of the SDSU Biz School and Art Hughes, President emeritus of USD
- c. So we chose to fund up to 60-65% annually to K-12 Science/Math/Art programs.

# The Ackerman Foundation

3. Fund programs/organizations which had plans to measure and determine outcomes and/or were actively looking for other organizations with which to collaborate
  - We found a niche in which we could make a difference, apply best practices and reduce the overall stream of grant requests coming to the foundation quarterly.

# The Ackerman Foundation

- Where are we today and what are your takeaways if you are thinking of setting up a private foundation, you are on the board of a private foundation or you are advising clients about the pros and cons of setting up a private foundation:
  1. Our board has had very little rotation. We are a small foundation with a board that is made up of individuals that know San Diego pretty well; we make grants community wide with perhaps a slight bias towards Southeast San Diego. You can do just fine with a small board with little or no rotation.

# The Ackerman Foundation

2. Is setting up a private foundation preferable to using a donor advised fund at, say, San Diego Foundation? We think so. We have to do our homework since we don't have a staff. We think that insures greater quality of process. Obviously there are many points of view on this one.

# The Ackerman Foundation

3. Shotgun grantmaking has its positive aspects-  
Examples from our past: tree planting projects; funding a trip to Carnegie Hall for a local high school that would not have been able to travel otherwise; funding to maintain homeless shelters; funding the purchase of athletic equipment for Boys and Girls Clubs, funding for improvements to a Y camp and various Boy and Girl Scout activities.

Aside from solving an immediate need, there is no long term impact on the organization or those it serves.

# The Ackerman Foundation

4. So how goes the “impact funding”?
  - a. Nativity Prep Academy - +90% matriculation to honor high schools since founding. We funded the first year employment of full time science and math teachers.
  - b. USD grant-making class.
  - c. Red Cross Disaster Preparedness Project
  - d. Funding the acquisition of musical instruments for the SDYS Opus project in Chula Vista schools.
  - e. New main San Diego Library

# The Ackerman Foundation

- What is the hallmark of each-community wide impact, developing leadership to lead the nonprofit community into this century, breaking the circle of poverty by funding accessible education and art programs on a sustained basis.
- If you are considering creating, becoming part of or are already on the board of a private foundation-make a difference! You can and you won't believe the results-all good ones

# The Ackerman Foundation

## Summary

- Purpose – Recommend a broad one.
- Focus – Try to make an impact – a rifle vs. a shotgun.
- Application Process – Make it simple.
- Criteria for Grants – Organization identifies goals and measures outcomes.
- Refocus/Reset Goals – From time to time it's important. Use a consultant.
- Have Fun and Enjoy the Ride! – There aren't very many of us in San Diego – the community needs us.