

rural or includes both rural areas and city (or cities) that is the region's service hub.

*In this model, the foundation seeks to pull the region together through a regionally focused vision and service approach. Thus, it does not actively promote the creation of geographically designated component funds for rural or non-rural areas, although typically it will accept them.*

## Greater New Orleans Foundation

### Facts and figures

**LOCATION:** 1055 St. Charles Avenue  
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**ESTABLISHED:** 1983

**MISSION:** To improve the quality of life for all citizens of our area, now and for future generations. As a catalyst and resource for philanthropy GNOF demonstrates strategic grantmaking that invests in leaders and systemic change; builds permanent endowments for our community's changing issues and opportunities; and serves as a flexible and cost-effective vehicle for philanthropists to invest in their community.

**SERVICE AREA:** GNOF serves a 13-parish region surrounding New Orleans in southeastern Louisiana, including deeply rural communities. GNOF works in the parishes of Tangipahoa, Washington, St. Tammany, St. John the Baptist, Orleans, Assumption, St. James, St. Charles, Jefferson, St. Bernard, Lafourche, Plaquemines, and Terrebonne.

**TOTAL ASSETS (2003):** \$115 million

**STAFF SIZE (2004):** 8.5

**BOARD SIZE:** 30

**NUMBER OF FUNDS (2003):** 542

**DOLLARS GRANTED (2003):** \$6.4 million

**AVERAGE GRANT SIZE (2003):** \$5,536



## Overview

In southeastern Louisiana, a region long known for splintering into competing political and social factions, the Greater New Orleans Foundation's consolidated approach to regional philanthropy has helped stem the balkanization that so often happens when each and every locality cries out, "Me first!"

In many respects, the Greater New Orleans Foundation (GNOF) has understood the fundamental interdependence of southeastern Louisiana's rural parishes and the metropolitan hub of New Orleans virtually since its founding, more than 70 years ago. In the mid-1990s, however, GNOF dramatically upgraded its commitment to regionalism, based on its assessment that the region's mutually dependent economic sectors—natural resources, transportation, manufacturing and commerce—comprise a diverse, interrelated regional economy, where no particular industrial sector is dominant and there really is no one central economic hub.

In the winter of 1995, following a series of board and community meetings, GNOF's board of trustees clearly signaled their commitment to work on behalf of

strengthening the *entire* region, declaring in no uncertain terms: "As each parish in the Foundation's target area grows and prospers, so will the entire region. Conversely, if one or more parishes fail to prosper, the entire region will fail." These far-sighted community leaders hoped to bring a regional message to *both* metro and rural constituents, seeing GNOF not as a builder of rural *or* metro philanthropy, but as a regional leader *bridging* the rural and metro divide.

Remarkably, at about the same time, GNOF's existing rural donors and other constituents were beginning to call upon the Foundation to develop a greater presence in the rural parishes and communities outside of New Orleans.

As a starting point, GNOF helped promote and later partnered with the Economics Institute, a regionally based nonprofit, to connect struggling rural growers and fishers with urban markets in New Orleans. The Economics approach had several facets:

- First, help the rural producers strengthen their business skills through one-on-one assistance.
- Second, help urban consumers access the best the rural farms and fisheries have to offer by bringing the goods to them.
- And third, in this era when local and organic are gaining value, find more efficient ways—through providing "fresh this week" emails to chefs and a cooperative truck delivery arrangement for the producers—to connect the thriving New Orleans

*The Crescent City Farmers Market lets urban consumers access the best that the rural farms and fisheries have to offer.*



restaurant sector with the freshest products the region can offer.

The public face of this effort is most evident in the Crescent City Farmers Market, now held at four locations in New Orleans, featuring a wide variety of produce, seafood, meat and crafts. Over the years, the Crescent City Farmers Market has developed into an economic engine for both rural agricultural communities and the metropolitan neighborhoods that host the individual markets. Week after week, these markets serve as vivid reminders of the interdependence of rural producers and metro consumers, as well as of the enduring economic and social ties that bind all of southeastern Louisiana.

In another bridge-building initiative, GNOF drew upon its neutral convening and leadership-development capacity to help African American churches work together to envision a stronger, more prosperous region. GNOF created a learning group of community economic development teams assembled by about a dozen rural and metropolitan African American congregations. Over many months, with technical assistance supported by GNOF, these teams began to strategize together. Soon they began to bridge their differences and develop into a network of expertise and assistance for rural and urban community economic development projects.

Having initiated this commitment to strengthen an entire region, GNOF's leadership further understood that the Foundation also would need to embody a regional approach within its own organizational structure. GNOF soon began to fortify its consolidated structure with a regionally focused approach to its program and grant-

making. In so doing, it also has allocated funds, staff time, and, even more importantly, board involvement to a wide-ranging assortment of regional commissions, visioning sessions, and collaborative ventures.

At times, the time and energy devoted to regionalism can appear to outweigh any immediate or tangible results. Nonetheless, today GNOF feels richly rewarded for its patience and vision. Across a broad range of programmatic investments—seeking to attract 30,000 new jobs to the region, to connect local literacy programs to regional economic development, and to encourage philanthropic giving by national foundations—GNOF serves as a vital bridge among what otherwise might appear to be discrete, disconnected efforts. It continues to pioneer the message that rural parishes and metro New Orleans will thrive *only when the whole region thrives*.

**GNOF continues to pioneer the message that rural parishes and metro New Orleans will thrive only when the whole region thrives.**

## About the region

Located in the Gulf South, GNOF serves a 13-parish (or county) region surrounding New Orleans in southeastern Louisiana. While New Orleans is a densely populated urban center, much of the foundation's service region is deeply rural. GNOF works in the parishes of Tangipahoa, Washington, St. Tammany, St. John the Baptist, Orleans, Assumption, St. James, St. Charles, Jefferson, St. Bernard, Lafourche, Plaquemines, and Terrebonne.

Southeastern Louisiana itself is a land of contrasts, where challenge and opportunity

often go hand-in-hand. The region straddles the Mississippi River and represents one of the United States' most significant transportation and commercial hubs. At the same time, located totally at or below sea level, it also faces unique environmental challenges, ranging from natural disasters such as flooding and hurricanes to human impact on the region's fragile wetlands ecology.

Southeastern Louisiana also is one of the most ethnically diverse regions in the nation. Several parishes have African American populations ranging between 50-68 percent, with the region as a whole made up of about 37 percent African American and 58 percent white residents. A substantial increase in immigration from Central America in recent years has added to this rich mix.

**The process of building trust can be a long one, and in some places, the Foundation has to continually prove its commitment to the whole region.**

This remarkable blend of local cultures has long been one of the region's unique strengths. Southeastern Louisiana—and, of course, New Orleans itself—are world-renowned for their music, dance, food, entertainment and cultural assets. It is not surprising, then, that tourism ranks second among its most active industry clusters. Other economic clusters include oil and petrochemical manufacturing, business and professional services, food processing, aerospace and port-related industries. Agriculture and aquaculture once played important roles in the regional economy, but these sectors have declined in recent decades.

Personal income levels in the region appear to be rising, although poverty rates still

exceed national trends. Meanwhile, the number of adults with more than a high school education consistently has lagged behind the national average, as have overall literacy rates. Regrettably, one of southeastern Louisiana's leading exports continues to be its own best educated people. In any given year, for every five persons graduating from any of the nine regional colleges or universities, only one job is available. The region is, in effect, educating these individuals to live, work and contribute elsewhere.

## **GNOF's structure and key values**

As one of only a handful of regional organizations serving southeastern Louisiana,

the Greater New Orleans Foundation long has symbolized the interdependence of rural parishes and the metro hub of New Orleans. Since its founding in 1923 as southeast Louisiana's "community chest," and through its

1983 transformation into the region's community foundation, GNOF has consciously promoted regionalism as one of its core values and strategic advantages.

GNOF's consolidated structure emerges from both its region's history and the Foundation's persistent belief that GNOF's *unique* value derives from its role as a non-partisan broker among the region's often competing interests and, perhaps most importantly, among community needs and the interests of GNOF's donors. Through this commitment to "broker knowledge, information, and relationships," GNOF has become uniquely positioned as a vehicle for informing and supporting donor engagement in the region.

## How does the Consolidated Service model work?

GNOF accrues and renews its regional knowledge and vision in part through maintaining a board that represents the entire region and by intentionally assigning staff and board to participate in and lead regional endeavors. To avoid even the appearance of supporting parochialism and to better position itself with donors as the regional philanthropic leader, GNOF has championed a Consolidated Service model.

### Operations

The most obvious hallmarks of GNOF's consolidated structure are its central office and centralized staffing. By unifying its *entire* staff, board, administration, financial management and grantmaking around a regional mission, GNOF has managed to avoid some of the turf wars that occur in structures that are divided along geographical lines.

Even so, GNOF painstakingly strives to maintain a regionally representative and engaged structure. It often works with local leaders who wish to create advisory committees for making grants and, in some cases, for raising endowments for rural parishes. These committees, however, do not have staff of their own, and GNOF's re-

gionally representative board must approve all of their decisions.

Do rural parishes, then, ever question GNOF's commitment beyond the city of New Orleans? "In the beginning, all the time," acknowledges Ben Johnson, the Foundation's president and CEO. "In some places, not any more. The process of building trust can be a long one, and in some places, the Foundation has to continually prove its commitment to the whole region." Johnson is quick to add, however, that metropolitan constituents sometimes can be equally as concerned about the time and effort GNOF commits to rural parishes. "It is a delicate balancing act," he declares.

The principal costs associated with GNOF's consolidated operations reside in staff time and travel, maintaining the board's focus and energy around the regional vision, and the inevitable opportunity costs of spreading a centralized staff thin as it travels and works all across southeastern Louisiana.

### Staffing and governance

GNOF divides its staff among three core areas comprised of asset development, community impact (program/grantmaking), and financial departments. Each department is headquartered in New Orleans, but

both asset development and community impact staff spend a great deal of time traveling throughout the region, working with nonprofits, community groups and donors.

*The region's economic clusters include oil and petrochemical manufacturing, tourism, business and professional services, food processing, aerospace and port-related industries.*



GNOF firmly believes that its board members must be up to the task of making connections and balancing interests among the region's diverse constituencies. In selecting new board members, then, the Foundation has opted to invite individuals who share a regional perspective, rather than going for geographic representation. Nevertheless, GNOF also understands the value of having rural voices on the board. Over time, it has found that a mix of rural and metro board members—as long as they share the regional vision—has brought heightened visibility to the experiences and issues facing rural parishes.

**For GNOF the maxim has been “It’s the *region*, stupid.” Accordingly, all structural, grantmaking, endowment and governance issues start and end using that benchmark.**

GNOF’s board plays a significant role in the Foundation’s community-building efforts, with many board members representing GNOF on regional councils and initiatives. GNOF encourages each board member to host at least one event or activity each year to help spread the word about philanthropy among their peers and colleagues. Whether through informal gatherings, lunch with a professional advisor, or formal, hosted dinners, GNOF’s board members serve as ambassadors not simply for the community foundation itself, but for the Foundation’s regional vision and for philanthropy in general.

## **Grantmaking and endowment building**

On an operational level, GNOF maintains a centralized approach when reviewing grants, designing a fundraising and donor services strategy, and allocating resources. Currently,

it maintains a fee policy of 0.5 percent for agency endowments and 1 percent for all other endowed funds.

Because it serves such a broad, diverse region, GNOF views its role as a nonpartisan broker between community needs and donor interests as paramount to its overall work. While its emphasis may be upon using its limited discretionary resources on projects with a regional focus, GNOF’s many field-of-interest, donor-advised, scholarship, and agency endowment funds cover a much wider swath of community-building endeavors. These broader grantmaking activities help the

Foundation stay abreast of trends in the community that might be missed by other organizations.

GNOF’s efforts to address donor interests extend well beyond serving individual, high-wealth donors to providing technical assistance to—and enhancing the flexibility of—local community groups, especially in rural parishes. While unable to staff these local groups directly, GNOF does advise and assist them in raising endowed funds and developing grantmaking guidelines. For example, a small group of alumni of a high school in an extremely rural parish recently got together to raise 10 gifts of \$10,000 each to endow a fund that will, once it reaches the \$1 million mark, provide \$50,000 annually to support high school activities.

Ultimately, building relationships with an ever-widening network of professional advisors is GNOF’s fundamental endowment-building strategy. While the payoff from such relationships is typically long term, the Foundation strongly believes that professional advisors function as “gatekeepers” and thus are the most direct route to individuals considering their philanthropic choices. GNOF’s strategy appears all the more obvious

*GNOF sees itself as a bridge connecting rural and metropolitan constituencies, rather than as an organization strictly representing one or the other.*

when one considers that most individuals of wealth throughout the region already *do* work with professional financial advisors (and their firms) headquartered in New Orleans. Beginning with these urban-based advisors and slowly being introduced to their colleagues in satellite, rural offices has proven far more efficient and effective than starting “cold” with a rural professional advisor or attempting to discover potential donors without the help of gatekeepers.

Working closely with these professional advisors offers another important advantage, as they have been able to dispel many of the myths and much of the misinformation that has floated around about the Foundation since its inception. In those early days, some potential donors developed the impression that they would be asked simply to “hand over their funds to the Foundation and let GNOF do the rest.” Today, like most community foundations, GNOF is committed to working in partnership with donors. Professional advisors are able to share this important message with their clients in a relaxed and credible manner.

## **Keys to success**

Clearly, GNOF believes that its emphasis on the region as a whole has been essential to making the Consolidated Service model work effectively. Whether performing programmatic, administrative, or fundraising tasks, GNOF sees itself as a bridge connecting rural and metropolitan constituencies, rather than as an organization strictly representing one or the other.



Beginning in the mid-1990s, participation in the Ford Foundation’s Rural Development and Community Foundations Initiative (RDCFI) offered a significant incentive for GNOF to intentionally upgrade its commitment to regional service. The \$500,000 grant provided by the Initiative (and its attendant requirement to develop a \$1 million endowed fund for rural development) gave GNOF the opportunity to stretch its wings in rural parishes and develop critical intellectual capital about the parishes’ strengths, assets, and challenges. This infusion of funds—as well as advice provided by fellow RDCFI community foundation grantees and the Foundation’s own commitment to *learning* as much as it could about what makes rural southeastern Louisiana tick—gave GNOF the confidence and credibility to become a champion and knowledge broker for the entire region.

## **Lessons learned**

### **Biggest challenges**

- At the time GNOF began to serve its rural areas more fully, the Foundation was completely unaware of any existing

“consolidated” models focused on building rural-urban connections that it might copy. They simply blazed the trail as they walked it.

- An ability to trust the relationship-building process—to reach out to rural communities and engage in rural grantmaking, even when results are neither immediately forthcoming nor certain—is essential.
- Building and sustaining the board’s commitment to a regional vision as the basis of a consolidated structure is inherently challenging—especially when it involves dedicating resources to serve remote rural areas.

### Biggest rewards

- Endowments from donors throughout GNOF’s entire service region have increased. Private foundations, corporations and individual donors recognize GNOF’s preeminent position as *the* regional philanthropic institution.
- GNOF is meeting and developing relationships with donors whom it would never have met without a concerted and intentional effort to serve rural and metro regions equally.
- Rural donors have become advocates for GNOF in the far-flung parishes.
- As GNOF builds trust throughout the region and scrupulously avoids rural vs. metro dichotomies, there has been a slow-but-sure reduction of former barriers that invoked feelings of “us vs. them.”

### Advice

- Be flexible and patient *but remain active*, taking the initiative when necessary, in rural communities.

- Maintain your strategic focus. For GNOF the maxim has been “It’s the *region*, stupid.” Accordingly, all structural, grantmaking, endowment and governance issues start and end using that benchmark.
- Align (and realign and re-realign) your board and staff around the regional vision. Board and staff perpetually change, and thus institutional memory can be quite short. Repetition—and creating opportunities for discussing *why* you are doing what you are doing—is critical to sustaining a long-term commitment.
- Old myths die hard. For successful endowment building, build relationships with professional financial advisors and enlist their help at ensuring that appropriate, strategically selected facts about the community foundation are shared widely.
- If your board and staff consistently aren’t showing up at important local meetings, then your community foundation may be falling out of the loop and losing its credibility. Get out of the office and into the community! Drive across that Causeway!



## The Greater New Orleans Foundation

*To learn more about the Greater New Orleans Foundation and their use of the Consolidated Service model for Covering Rural Territory, visit GNOF’s website at [www.gnof.org](http://www.gnof.org) or contact RDP Lead Contact GNOF President/CEO G. Ben Johnson at 504-598-4663 and [benj@gnof.org](mailto:benj@gnof.org).*