POTENTIAL

CREATING CHANGE

the reach and impact of colorado philanthropy
Seeing potential

Colorado’s foundations have a grand tradition of supporting causes that benefit people throughout the state.

More than a century of history can be traced through the formation of 1,700 foundations that collectively work to improve the quality of life for Coloradans. Three generations of the Boettcher family, for instance, once owned the iconic Brown Palace Hotel in Denver and amassed a fortune from such industries as cement. Their legacy, quite fittingly, is a foundation that supports capital-intensive projects such as the construction of a new seniors’ center in San Luis or the purchase of a Boys & Girls Club center in Brighton. One of the state’s earliest philanthropists, Spencer Penrose, built the historic Broadmoor hotel in Colorado Springs. A real estate and mining entrepreneur, Penrose and his wife, Julie, established El Pomar Foundation to strengthen communities throughout Colorado.

The mark these philanthropists leave extends beyond the hundreds of millions of dollars distributed each year through grants to nonprofit agencies. A project to end homelessness in Denver helps illustrate the ripple effect. Before Mayor John Hickenlooper launched his Denver’s Road Home plan in 2005, he secured support and expertise from local foundations in order to attract the participation he needed from business and government.

“The foundation community has played a key role,” Hickenlooper said of his plan to end homelessness within a decade. “Their leadership has been an absolutely essential ingredient.”

While foundations often provide funding and leadership that can make transformative programs possible, a recent survey showed most people can’t identify a single foundation by name. Even fewer can name a way a foundation has had an impact in their own community.

One challenge of telling the foundation story: Philanthropists have so many different goals and passions. The Gill Foundation and its Gay and Lesbian Fund work to support equality for all Coloradans. The Bonfils-Stanton Foundation strengthens the arts, promotes nonprofit leadership...
and invests in organizational management. The Temple Hoyne Buell Foundation specializes in early childhood education, while the Adolph Coors Foundation and the Helen K. and Arthur E. Johnson Foundation focus in part on community agencies that promote self-sufficiency among our state’s residents.

Because they can choose the areas they wish to fund, foundations ultimately support a broad array of causes. And new generations continue to create foundations. Over the years, breakthroughs in everything from the aluminum beer can to software to healthy dog food have allowed Coloradans to make a difference, not only as successful entrepreneurs but also as leaders in philanthropy.

Foundations and other types of funders come in various forms:

- The late cable TV pioneer, Bill Daniels, left his $1 billion estate to create the Daniels Fund, a private foundation providing grants and scholarships to those in need.

- Companies with household names – Qwest, Western Union and Xcel Energy – establish philanthropic arms to support communities where their customers live.

- When some of the state’s hospitals switched to for-profit status, they were required to use the proceeds from the transactions to create charitable foundations, such as Caring for Colorado Foundation.

- Through community foundations, such as The Denver Foundation, thousands of people of more modest means have been able to combine their money or set up donor-advised funds for the benefit of citizens served by nonprofits.

- Combined giving programs, such as Mile High United Way, also promote philanthropy at almost every income level. This rich variety is seen as one of the sector’s greatest strengths. Foundations are pitching in with emergency funds in times of crisis, focusing on basic needs such as food and shelter, education and health care. Many help nonprofits initiate new projects or cover the costs of keeping the lights on, training staff or buying new computers.

Increasingly, foundations are coming together to make strategic investments designed to spur innovative ways to address challenges such as improving our children’s schools. They play the role of partner, investor, collaborator, catalyst. The Community Foundation Serving Boulder County, for example, is working to prevent the education achievement gap in local school districts by seeking a sustainable source of public funding for disadvantaged kids to attend preschool. The effort is modeled in part after the work of Denver’s private Piton Foundation, which funded a 2006 awareness campaign for a ballot initiative creating a preschool tuition credit.

The stories in this publication aim to help all of us better understand how foundations have been – and continue to be – a valuable resource throughout Colorado.
Working to end homelessness

Kimberly hit “rock-bottom” a few years ago when she found herself in a situation she never expected: homeless and alone. A single mother, the Aurora resident anguished over being unable to provide for her two young children after losing her restaurant job. “I didn’t have the money to go anywhere,” Kimberly says. “There was a lot of crying, a lot of sleepless nights.”

After bouncing around for two years, doubling up with relatives or living in a motel, Kimberly sought help from a local homeless shelter. Her journey eventually led her to a home of her own, with the help of an initiative known as Denver’s Road Home. The public-private partnership aims to end homelessness in the city just a decade after its launch. It was established by the City of Denver in 2005 in partnership with the County of Denver and Mile High United Way. The annual cost of quick fixes, such as emergency shelter, health care and law enforcement, had topped $70 million. The city needed to take a radically different approach to get an estimated 10,000 people off the streets and into permanent housing. But first, the city had to find ways to finance the plan. Denver Mayor John Hickenlooper turned first to Colorado’s foundation community to serve as the catalyst for the sweeping project. Once he lined up that critical local leadership, he knew he’d have a far easier time persuading others to pitch in. Almost $50 million has been raised so far, with 31 local foundations contributing.

Indeed, all of the money that paid for writing the plan for Denver’s Road Home and hiring its first staff person came from the foundation community. The Cydney and Tom Marsico Family Foundation made one of the largest investments in the ambitious program.

In the first four years since the launch of Denver’s Road Home, the number of chronic homeless people on city streets has dropped 36 percent. Panhandling along the 16th Street mall has plunged 83 percent. The program has created more than 1,500 new homes, helped 3,300 people get jobs and prevented more than 2,300 families from becoming homeless. Supported and encouraged by a team of mentors from a local church congregation, Kimberly, now 40, and her kids have moved into their own three-bedroom duplex near the Lowry neighborhood. She hopes they’re home for good. “My oldest son James brought home his report card and for the first time in years, he has two A’s and one B,” she reports. Kimberly herself recently received a scholarship award for outstanding achievement from the college she now attends.

Denver’s Road Home foundation partners have embraced the Mayor’s strategy because it enables homeless individuals and families like Kimberly’s to regain control of their lives.

“None of this would be possible without Denver’s Road Home. My family is living testimony to what can be achieved if given an opportunity. We have turned a horrible situation of being homeless into a positive example for other struggling families.”

— Denver Mayor John Hickenlooper
Reaching out to rural Colorado

Even for the tiny southwestern town of Naturita, the public library was too small to hold more than anything but the basics. There was no space to have “story time” for local children, no place to host any kind of community gathering at all.

So it was fortuitous when a large group of Front Range foundations traveled to that part of the state a few years ago for a “Rural Philanthropy Days” event. The regional library district had been weighing the likelihood of raising enough money for a new facility in the remote town of 655 residents. The timing was perfect.

At the three-day event, library district officials connected with foundations that eventually agreed to cover more than one-third of the cost of the $1.2 million construction project. Rural Philanthropy Days also helped open doors to $465,000 in public funding.

Naturita now has a new 4,400-square-foot library building that’s almost nine times bigger than the old one. It uses a heating and cooling process that saves big on energy. Recycled blue jeans insulate the unusual structure, the state’s only library made from straw bales. And those involved with the project have high expectations for what it can offer Naturita’s youngest citizens. “I hope it opens their eyes to the broad world and to the possibilities there,” Library director Paul Paladino told Colorado Public Radio. “I like the idea that a first-grader—who may not have even thought about going to college in the past—might go to college, maybe even go on to medical school and come back and be a doctor.”

The intensive Rural Philanthropy Days networking sessions have strengthened the foundation community’s ties with nonprofits in the far reaches of the state. The concept laid the groundwork that made the library a reality. And it has led to closer collaboration among nonprofits, foundations and others in the more remote regions of Colorado.

With leadership from the Anschutz Family Foundation and the Denver-based Community Resource Center, the program has grown to an almost year-round effort to help nonprofits become more viable organizations over the long haul. Two major events take place in different parts of Colorado each year—in places such as Mancos, La Junta and Steamboat Springs.

Many of Colorado’s large foundations not only contribute to the actual events, they’ve also made a much bigger commitment to nonprofits outside of metro areas. Grants to rural nonprofits have jumped to 18 percent of overall foundation giving from just 2 percent when the concept was launched.
Preserving the land

Randy Rusk grew distressed watching developers buy up land near his family’s ranch in Westcliffe, which sits about 55 miles west of Pueblo between the Wet Mountains and the Sangre de Cristo range.

Across Colorado, some two million acres of farmland have been lost to development since the late 1990s. That averages about 3,000 acres every week over an entire decade.

The state’s farmers and ranchers once passed their land from one generation to the next. But that has become too costly when done in the conventional manner. Now, in return for tax breaks, ranchers such as Rusk have been able to protect their scenic acreage by donating or selling rights to develop their land in the future. These transactions – known as conservation easements – are complex enough to require the expertise of nonprofit groups known as land trusts. But the deals carry a cost. That’s where foundations have stepped in to make the difference between a transaction’s success or failure.

The Gates Family Foundation and companies such as Xcel Energy and EnCanca Oil and Gas have helped to provide matching funds required by public sources such as the lottery or local sales tax revenue. “We might not exist at all if not for the support of foundations . . . if not for their strategic investments,” says Chris West, who heads up the Colorado Cattlemen’s Agricultural Land Trust, the state’s largest holder of conservation easements. The group, the first in the country formed by a livestock association, has protected 350,000 acres of scenic meadows and open space in 35 counties so far.

Driving education reform

Ben Jackson had been heading toward a career in business until he signed up for a summer teaching stint after his freshman year at the University of Colorado. He was hooked after just a few weeks.

After graduating from CU, Jackson landed a teaching job at Denver’s Bruce Randolph School, which had struggled to serve mostly minority students from poor households. Jackson found himself automatically enrolled in an innovative program that links teacher pay to student performance. Known as ProComp for short, the Professional Compensation Plan for Teachers aims to reward teachers for going to work in the toughest schools. It also rewards them for demonstrating newly acquired skills and knowledge, as well as boosting student performance.

The catalyst for the alternative pay plan was Rose Community Foundation. After kicking in $90,000 for the planning phase, Rose invested $1 million in what was seen as a risky collaboration between the teachers union and the school district. By the time Denver voters approved a $25 million tax increase to fund the program, Rose had contributed $4 million to get ProComp off the ground. The Daniels Fund added $1 million, while other philanthropic groups spent a total of $2.5 million.
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Now in his third year teaching Language Arts, Jackson says the program has made a “significant difference” in the performance of his students. Early results show teachers enrolled in ProComp have more success in sparking student achievement than teachers paid under the traditional salary system. Plus, the culture of teaching is becoming more of a team effort with goals set together by teachers, principals, parents and students.

Until now, “there had been little or no formalized incentive for teachers to pay close attention to student progress,” Jackson said.

Investing in children

At age 3, Nolan is a bright, active and talkative child. That’s thanks, in part, to the help his mother received before he was born that allowed her to become a better, more knowledgeable parent.

For several months leading up to Nolan’s birth, a Jefferson County public health nurse visited Nolan’s mom regularly to offer advice on what to expect, what to eat and other information she needed to know before having a baby. She continued the visits until Nolan was almost 2. “He’s charming and precocious,” says Valerie Carberry, the nurse who helped Nolan get a healthy start. But Nolan’s mom faced big challenges as she headed toward motherhood at age 19. Despite troubles in her own home life, she managed to graduate from high school. But she found herself in a volatile relationship lacking good role models for becoming a parent.

The foster care system referred her to a program focused on improving the health and well being of low-income, first-time parents and their children. The program is now available in almost every county across Colorado due to early support from The Colorado Trust. The foundation initially invested to expand field research demonstrating the effectiveness of nurse home visits for disadvantaged, first-time mothers. Once proven, it also provided start-up funds to take the initiative statewide.

The Denver-based Nurse-Family Partnership, as the program is called, now operates in 28 states. In Colorado, a nonprofit called Invest in Kids is responsible for bringing the voluntary nurse home visitation program to communities in 52 of the state’s 64 counties. In less than a year, Invest in Kids rounded up $350 million in state funding to ensure its future. “The Colorado Trust was so far ahead of its time in seeing the value of this groundbreaking research,” said Invest in Kids’ Executive Director Lisa Merlino. “They took a big leap of faith with us.”

In Colorado, the nurse visits have had a significant impact, including a 20 percent drop in cigarette smoking during pregnancy, fewer subsequent pregnancies and longer intervals between births. Nationally, the program has reduced risk for youth crime, delinquency and child abuse.
Connecting people to the arts

Like many Colorado nonprofits, ArtReach is a fledgling organization with an ambitious vision – in this case, transforming lives through exposing disadvantaged children, families and seniors to the arts. Partnerships have made all the difference. Nonprofits, such as Habitat for Humanity and Volunteers of America, help ArtReach distribute 50,000 tickets donated annually. And ArtReach exposes kids from low-income households to everything from art classes to live theatre to museum exhibits. They also have the opportunity to attend a summer camp focused on the visual and performing arts.

In addition to providing grants for ArtReach programs, The Denver Foundation has stepped in to offer strategic guidance, technical assistance and other support at key points in the group’s development. ArtReach also strives to bring the arts to 10,000 underserved children and youth in schools, transitional housing and other settings each year.

How? ArtReach makes it possible for artists to visit youth correctional centers in the Denver Metro area to teach poetry, storytelling and drawing, with each teenager producing a book at the end of the series. Performing artists also help kids work through problems by writing plays, acting and doing monologues. “To be able to go into a lock-down facility for juvenile offenders, build trust and give these kids access to the arts is very powerful,” says Karla Johnson-Grimes, ArtReach executive director. “They both can learn about art and learn to speak about their troubles through the arts.”

Johnson-Grimes views her group’s relationship with foundations as a true partnership. “We are using their guidance and support to benefit the community,” she said. “We are really just the vehicle to allow the funders to make that impact.”

Ensuring access to health care

Grand Junction’s newest psychiatric hospital found itself deep in debt after issuing bonds to pay for the entire cost of the building in 2005. So the new CEO of Colorado West Regional Mental Health had few options for dealing with what turned out to be a mistake in the hospital’s financial forecasting. One way to deal with the situation was to go bankrupt. Another was to turn to The Colorado Health Foundation, one of the state’s largest foundations. While The

ArtReach views its relationships with foundations as partnerships. After making a few interim emergency grants, The Colorado Health Foundation made an unusual decision.
Colorado Health Foundation is one of the few focused exclusively on health care issues, almost half of all the money the state’s foundations contribute each year supports health and human services nonprofits in every corner of the state.

After making a few interim emergency grants to Colorado West, the Denver-based health foundation made an unusual decision. Because of the potential consequences for the area if the hospital was forced to close its doors, the foundation ultimately contributed more than $8 million toward debt relief, capital funding and operations. By doing so, the Western Slope area avoided a potential spike in the costs of emergency health and public safety services that likely would have followed the loss of mental health care for 13,000 patients in 10 counties. Keeping Colorado West’s doors open also saved 400 jobs. “This is a significant investment for the Foundation and one that is not without risk,” says Anne Warhover, president and CEO of The Colorado Health Foundation. “But the greater risk is to the 300,000 residents living on the western slope whose future mental health needs rely on Colorado West.”

It took more than a year of complex negotiations with the mental health facility, the community, the county and the Colorado Department of Local Affairs. The Boettcher and El Pomar foundations stepped in to help, too, so that The Colorado Health Foundation would not be shouldering all the risk on its own.

Making college possible

Cable-TV pioneer Bill Daniels had a passion for helping deserving students attend college.

Today, community organizations and schools annually nominate thousands of students to compete for 250 Daniels Fund scholarships that cover college costs not met by other financial aid. The kids who receive them often face cultural challenges and incredible odds: growing up in poor neighborhoods, siblings who are involved in gangs or abusive and alcoholic parents. Daniels called them “diamonds in the rough.”

A scholarship winner now enrolled at Colorado State University recalls the day a letter from the Daniels Fund arrived in her mailbox: “My heart stopped. This letter would decide my future. I sat there for a while, unable to open it. When I finally did work up the courage, all I needed to read was, ‘Congratulations.’ I knew the rest of my life would be different.”

“ONCE I FOUND OUT I WON THE SCHOLARSHIP, I KNEW THE REST OF MY LIFE WOULD BE DIFFERENT.”

— Daniels Scholar
Creating change

Colorado’s foundations help create opportunity, improving the lives of countless numbers of people – like Kimberly, the formerly homeless mother who now has her own home where she can raise her children.

Foundations also help meet community needs across the state – such as in rural Naturita, which has a new 4,400-square-foot library building, or in Grand Junction, where foundations helped avert a potential bankruptcy at a mental health center serving 300,000 residents.

Foundations are free to invest where they can achieve the greatest impact. They help today by strategically investing for tomorrow, whether providing leadership to improve educational opportunities for Colorado’s children or helping to protect the state’s scenic acreage and open space.

Even so, Colorado foundations will not be able to meet the growing demand for programs and services alone. More and more initiatives will involve teaming with government, business and nonprofit partners working to tackle the state’s biggest challenges.

We invite you to get to know us better.

Reach and impact

The latest annual data show Colorado foundations held about $10 billion in assets and made grants totaling roughly $700 million to nonprofits all over the state.
Colorado Association of Funders

The Colorado Association of Funders represents 80 foundations, corporate giving programs and other types of grantmaking organizations throughout the state. Collectively, the association’s members account for almost two-thirds of the annual giving activity of Colorado foundations. The association’s mission is to advance effective, responsible philanthropy by bringing people together to exchange information, resources and ideas.

A.V. Hunter Trust
Adolph Coors Foundation
Animal Assistance Foundation
Anschutz Family Foundation
Aspen Community Foundation
Bardsley Foundation
Boettcher Foundation
Bohemian Foundation
Bonfils-Stanton Foundation
Bright Mountain Foundation
The Buck Foundation
Caring for Colorado Foundation
Chambers Family Fund
The Colorado Health Foundation
The Colorado Trust
Comcast
Community First Foundation
The Community Foundation Serving Boulder County
Community Foundation Serving Southwest Colorado
Cydney and Tom Marsico Family Foundation
Daniel and Janet Mordecai Foundation
Daniels Fund
David and Laura Merage Foundation
The David and Lucile Packard Foundation
Delta Dental of Colorado Foundation
The Denver Foundation
Denver Metro Chamber Leadership Foundation
The Denver Post
Donnell-Kay Foundation
The Dowling Foundation
El Pomar Foundation
Encana Oil & Gas (USA) Inc.
First Data Foundation
Fulcrum Foundation
Gannett Foundation/9News
Gates Family Foundation
Gay & Lesbian Fund for Colorado
General Service Foundation
Giving Generations Foundation
Grand Foundation
Greenlee Family Foundation
Harmes C. Fishback Foundation
Helen K. and Arthur E. Johnson Foundation
The Hill Foundation
Ilse Nathan Foundation
IMA Foundation
J.K. Mullen Foundation
JP Morgan Chase
Joseph Henry Edmondson Foundation
Junior League of Denver
Kaiser Permanente
Kenneth King Foundation
The LARRK Foundation
The Leighty Foundation
The Lillis Foundation
Mile High United Way
Nord Family Foundation
Oreg Foundation
The Orton Family Foundation
The Piton Foundation
Qwest Foundation
The Rock Bottom Foundation
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Timothy and Bernadette Marquez Foundation
Trask Family Foundation
Western Union Foundation
The Women’s Foundation of Colorado
Xcel Energy Foundation

As of 2009. For a list of current members visit www.coloradofunders.org.
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