



FEASIBILITY STUDY REPORT

FOR A PROPOSED

**COMMUNITY FOUNDATION
OF THE SAN LUIS VALLEY**

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INTRODUCTION

Background

For many years the idea of a Community Foundation had surfaced among community leaders throughout the San Luis Valley (SLV). In January 2015, a group of valley-wide community leaders (Appendix A) participated in a facilitated meeting, led by a Denver-based consultant, to discuss community wealth building and the possibility of a regional Community Foundation. One of the outcomes of the facilitated session was a decision to conduct a feasibility study to determine the viability of such a concept.

Some of the valley-wide leaders involved in the initial meeting and Valley Community Fund (VCF) board members, initiated contact with Smoyer & Associates, a SLV-based consulting firm, to discuss the scope of work and obtain a proposal. In June 2015, VCF engaged Smoyer & Associates to conduct the feasibility study. The study was financed with a portion of an anonymous donation to VCF and through a grant from the SLV Regional Council of El Pomar Foundation.

Smoyer & Associates was contracted to lead a planning process which included the following:

- Convene a Steering Committee (July 2015).
- Coordinate with a Steering Committee to develop a framework for a Community Foundation that includes the following (July - October 2015):
 - goals and objectives, legal structure, area of service, governance - board and other committees, administration, visions and guiding principles, high priority community needs, and grant making structure.
- Develop an Action Plan (October/November 2015) that engages the Steering Committee and provides an overall process for keeping the progression of the Community Foundation development process moving forward, including the following elements:
 - organizational information (overview, history, distinctions);
 - the issues, opportunities, and forces that shaped organizational thinking and planning;
 - proposed solutions to those issues, opportunities and forces;
 - resource requirements necessary to implement those solutions; and
 - the benefits accruing to constituents, the organization, and society as a whole.

INTRODUCTION

Planning Process

We were hired to conduct research, collect data and make recommendations that included the following:

- Research, survey and understand the regional capacity for fundraising: including community demographics and state-wide funding resources;
- Question, measure, qualify, verify, listen to hard answers to hard questions, and weigh judgments expressed by potential key volunteer leaders and potential key contributors are all parts of strategic market testing;
- Conduct (between 120 – 150) interviews with identified community members;
- Assess all the outcomes, interviews and data to determine answers to study questions; and,
- Present written report and findings to the Steering Committee and other entities as appropriate.

To accomplish this, we developed and executed a planning process that included the following steps:

- ✓ Invited over 125 community leaders (from the six counties of the SLV) to participation on a Steering Committee. The names of those who were invited to participate were provided by initial leadership.
- ✓ Invitations clearly identified the role and responsibilities of the members and specifically asked them to:
 - actively participate in Steering Committee meetings (between July 2015 and April 2016);
 - review materials and provide feedback and input into the development of various documents as requested;
 - bring enthusiasm, professional expertise and knowledge to the input provided both in document review and meeting participation;
 - provide recommendations (including names and contact information) for individuals (from counties across the region) for those who should be interviewed for the study, and:
 - assist (when appropriate and possible) in helping locate and/or arrange interview locations.
- ✓ Convened the Steering Committee (over 5-month period) to the develop mission and vision for the concept. This information was used to develop a concept paper and case statement to use in the interview process.
- ✓ Collected names and contact information from Steering Committee members. Specifically, names of leaders and other community members whose input and opinions would provide valuable insights for the study.
- ✓ Contacted over 415 SLV business, community, nonprofit and government leaders through email, telephone calls, and Steering Committee referrals to request an interview for the study.
- ✓ Interviewed approximately 150 business, community, nonprofit and government leaders in person or by telephone or Skype.
- ✓ Developed and distributed an online public opinion survey (through SurveyMonkey) to Steering Committee members, social media, and email communications.
- ✓ Conducted extensive research through the Colorado Nonprofit Association, ColoradoGives, Chronicle of Philanthropy, SLV Development Resources Group, State of Colorado Charitable Solicitations Office, Colorado Association of Funders, Council on Foundations, National Center for Charitable Statistics, Center for Rural Entrepreneurship, National Philanthropic Trust and the US Internal Revenue Service.
- ✓ Analyzed data and research reports to obtain key findings and recommendation for the feasibility study report.

METHODOLOGY

Research Design

We conducted extensive research to better understand community leaders' and public attitudes and behaviors. Smoyer & Associates, VCF leadership and a valley-wide Steering Committee (Appendix B) designed a research strategy to achieve the following goals:

1. Identify the region's real and perceived strengths and weaknesses in fundraising for a future Community Foundation and assess the community's perceptions of the concept.
2. Catalogue who would be effective leaders for managing the Community Foundation, collect names of potential major donors and evaluate who might be allies and who might oppose the project or the campaign.
3. Determine fundraising timing, such as when the fundraising should be launched, including what other major fundraising campaigns are launching that might compete for the same donors.
4. Recommend possible alternatives for raising the funds or completing the project.

The research effort included the following parts:

First, *we developed a concept paper and case statement brochure* from information collected during visioning sessions with the Steering Committee. The purpose was to establish a mission, vision, and basic structure in order to obtain interviewees' perceptions on the concept.

Second, *we conducted valley-wide personal interviews* with approximately 150 business, community, nonprofit and government leaders. We gathered opinions and qualitative data about the public perception of the Community Foundation concept and a possible

fundraising campaign. We exposed attitudes, strengths and weaknesses, names of leaders and donors, competition.

Third, *we conducted a valley-wide, self-guided, online public opinion survey* to obtain a broader range of qualitative data to enhance the interview data collected.

Fourth, *we reviewed existing national, state and regional research reports* to gather quantitative data about charitable giving, transfer of wealth, and other related information.

This report shares key highlights and findings of this feasibility study by exploring SLV leaders' beliefs and behaviors about charitable giving to help build wealth in the SLV; and support those organizations and people who are trying to build capacity in the SLV. Much of the research correlates directly to the goals we established, however, we learned things that we did not anticipate. We begin this report with a discussion about how the Foundation concept is perceived in the eyes of leaders and potential donors; and whether the community understands the importance of the proposed concept including the perceived need and nonprofit sector response to that need. We then analyze the region's real and perceived strengths and weaknesses in fundraising for a Community Foundation, and assess the financial resources, capacity and limitations of fundraising. We then provide data and findings about giving trends from the various existing reports to shed light on the current climate and other factors that impact fundraising success. Finally, we explore organizational structure, infrastructure and leadership and provide recommendations for next steps and how to proceed.

METHODOLOGY

Limitations

The concept paper (Appendix C), case statement brochure (Appendix D), introduction letter (Appendix E), interview question instrument (Appendix F) and the online public opinion survey (Appendix G) were designed by Smoyer & Associates and reviewed by the Steering Committee. The data obtained through these mechanisms provide qualitative data only. We recognize that there are several factors which limit the significance of the data obtained from the interviews and the online public opinion survey, including:

- Leadership did not make conclusive decisions regarding the following aspects of the concept during the planning process: legal structure, administration, guiding principles, high priority community needs, and grant making structure. Therefore, at the time of the interviews and survey, the concept was vague and very broad. Respondents were often unable to provide definitive answers.
- The majority of interviewees and survey respondents were associated with nonprofit organizations.
- There seemed to be a general confusion about the difference between a Community Foundation and nonprofit service providers.
- Many interviewees had their own personal agenda and reasons for wanting support from a Community Foundation.
- Participation was limited. Responses to requests for interviews and to the online public opinion survey were not statistically significant.
- Interview subjects were obtained through network connections with Steering Committee members and do not represent the broader public.
- Not everyone who was interviewed had read the concept paper and case statement brochure prior to the interview.
- The following resources were limited: funding, time and staff.

EXECUTIVE SUMMARY

Summary

San Luis Valley community, business and nonprofit leaders think the concept of a valley-wide Community Foundation is a good one, based primarily on the level of need that exists in the region. However, they have limited understanding about the philanthropic purpose and importance of a community foundation, and are more focused on the beneficiary perspective than on a donor point of view. To proceed successfully will depend greatly on the information and educational campaign that surrounds a more fully formed Community Foundation of the SLV.

Most of the community leaders interviewed perceive that there is little wealth and financial capacity in the valley; and that there are more weaknesses than strengths in fundraising. The vague nature of the organizational structure, infrastructure and leadership of the Community Foundation concept will limit fundraising success. Another strong perception that will limit fundraising success includes the view that this effort will compete with regional nonprofits for funds.

Further research indicates that there are strengths that exists in fundraising, both through Transfer of Wealth (TOW) opportunities and in those prospects who have, thus far, been untapped.

It is critical to the success of the organization and the fundraising that future Community Foundation leadership be built to represent the many diverse cultures, age groups, races, religions, political

affiliations, ethnicities, and professions that are embodied in this region.

There is immense future potential for this organization to be a catalyst for change; to encourage a broad valley-wide perspective and spirit; and, to engage and support nonprofits (and others) in networking, information sharing, collaboration, capacity building, skills development and leadership.

EXECUTIVE SUMMARY

Key Findings

UNDERSTANDING THE COMMUNITY FOUNDATION

- ✚ The concept of a Community Foundation is perceived to be a good one.
- ✚ There is a need for a Community Foundation to serve the San Luis Valley. However, there are large numbers of limiting factors and issues which will make it extremely challenging.
- ✚ Demand for nonprofit services have increased and will continue to increase.
- ✚ The leadership community understands the importance of a Community Foundation more from a nonprofit (or beneficiary) perspective than from a donor or philanthropist point of view.

GIVING AND GENEROSITY IN THE SAN LUIS VALLEY

- ✚ There is a perception that there is little wealth in the valley and that few people give; and those who do give are the “same ten people.”
- ✚ Research shows that there is financial capacity and generous donors in the SLV region. Transfer of Wealth (TOW) is a huge opportunity that thus far has been untapped.
- ✚ Both qualitative research and quantitative data indicates that there is a high level of need for social services in the SLV.
- ✚ There are more perceived weaknesses than there are strengths in fundraising in the SLV. Perceived strengths for fundraising lie in community catalysis, spirit-building and collaboration efforts.
- ✚ The Community Foundation concept is too vague at this stage in the development process. With no clear structure or operational plan in place it is difficult to identify allies/detractors and assess timing around fundraising.
- ✚ There are individuals in the SLV who are interested in supporting this effort (with time, expertise, leadership, etc.) however, mostly in ways other than through a financial contribution.
- ✚ There are multiple organizational structure, operational and leadership uncertainties that currently exist that will need to be addressed before any fundraising can begin.
- ✚ There are currently five (5) existing Community Foundations that serve communities and/or counties in the SLV.

- There are few presently active capital campaigns, however, there are many possible future campaigns in communities throughout the valley that might compete with this effort to fund a Community Foundation.

ORGANIZATIONAL STRUCTURE

- There is a large pool of suggested community members to be approached for leadership roles in the future organization.
- The “right” people need to be included in the organizational leadership of the Community Foundation moving forward. There is a strong sense of the traits that define “right” leaders.
- To be effective, leadership will need to be representational of the entire SLV. That means individuals from a wide variety of cultures, age groups, races, religions, politics, ethnicities, and professions will need to be included.
- County-wide (and possibly community) representation in leadership positions will be imperative to the success of the effort.
- There is very little known about Valley Community Fund among community leaders throughout the SLV, particularly in counties and communities north and west of Alamosa.
- Valley Community Fund is perceived as an Alamosa-centric organization and has not communicated its mission/vision to the wider SLV.

SAN LUIS VALLEY OVERVIEW

DEMOGRAPHICS	Alamosa	Conejos	Costilla	Mineral	Rio Grande	Saguache	Colorado
Population in 2013	16,253	8,256	3,518	721	11,803	6,208	5,268,367
Population in 2010	15,445	8,277	3,524	712	11,982	6,108	5,029,196
Percent Change	5.23%	0.25%	-0.17%	1.26%	-0.17%	1.64%	4.60%
Under 18 Years of Age	24.4%	28.0%	21.0%	6.0%	24.0%	22.8%	23.7%
65 Years or Older	11.8%	16.0%	23.7%	36.8%	16.5%	14.9%	11.4%
Median Age	31.3	38.2	49.5	60.8	41.4	44.6	36.11
Under 18 in Poverty	32.6%	34.5%	38.9%	20.4%	32.2%	47.1%	18.1%
HS Graduation Rate	83.1%	93.0%	92.9%	100%	77.5%	73.2%	76.9%
Median Household Income	\$34,520	\$34,526	\$29,145	\$47,083	\$38,993	\$34,600	\$58,433
Poverty Rate	26.5%	19.4%	22.2%	6.4%	19.2%	24.7%	13.2%

Table 1 (Source: <http://crcamerica.org/rural-philanthropy-days/regional-websites/san-luis-valley/our-communities/>)

The San Luis Valley (SLV) is made up of six counties including: Alamosa, Conejos, Costilla, Mineral, Rio Grande and Saguache (Table 1). A significant portion of the residents of the SLV are Hispanic with historic populations in Costilla and Conejos counties which were settled by early migrants from New Mexico. There are small Amish and Mennonite communities

which were recently established. The table above provides other demographic data about the region. The SLV is a very diverse region both in its landscape and its communities. Local preference and values vary from one community to the next.

The SLV is an extensive high-altitude depositional basin in Colorado with a small portion overlapping into New Mexico covering approximately 8,000 square miles (21,000 km²) and sitting at an average elevation of 7,664 feet (2,336 m) above sea level. The SLV is approximately 122 miles (196 km) long and 74 miles (119 km) wide.

About 50% of the 2,000,000 acres in the SLV is privately owned. 500,000 acres on the borders of the valley (generally adjacent to National Forest Lands) are managed by the Bureau of Land Management, BLM, a division of the United States Department of the Interior. This land is usually leased to neighboring ranches for grazing.

Agriculture in the SLV is generally concentrated around the towns of Monte Vista and Center. Principal crops include potatoes, head lettuce and barley. The barley grown here is the main supplier for Coors beer company. In 1982, quinoa was successfully grown for the first time outside of South America in the SLV, and commercial growth has occurred since 1987.



The SLV has been described as traditional, historic, multi-cultural, culturally rich and with a strong heritage. Despite geographic isolation, the region is proudly home to a wide array of cultural entities including the Creede Repertory Theater, Crestone Music Festival, Fort Garland Museum, and the Stations of the Cross Shrine, among many others. Communities host a variety of events showcasing the

rich history of the SLV: Covered Wagon Days in Del Norte, A Taste of Creede in Creede, or Pioneer Day in Manassa. Many ranching and agricultural families have been part of the community for four to five generations; these families are the holders of regional history. Costilla County was the first area of the state of Colorado to be settled through land grants to extend regulation into uninhabited Mexico and has recorded history dating back to the year 1540. Both Costilla and Conejos counties were among the original 17 counties of the State of Colorado. The towns of La Jara, Manassa and Sanford were also settled by Mormon Pioneers in the 1800's. Similarly, the San Luis Valley has a wealth of cultural heritage. Conejos, Costilla, and Saguache counties each have diverse religious and cultural roots. Conejos County is home to the oldest church in Colorado—our Lady of Guadalupe Parish. The Baca Grande near Crestone is a spiritual center with a Hindu temple, a Zen center, a Carmelite monastery, and various Tibetan Buddhist centers. The Town of San Luis recently completed the first phase of a Cultural Heritage Center, and is another example of the deeply rooted value of history and tradition in the Valley.ⁱ

Predominantly agricultural in nature, the area is also one of the poorest rural areas of Colorado. Tourism has become a more important part of the economy in recent years, coupled with attempts to establish the area as a retirement community. Adams State University, a four-year state college at Alamosa, with approximately 2,500 resident students, is the major educational institution in the Valley. It is supplemented by a campus of Trinidad State Junior College in Alamosa. San Luis Valley Regional Medical Center, a full service Acute-Care hospital and specialty physician clinic is the largest employer in the Valley with over 600 employees. The arts are becoming an increasing force in developing the economy of the San Luis Valley.ⁱⁱ

UNDERSTANDING THE COMMUNITY FOUNDATION

Perception

One-hundred fifty (150) community leaders from the business, nonprofit and government sectors were interviewed in-person (54%), on the telephone (41%) or Skype (5%) between February and March 2016. The number of interviews conducted in each county was determined by two factors; study resources and population. Time and financial resources limited the total amount of interviews to between 120 and 150. Therefore, the number of interviews in each county was determined based on population in each county (Table 2 and Figure 1). The largest percentage of those interviewed (23%) have lived in the valley 36 or more years (Figure 2).

The 80 (54%) in-person interviews were conducted in the following counties and communities: Saguache County in Crestone and Saguache (February 2), Rio Grande County in Creede, South Fork and Del Norte (February 8) and Monte Vista (February 22), Conejos County in Antonito (March 3), Alamosa County in City of Alamosa (March 4 and 16), and Costilla County in San Luis (March 17). Interviewees received a copy of the concept paper and case statement brochure prior to the interview. They were asked to read these documents to provide context for the interview questions and to ascertain their perception of the proposed Community Foundation concept in general.

County	Population	# Interviewed	% of Population	% of Total Interviews
Alamosa	16,253	44	0.27%	29.33%
Conejos	8,256	22	0.27%	14.67%
Costilla	3,518	9	0.26%	6.00%
Mineral	721	6	0.83%	4.00%
Rio Grande	11,803	37	0.31%	24.67%
Saguache	6,208	32	0.52%	21.33%
TOTAL	46,759	150	0.32%	100.00%

Table 2

**Percentage of Interviews Conducted
In Each County
Out of 150 Total Interviews**

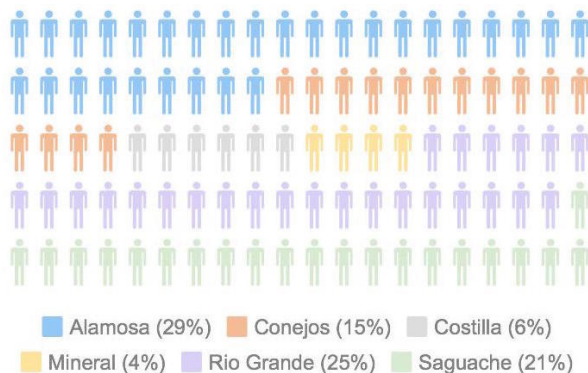


Figure 1

**Percentage of Interviewees
Have Lived in the SLV by Year Ranges**

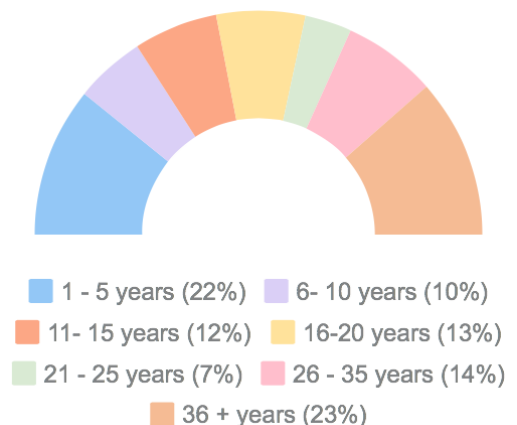


Figure 2

On a scale from 1 to 10 (with 10 as the most), how familiar are you with Community Foundations (in general) and what they do?

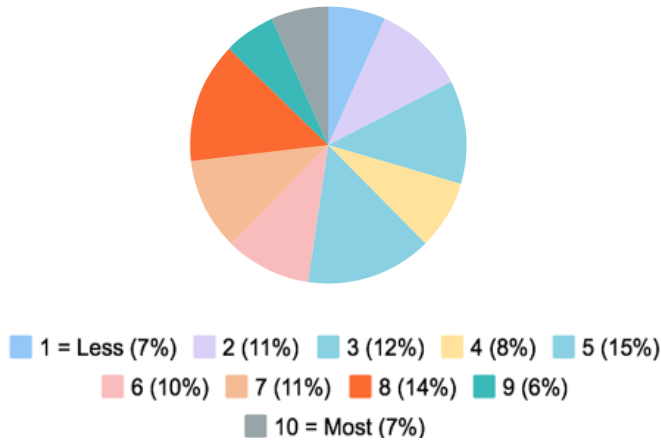


Figure 3

The interviewees' responses to the two questions outlined above (Figure 3 & 4) indicated that there was a moderate level of understanding of Community Foundations and their purpose, and support for this particular effort. Fifty-three percent (53%) of interviewees responded that they have low to moderate familiarity with Community Foundation in general. Forty-eight percent (48%) of interviewees responded that they have moderate to high familiarity with Community Foundations. Interview discussion also revealed a lack of understanding of the difference between a Community Foundation and nonprofit service providers. It became clearer as the interviews progressed that there was still a large amount of misunderstanding, even with some of those who rated themselves highly on the question.

Thirty-five percent (35%) of interviewees responded "I don't know" or "maybe, depends" when asked if they would support a Community Foundation effort. When asked to further clarify why they chose this answer, interviewees' verbal explanations indicated a strong impression that the concept was vague or too broad in scope. They expressed a concern that there was not enough specific information about how the Community Foundation would function operationally

and who would be involved in the leadership positions.

Do you see yourself supporting this effort?

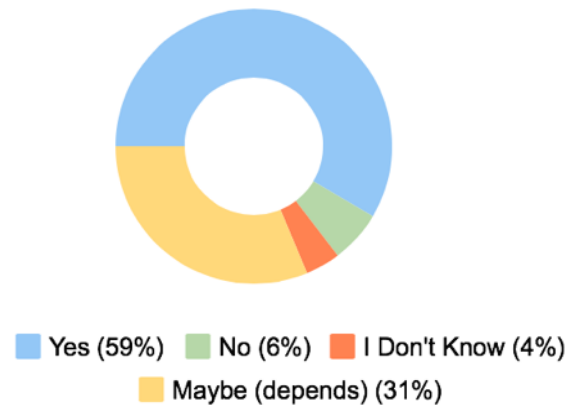


Figure 4

For the fifty-nine percent (59%) of those who did respond "yes" when asked to support the effort, there was a clear sense that the economic conditions and community needs of this rural region were driving factors. Other perceived opportunities surrounding the concept of a Community Foundation that were mentioned included the following:

- A central hub to donate funds is a good idea.
- To assist smaller (and more rural and remote) nonprofits with capacity building and other support.
- A force for equity across the valley.
- A catalyst for developing a valley-wide support network and information-sharing resource.
- A way to "brand" the valley and bring a SLV approach to fundraising and philanthropy.

Do you think there is a NEED for a Community Foundation to serve the San Luis Valley?

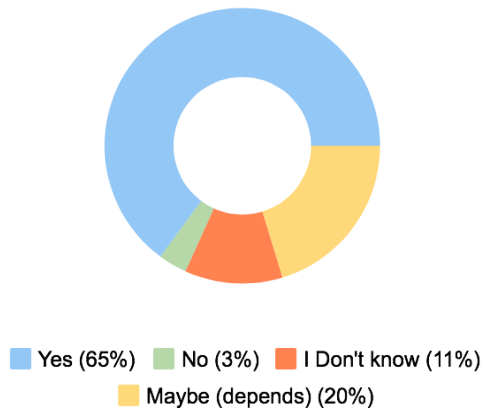


Figure 5

When asked if they think there is a need for a Community Foundation to serve the SLV, a combined thirty-one percent (31%) indicated that they were uncertain by stating either “I don’t know” or “maybe, depends” (Figure 5). When asked to expand on why they chose “I don’t know” or “maybe, depends,” the following perceptions were mentioned again and again by interviewees:

- Perception that a Community Foundation would compete with other valley-wide nonprofits who are seeking funding from the same donors. Could cause increased level of donor fatigue valley-wide.
- Perception that there are already enough Community Foundations serving the valley and this could be redundant.
- Perception that donors want to give directly to their personal and specific causes and not to a broader Community Foundation.
- Perception that a Community Foundation would use too much of the income for overhead, administration and/or staff purposes.
- Perception that people in the SLV do not follow-through on projects/actions.
- Perception that valley residents don’t know how to give.
- Perception that there is a high level of generational poverty and a “victim” mentality that is pervasive throughout the valley.
- Perception that there is a lack of resources in the valley.
- Perception that communities are parochial and insular, and want funds to remain in their particular community; there is no valley-wide perspective.
- Perception that the valley is too diverse and residents are divided by geography, race, religion, economics, and culture.

Further research into the facts that surround *need* in the valley exposed some notable difference between perception and fact. Colorado Nonprofit Association’s, *Understanding Giving*, reports that “nearly all Coloradans also believe that charitable organizations are a critical component of their communities. Ninety-six percent agreed that ‘charitable organizations play a major role in making our communities better places to live.’ In fact, more than three-quarters of Coloradans agreed that ‘the need for charitable organizations is greater now than five years ago’ (53 percent strongly agree; 28 percent somewhat agree), and that ‘charitable organizations play an important role in speaking out on important issues’ (42 percent strongly agree; 46 percent somewhat agree).”ⁱⁱⁱ

UNDERSTANDING THE COMMUNITY FOUNDATION

Importance

When asked if they think there is a need for a Community Foundation to serve the SLV, a majority (65%) of interviewees answered “yes” (Figure 5). The reasons mentioned most when asked to explain their answers were the following:

- Three of the six counties that make up the SLV are the poorest in the state, therefore, many SLV residents are in need of social services and assistance.
- The SLV is rural and there are vast geographic distances between communities; a Community Foundation could provide a way for the valley to become more cohesive and build a valley-wide perspective and sector.
- The nonprofit sector does not currently have a centralized organization focused on networking, information sharing and collaboration between and among the nonprofit sector.

There was a distinct lack of responses provided from a donor or philanthropist perspective. Some of the interviewees who did list donor-related reasons for the *need* for a Community Foundation had a higher level of familiarity with Community Foundations. This could also be the case since there was a high level of interviewees from the nonprofit sector hence the focus on the advantages for that sector were more prominent. Some of the main reasons provided by those who had a greater understanding of the Community Foundation role were as follows:

- Donor created funds.
- Financial benefits – streamlined process for record keeping, reporting to the IRS, accounting and investment management.
- Donors can establish a variety of funds, depending on their financial and charitable goals.

- Donors can create an individual or family legacy.
- The foundation can accept a variety of assets and facilitate complicated giving strategies; and can pool assets of individual funds, giving them an economy of scale to hire investment managers.

Interestingly, very few interviewees provided any of the following reasons why the concept of a community foundation might be important.

According to The National Marketing Action Team (NMAT), a joint effort of the Community Foundation Leadership Team of the Council of Foundation and Community Foundation of America, “the key values of community foundations lie in their personalized service, community leadership and local expertise. NMAT’s research suggests that community foundations:

- serve as community catalysts, convening diverse voices and groups to work on solutions to local issues.
- build endowments to ensure that grants are always available to support the community.
- foster greater giving and volunteering in our community.
- are governed by leaders with strong ties to their communities.
- closely monitor community issues, opportunities, and resources.
- have knowledge of the community that enables us to make a difference by funding high impact initiatives addressing a broad range of local needs.
- have expertise that helps donors learn more about local issues in order to make their giving as effective as possible.”^{iv}

FEASIBILITY STUDY: COMMUNITY FOUNDATION OF THE SAN LUIS VALLEY

County	# of Public Charities Count	# Filing Form 990 or 990N	Total Revenue	Total Assets
Alamosa	112	90	\$131,000,000	\$150,000,000
Conejos	41	34	\$1,700,000	\$3,800,000
Costilla	26	19	\$770,000	\$5,400,000
Mineral	17	15	\$1,500,000	\$5,100,000
Rio Grande	127	100	\$62,200,000	\$156,000,000
Saguache	65	47	\$6,300,000	\$26,300,000
SLV TOTAL	388	305	\$203,470,000	\$346,600,000
Colorado	28,186	21,188	\$30,200,000,000	\$66,100,000,000

Source: Internal Revenue Service, Exempt Organizations Business Master File (May 2015), accessed through the National Center for Charitable Statistics, <http://nccsdataweb.urban.org> Table 3

Table 3 provides data about the actual number of public charities (by county) in the entire SLV, there total revenue and assets. According to IRS records, as of May 2015, there were a total of 388 nonprofits in the valley.

Has demand for your nonprofit's programs/services:

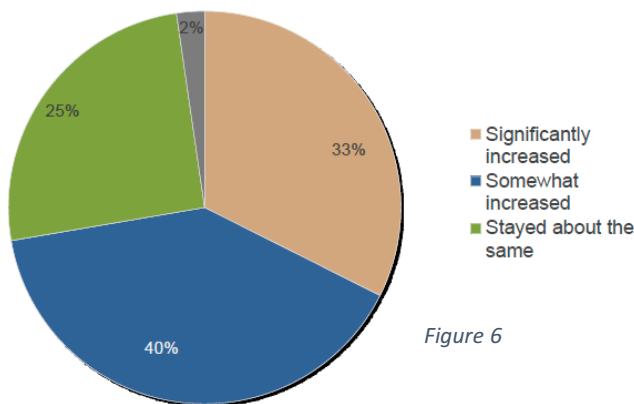


Figure 6

There were several state-wide reports that provide additional evidence for the need for a Community Foundation. One such report, the Colorado Nonprofit Association's 2015 Year in Review report, suggests that a combined 73% (Figure 6) of Colorado nonprofits self-reported a significant to somewhat increased demand for services and programs.

Additional data provides a sense of how nonprofits intend to meet the increased demand with over 20% (Figure 7) falling short of their revenue goals. It is clear that nonprofits must find additional ways to increase revenues as demand for programs and services increase.

In April 2015, the Community Resource Center (CRC) and the San Luis Valley Rural Philanthropy Days Steering Committee conducted a *Listening Tour* throughout the SLV. A delegation of executive staff from statewide grant-making foundations visited all six counties within the region, hosting meetings in the communities of San Luis, La Jara, Alamosa, Del Norte, Creede, and Crestone. In open discussions, community leaders described the region's character, existing needs, and efforts currently underway to address those needs. Representatives working in the arts and culture, business and economic development, education, agriculture and environment, government, health care, human services, and housing sectors participated.

In terms of revenue for 2015, do you expect your organization to...?

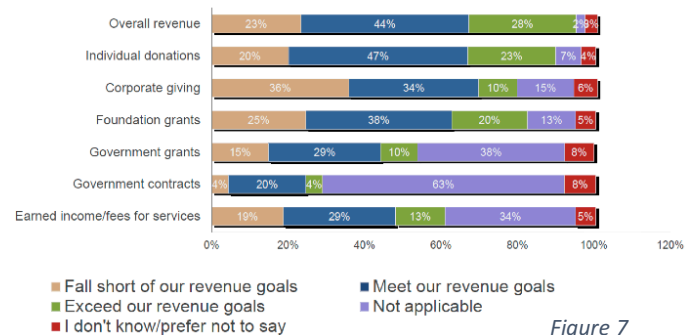


Figure 7

According to the Listening Tour report, "while there are clear differences among communities in the region, there are also many similarities. A number of participants used the same terms to describe the character of the region and its inhabitants: culturally wealthy, supportive, committed, collaborative, resourceful, diverse, resilient and proud. At each stop on the tour, participants spoke of seven common regional needs: substance abuse and behavioral health services, sustainable economies, youth development and engagement, aging populations, veterans' services, transportation, and **strengthening nonprofit capacity to meet regional needs.**"^{iv} This is concurrent with interviewee responses and the facts that surround the need for capacity building and other types of support services for nonprofits.

UNDERSTANDING THE COMMUNITY FOUNDATION

Key Findings

- ✚ The concept of a Community Foundation is perceived to be a good one.
- ✚ There is a need for a Community Foundation to serve the San Luis Valley. However, there are large numbers of limiting factors and issues which will make it extremely challenging.
- ✚ Demand for nonprofit services have increased and will continue to increase.
- ✚ The leadership community understands the importance of a Community Foundation more from a nonprofit (or beneficiary) perspective than from a donor or philanthropic point of view.

Recommendations

We believe that in order for a Community Foundation to succeed and be able to obtain funding, the future leadership will need to, from the very start, address the following **limiting factors**:

- **Vague Concept** - need to further develop the specific details about how the foundation will function operationally, who it will benefit and be served by it, and how it will do so.
- **No Defined Leadership** - must bring the “right” leaders to the table and have clearly defined roles and responsibilities.
- **Alamosa-centric** – will need to have a broad and inclusive approach to bring all sectors of the valley together through representation in leadership, benefactors, beneficiaries and communications in order to build trust.
- **Lack of Understanding** – must educate the public and share donor perspective widely and communicate clearly the vision, mission and goals of the Foundation. Communication and getting the message out widely will be a key factor for success.
- **Perceived Competition with Nonprofits** – address the concerns about the Foundation competing for fundraising with other nonprofits in the valley.
- **Negative Attitudes** (Parochial & Victim Mentality) – need to change attitudes and build a valley-wide “brand” that encourages a wider SLV perspective, support network and economics.

GENEROSITY AND GIVING IN THE SAN LUIS VALLEY

Strengths and Weaknesses in Fundraising

Community or County	Gives \$			Gives Time			Understands Fundraising		
	High (Everyone)	Moderate (Some)	Low (Few)	High (Everyone)	Moderate (Some)	Low (Few)	High (Everyone)	Moderate (Some)	Low (Few)
Alamosa	0	13	17	4	12	14	1	7	22
Alamosa County	0	7	7	0	7	7	0	3	11
Antonito	4	2	2	0	1	7	0	4	4
Center	0	1	0	0	0	1	0	1	0
Conejos County	0	4	8	1	4	8	0	6	7
Costilla County	1	0	5	1	1	3	1	0	5
Creede	0	2	3	1	0	4	0	0	4
Crestone	1	6	10	4	5	8	3	5	9
Del Norte	1	2	8	1	0	10	0	4	7
La Jara	0	0	0	0	0	0	0	0	0
Mineral County	0	1	1	0	1	1	1	1	0
Moffat	0	0	0	0	0	0	0	0	0
Monte Vista	0	1	6	1	2	4	0	2	5
Rio Grande County	0	5	5	0	2	8	1	3	6
Saguache	0	1	3	1	2	1	0	0	4
Sagua County	0	0	6	0	3	4	0	4	3
San Luis	1	0	3	1	0	3	0	0	4
South Fork	1	4	4	1	2	6	3	3	3
Villa Grove	0	0	2	0	1	1	1	1	0
TOTALS	9	49	90	16	43	90	11	44	94

Table 4

The qualitative interview data was reviewed to determine the region's perceived strengths and weaknesses in fundraising. Additionally, several quantitative research reports (from state, national and regional sources) were compiled to access the SLV's real strengths and weaknesses in fundraising for a future Community Foundation

When interviewees were asked to describe the philanthropic spirit of their community, most responded that they believed that few give money, few give time and few understand fundraising (Table 4). The perception was that this was due to residents having little, limited or no resources to give; and that money is spent on necessities and time is reserved for work and family. The facts tell a different story.

In 2012, individual SLV residents donated almost \$13,135,000 to charities either through bequests after death, or while alive.^{vi} (This figure represents itemized deductions only and does not include donations made that are unclaimed on IRS forms.) Almost 28% of

Colorado residents and 5.6% of SLV residents – at every income level – reported making contributions on their federal income tax returns, using the itemizer schedule to claim their deductions.^{vii} Of the 64 counties in the state of Colorado, Conejos is ranked second highest and Saguache is ranked sixth highest in giving ratios (total contributions divided by total adjusted gross income) in the state.^{viii} The other counties were ranked as follows: Alamosa (16th),

Giving Ratio By Rank in State

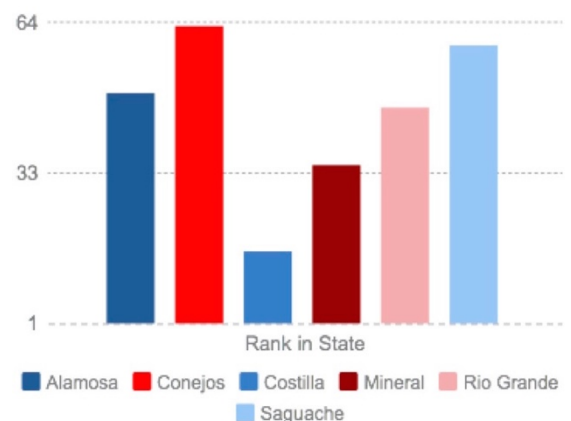


Figure 8

Costilla (49th), Mineral (31st), Rio Grande (19th) (Figure 8).^{ix}

Additionally, when asked what would compel the community (and themselves) to support a campaign to fund a Community Foundation, interviewees listed several factors.

What would compel this community to support a campaign to fund a Community Foundation?

Answered: 129 Skipped: 21

Answer Choices	Responses	
need	51.94%	67
community catalysts	27.91%	36
issue-oriented	24.81%	32
central management	20.93%	27
streamline process	18.60%	24
community spirit	17.05%	22
collaboration	16.28%	21
other resources (than \$)	12.40%	16
sustained support	8.53%	11
giving/endowment	8.53%	11
wealth building	8.53%	11
community knowledge	6.98%	9
financial benefits are numerous	6.20%	8
create a legacy	5.43%	7
donor created funds	3.10%	4
local leadership	2.33%	3
be involved in the process	1.55%	2
monitoring	1.55%	2
control asset allocation	0.00%	0
Total Respondents: 129		

Table 5

The interview data suggested that the following were perceived as the main strengths or opportunities in fundraising (Table 5):

- Economic conditions and need for social services will compel support for fundraising.
- Valley-wide fundraising could catalyze the SLV and build community spirit.
- Providing a streamline process for nonprofits seeking sustained funding.
- As an instrument for valley-wide collaboration.

Follow-up discussion with interviewees provided additional insights about fundraising opportunities including the following:

- There are qualified leaders in the valley to support this effort.
- This effort could be an economic driver for the valley by keeping wealth in the SLV.

What challenges to the success of the campaign do you think might exist?

Answered: 112 Skipped: 38

Answer Choices	Responses	
There is not enough \$ capacity in the Valley	36.61%	41
Who decides who gets \$	35.71%	40
Too vague a concept	25.89%	29
People just don't give \$	20.54%	23
Competition for funds - with other NPOs	16.96%	19
Too many other campaigns going on at the same time	10.71%	12
Too much \$ for Admin	9.82%	11
Too may other Foundations in the Valley asking for \$	8.04%	9
Relevance	7.14%	8
Continuity and sustainability	6.25%	7
Not enough interest in Community Foundation model	3.57%	4
Perception of need non existent	3.57%	4
Total Respondents: 112		

Table 6

The interview data suggested that the following main factors were perceived as the challenges or weaknesses in fundraising (Table 6):

- There is not enough capacity in the valley to fund a four-million-dollar campaign.
- Unclear about who decides how the funds are distributed.
- The concept is too vague.
- People just don't give money.

Follow-up discussion with interviewees provided additional insights about fundraising challenges including the following:

- The “right” people need to be involved in the fundraising process.

- Start small and develop a proven track record and success before proceeding to larger fundraising efforts.
- There is a general lack of trust in the charitable giving sector (e.g. mismanagement of funds).
- Rural, remote and vast geographic distance has made residents resistant to change.

When asked, “Do you see yourself supporting this effort? (Figure 4)” 59% responded “yes” and 31% said “maybe (depends).” When further asked to describe in what ways they would support the effort interviewees provided the following responses (Figure 9):

In what ways would you support this effort?

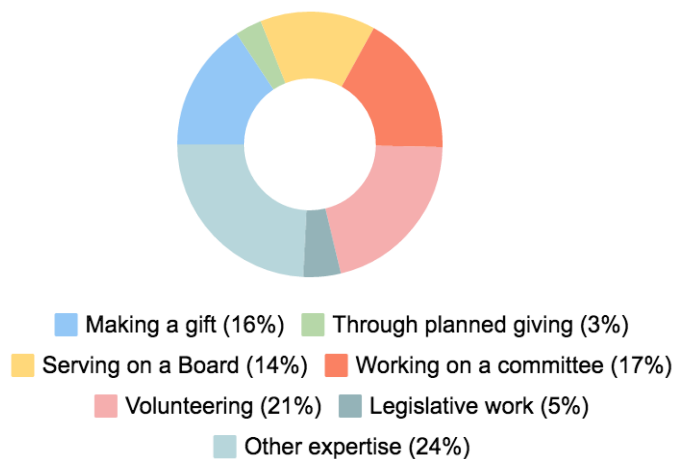


Figure 9

A combined 19% of the interview respondents would make a gift outright or through planning giving. A much larger 81% (combined) were interested in participating in the following ways: serving on a board (14%), working on a committee (17%), volunteering (21%) or providing some other form of assistance including the following:

- Legislative assistance (5%)
- Outreach and educating the public,
- Fundraising events and making asks,

- Professional or personal expertise such as legal, accounting, public relations or other services.

When interviewees were asked to supply the names of the people who would be capable of considering a major gift or financial donation, **211 names were provided** (Appendix I). Interviewees gave the names of donors from their own communities as well as other counties and communities across the valley.

Additionally, several interviewees suggested that donors from the following broader categories be approached:

- local government leaders and supervisors,
- local educational institutions (colleges, universities, schools),
- hospitals and health care providers,
- agriculture (potato farms),
- ranching (various ranches),
- local, state and federal foundations,
- regional banks and financial institutions,
- religious groups and spiritual centers,
- businesses owners and corporation executives,
- regional energy and utility companies, and
- seasonal and second home owners.

This level of interest indicates that there are dedicated individuals who are willing to deliver some (limited) financial support, and are able to provide other types of fundraising assistance for a Community Foundation campaign. However, due to the fact that so many names were repeated it is clear that these donors are not untapped.

What none of the interviewees addressed, but what subsequent research has uncovered, is that there are some very real strengths and opportunities that have not been fully initiated that could make all the difference in a successful Community Foundation fundraising campaign. One such example lies in the the valley’s Transfer of Wealth (TOW) capacity. According to a draft study titled, *Transfer of Wealth*

(TOW) in *San Luis Valley*, prepared by the RUPRI Center for the SLV Development Resource Group, “over the next 10 years, the TOW opportunity for the SLV is estimated at around \$0.45 billion. If just five percent of this TOW opportunity could be captured into community endowments, over \$22.5 million in endowments could be created. Assuming a conservative 5% annual payout rate, nearly \$1.13 million would be available annually for community betterment investments.”^x (Table 7)

“Most recently, Transfer of Wealth (TOW) research is being used in support of more sophisticated donor

engagement strategy. Through donor segmentation, new generation TOW research is helping foundations and communities better identify and understand where giveback potential might be the highest. Understanding where wealth is concentrated within a geography is as important as understanding the characteristics and preferences of those households with wealth. By understanding these factors, community foundations or nonprofit organizations can develop an effective campaign through which more donors are engaged within the communities.”^{xi}

	CNW		50-Year TOW		10-Year TOW		5% Capture	5% Payout
County	(Billions)	PHH	(Billions)	PHH	(Billions)	PHH	(Millions)	(Millions)
Alamosa	\$0.64	\$150,000	\$1.08	\$255,000	\$0.12	\$27,000	\$5.77	\$0.29
Conejos	\$0.23	\$110,000	\$0.33	\$160,000	\$0.05	\$23,000	\$2.37	\$0.12
Costilla	\$0.11	\$117,000	\$0.16	\$167,000	\$0.02	\$24,000	\$1.14	\$0.06
Mineral	\$0.18	\$441,000	\$0.28	\$676,000	\$0.04	\$92,000	\$1.91	\$0.10
Rio Grande	\$0.91	\$250,000	\$1.42	\$389,000	\$0.18	\$49,000	\$8.87	\$0.44
Saguache	\$0.28	\$135,000	\$0.46	\$222,000	\$0.05	\$24,000	\$2.51	\$0.13
San Luis Valley	\$2.35	\$175,000	\$3.72	\$278,000	\$0.45	\$34,000	\$22.57	\$1.13

Note: CNW represents current net worth, TOW represents transfer of wealth and PHH represents per household.

Table 7

GENEROSITY AND GIVING IN THE SAN LUIS VALLEY

Capacity and Attainability

Do you believe the financial goal of the campaign to be attainable?



■ Yes (50%) ■ No (18%) ■ I Don't Know (32%)

Figure 10

Fifty percent (50%) of the interviewees responded “yes,” 18% responded “no,” and 32% responded, “I don’t know, when asked if they believed that a four-million-dollar campaign goal is attainable (Figure 10). Those answering “yes” and “I don’t know” provided the following insights:

- There are some wealthy individuals, corporation and business owners in the valley.

- There are multigenerational families with wealth who live in the valley.
- The SLV is a large area with six different counties; spreading fundraising out across the entire valley will provide for a wide range of donors.
- There are many second home-owners and seasonal visitors who could be a potential source of funds.
- Going outside the valley to establish donors could also be a potential revenue source.

- Goal is attainable provided the “right” leadership, mission and process are in place.

Combining data from the Internal Revenue Service, the census, and other sources, the Chronicle of Philanthropy database (*How American Gives*)^{xiii} provides insights into the relationships between giving and various demographic and geographical statistics including the counties in the SLV as outlined in the following infographic (Figure 11).

CHARITABLE DEDUCTION IN THE SAN LUIS VALLEY

Individual San Luis Valley (SLV) residents donated almost \$13,135,000 to charities in 2012 either through bequests after death, or while alive. These SLV contributions are about .39% of the \$3.4 billion Coloradans gave to charitable causes.

Almost 28% of Colorado residents and 5.6% of SLV residents - at every income level - reported making contributions on their federal tax returns, using the itemizer schedule to claim their deductions.



OF THE **46,449**
RESIDENTS OF THE SLV
2,610 REPORTED
DONATIONS IN 2012



Had income of
\$50K - \$200K
Gave \$8,490,000
Average gift: \$4,986



Had income less
than \$50K
Gave \$2,153,000
Average gift: \$2,099



Had income more
than \$200K
Gave \$2,492,000
Average gift: \$6,814

NUMBER OF RESIDENTS GIVING CHARITABLE CONTRIBUTIONS BY INCOME LEVEL

Figure 11

There are several critical factors that also impact capacity and attainability including much of the data outlined in the Colorado Nonprofit Association's report titled, *Understanding Giving: Beliefs and Behaviors of Colorado's Donors* (2014). According to the report, "charitable giving often begins with a generous spirit or philosophy that charitable giving is a good thing to do. Most Coloradans (92 percent) think of themselves as someone who supports charitable causes, with 55 percent strongly agreeing. Women were more likely to believe strongly they were a charitable person than men (64 percent versus 46 percent, respectively), as were people who donated larger amounts over the past 12 months. However, individuals with lower household incomes were less likely to believe this strongly (42 percent), as were younger individuals. Most Coloradans (75 percent) also feel they have a responsibility to support charitable causes. This is especially true for older respondents, respondents with household incomes over \$100,000, and respondents who have donated more than \$1,000 in the past 12 months." (Figure 12)



Figure 12

The report goes on to say that, "religious beliefs appear to motivate charitable giving. Those who report that giving is a part of their religious beliefs tend to donate more, even beyond their religious giving (tithing). Giving to religious causes does not necessarily compete with charitable giving, but runs parallel, and perhaps even enhances additional charitable giving. Overall, respondents were almost evenly split on whether giving to charity was part of their religious beliefs. Republicans were more likely to believe strongly that giving was a part of their religious beliefs (49 percent) than both Democrats (35 percent) and Independents/ Other (26 percent) as were people who donated more than \$1,000 over the

past 12 months. Millennials were the least likely to report that giving was a part of their religious beliefs."^{xiii}

The detailed analysis of Colorado donors presented in the Colorado Nonprofit Association report combined with the potential capacity surrounding the Transfer of Wealth (TOW) data, provides substantial evidence that both capacity and attainability are realistic goals.

Additionally, interviewees were asked if they knew of any other presently active or planned fundraising campaigns that might compete with a campaign to fund a Community Foundation. A large number of respondents listed general fundraising efforts of nonprofits throughout the valley. Another indicator that many of the interviewees were unclear as to the difference between general fundraising and a larger capital or seed campaign. There were some who were able to provide details about other major fundraising campaigns including the following:

- Healthy Living Park (Alamosa, Alamosa County) – Capital Campaign (\$8 million) between 2017 – 2019
- La Puente – Endowment (Alamosa, Alamosa County) - Ongoing
- Society Hall (Alamosa, Alamosa County) – Building Acquisition & Renovation Project - Ongoing
- Our Lady of Guadalupe Parish (Antonito, Conejos County) – Labyrinth Capital Campaign (\$1.2 million) and Endowment (\$800K) - On-going
- Creede Repertory Theater (Creede, Mineral County) – Endowment Campaign (\$2 million) 2015 - Ongoing
- Creede Mining & Heritage Inc. (Creede, Mineral County) – Sunnyside Chapel Renovation Project Capital Campaign (\$500K) – Ongoing
- Kids Connection (Monte Vista, Rio Grande County) – Future Building Renovation Project

- Rio Grande Hospital (Del Norte, Rio Grande County) – Possible Future Capital Expansion Project
- Rio Grande Child Development and Family Services (Del Norte Head Start, Rio Grande County) – Capital Building Project (\$3.5 million) - 2017
- Northern Saguache County Library District (Crestone, Saguache County) – Possible Future Capital Building Project (\$2.5 million)
- Living Wisdom Village (Crestone, Saguache County) - Possible Future Capital Building Project
- Masonic Building Acquisition and Renovation Project (Saguache, Saguache County) – Possible Future Capital Building Project
- SCSEED – Saguache Historic Hotel Acquisition and Renovation Project (Saguache, Saguache County) – Possible Future Capital Building Project

There are both Private Foundations and Community Foundations that currently serve communities and counties in the SLV. Family Foundations are not included in this report. Currently the following other regional Foundations exist in the SLV:

- Adams State University Foundation (Alamosa County, established 06/28/1973) – Total Assets = \$17,923,524 (06/30/2015)
- San Luis Valley Health Foundation (Alamosa County) – Total Net Assets = \$197,363 (2013 IRS)
- Rio Grande Hospital Foundation (Rio Grande County) – Total Net Assets = \$144,336 (2013 IRS)
- Creede Community Foundation (Mineral County, established 08/09/2013) – Total Assets = \$29,166 (12/31/2015)
- Greater South Fork Community Foundation (Rio Grande County, established 01/16/1996) – Total Assets = \$57,110,648 (12/31/2014)
- Monte Vista Community Fund (Rio Grande County, established 09/30/2009) – Total Assets = \$173,654 (12/31/2014)

- Southern Colorado Community Foundation (Pueblo County serves all 6 SLV counties plus others, established 01/29/1998) – Total Assets = \$13,708,601 (12/31/2015)

It is difficult to determine community allies and those who might oppose this effort because the concept is too vague at this point in time. Many of those interviewed might be considered allies however, there were a substantial number of interviewees saying “I don’t know” and “maybe (depends)” to several of the questions that there is enough uncertainty to warrant re-examination at a later time. In discussions with interviewees it became clear that some could go either way depending on the details that will only surface later in the development process. Details about who will be leading the effort, how the Foundation will fundraise and distribute funds, and other organizational factors will end up pushing the undecided one way or the other.

There are several action steps in the development of a Community Foundation that will impact the timing of a future fundraising campaign including the following:

- Obtain initial administrative fundraising (staff) – 6 months to a year.
- Develop Board of Directors & leadership structure – 1 year
- Define scope of work (define mission, vision, and goals) – 1 year
- Determine legal status – 1 year
- Develop an accounting and financial management plan – 1 year
- Develop a fundraising plan – 1 year

Some of these action items can be worked on simultaneously to help speed the process. However, to fully develop an inclusive, representational Board of Directors and leadership structure, which will need to happen before any fundraising can take place, it may take up to 2 years before a fundraising campaign could commence.

GENEROSITY AND GIVING IN THE SAN LUIS VALLEY

Key Findings

- ✚ There is a perception that there is little wealth in the valley and that few people give; and those who do give are the “same ten people.”
- ✚ Research shows that there is financial capacity and generous donors in the SLV region. Transfer of Wealth (TOW) is a huge opportunity that thus far has been untapped.
- ✚ Both qualitative research and quantitative data indicates that there is a high level of need for social services in the SLV.
- ✚ There are more perceived weaknesses than there are strengths in fundraising in the SLV. Perceived strengths for fundraising lie in community catalysis, spirit-building and collaboration efforts.
- ✚ The Community Foundation concept is too vague at this stage in the development process. With no clear structure or operational plan in place it is difficult to identify allies/detractors and assess timing around fundraising.
- ✚ There are individuals in the SLV who are interested in supporting this effort (with time, expertise, leadership, etc.) however, mostly in ways other than through a financial contribution.
- ✚ There are multiple organizational structure, operational and leadership uncertainties that currently exist that will need to be addressed before any fundraising can begin.
- ✚ There are currently five (5) existing Community Foundations that serve communities and/or counties in the SLV.
- ✚ There are currently few capital campaigns presently active, however, there are many possible future campaigns in communities throughout the valley that might compete with this effort to fund a Community Foundation.

Recommendations

After listening to 150 interviewees and factoring in extensive research, we believe that this effort will have greater support from the region if the focus is on acting as a resource center for nonprofits (and others) rather than a wealth manager. To this end, we suggest the following:

- Partner with existing Community Foundations for wealth building and management activities. Become a subsidiary of the Southern Colorado Community Foundation and provide support to them for wealth building in the valley.
- Develop a consortium of NPOs, Foundations, and community leaders who are interested in pursuing a Call to Action around the Transfer of Wealth (TOW) opportunity.
- Develop a plan to approach those untapped populations (ag/farming companies, multigenerational families, second-home owners, seasonal or part-time residents, etc.) and those others who have not been asked.
- Focus on becoming a resource center and clearinghouse for nonprofit by coordinating information sharing, networking, collaboration, referral, training and capacity building services. Brand the organization as a valley-wide community catalyst and strive to eliminate the parochial and poverty mentalities that pervade this culture.
- Reach out to those individuals who have offered support and have a wealth of knowledge and experience to help move this process forward.
- Include and involve nonprofits from the beginning of the process to garner support.

ORGANIZATIONAL STRUCTURE

Leadership

When interviewees were asked to supply the names of the people who they thought would be ideal leaders for this effort, **390 names were provided** (Appendix J). Interviewees gave the names of leaders from their own communities as well as other counties and communities across the valley. Twenty-four (24) individual names were mentioned five or more times throughout the interview process. Additionally, several interviewees suggested that leaders from the following broader categories be included:

- local educational institutions (colleges, universities, schools),
- agriculture, ranching and farming community,
- local foods and healthy living community,
- banks and financial institutions,
- health care facilities and providers,
- religious groups and spiritual centers,
- nonprofit leaders, and
- young people.

A predominately large number of interviewees used the term “right” people when asked who would make ideal leaders for this endeavor. When probed further to explain and qualify the term “right” the following traits or characteristics were listed:

- trust-worthy
- transparent
- action-oriented
- personable and relatable (down to earth)
- high functioning and effective
- knowledgeable (both intelligence and about the region)
- bridge-builder (someone who brings people together)
- accountable
- no personal agenda
- risk-taker and innovative

ORGANIZATIONAL STRUCTURE

Structure and Infrastructure

What do you know about Valley Community Fund (VCF)?

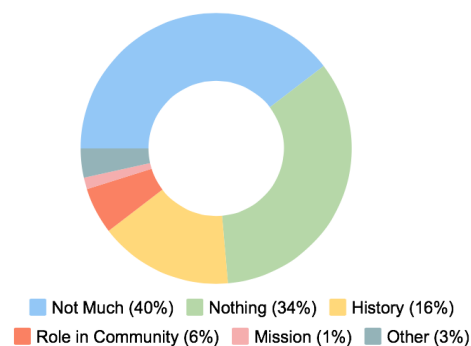


Figure 13

When interviewees were asked “what do you know about Valley Community Fund?” (Figure 13) the

responses clearly indicate that most knew very little about VCF with a combined total of 74% interviewees responding “not much” and “nothing.” Many of those who responded in this way went on to question the valley-wide impact and communication strategy of an organization that they knew little or nothing about. Many perceived the organization to be Alamosa-centric.

Interviewees were also asked if they think VCF can organize and manage a fundraising campaign, more than half (57%) responded “I don’t know.” There were 37 interviewees (26%) who responded “yes” they thought that VCF could organize and manage a campaign. Of those who said “yes” some felt

confident in the current leadership and many other qualified their statement by adding that they believed that with the “right” people in place anything could be accomplished.

Currently there is very little organizational infrastructure in place at Valley Community Fund. There are no paid staff. There is a small board of volunteers helping to manage the few fiscal

sponsorships that currently exist through VCF. Other than fiscal sponsorship, there are no other programs or services being provided. VCF has no website, no physical address and no real brand presence in the community or on social media. The only infrastructure in place is the Steering Committee who were tasked with advising and helping with this effort.

ORGANIZATIONAL STRUCTURE

Key Findings

- ✚ There is a large pool of suggested community members to be approached for leadership roles in the future organization.
- ✚ The “right” people need to be included in the organizational leadership of the Community Foundation moving forward. There is a strong sense of the traits that define “right” leaders.
- ✚ To be effective, leadership will need to be representational of the entire SLV. That means individuals from a wide variety of cultures, age groups, races, religions, politics, ethnicities, and professions will need to be included.
- ✚ County-wide (and possibly community) representation in leadership positions will be imperative to the success of the effort.
- ✚ There is very little known about Valley Community Foundation among community leaders throughout the SLV, particularly in counties and communities north and west of Alamosa.
- ✚ Valley Community Fund is perceived as an Alamosa-centric organization and has not communicated its mission/vision to the wider San Luis Valley.

Recommendations

We believe that a future Community Foundation must have a representational (including variety of cultures, age groups, races, religions, politics, ethnicities, and professions) Board of Directors and organizational structure. To this end, we suggest the following:

- Develop a Board of Directors and Committee structure for the organization.
- Define the role of the Board of Directors (and other leadership positions) including details about expectations, term commitments (2-years minimum) and how much time will need to be invested by each member (on a weekly, monthly and yearly basis).
- Be innovative in your approach to how members are recruited and chosen to serve. Clearly define the geographic, characteristic and demographic make-up of those populations/sub-cultures that should be represented on the Board of Directors (BOD). Develop of matrix or list of qualities for BOD membership. Recruit to that list using the following process:
 - Develop a BOD job description

- Recruit based on jobs and matrix of representation
- Require interested candidates to **apply for the BOD**
- Interview for positions
- Completely rebrand Valley Community Fund using the same 501 c 3 IRS tax EIN.
- Rename the organization and launch a large-scale valley-wide public relations and marketing campaign.
- Establish very clear parameters with regard to transparency and ethics. Publicize them often and widely.

NEXT STEPS – CALL TO ACTION

After careful review of this report, the VCF Board of Directors will determine whether or not they will proceed with the development of a Community Foundation to serve the San Luis Valley. We hope that this report will help to inform that decision.

Key to the success of this effort will be the formation of a representational Board of Directors and a clear organizational structure which takes into consideration some very important elements, including the following:

Board & Governance

- diversity & inclusion
- ethics & accountability
- investment & spending policies
- public disclosure requirements
- partnership & collaboration
- advocacy & lobbying

Foundation Management

- CEO leadership & staff administration
- marketing & communications
- strategic planning

Fundraising

- development & gift management
- stewardship principles & practices

Funds Management

- donor advised
- endowment
- designated
- field-of-interest

Financial Management

- budgeting
- accounting & investment practices
- record keeping & retention
- impact investing, mission investing, etc.
- tax filing, audits & public disclosure requirements

Grants Management

- grant making
- non-monetary grants
- scholarships
- expenditure responsibility

ACKNOWLEDGEMENTS

Many have contributed greatly to the development of this report. In particular, we wish to thank the following individuals who played a key role:

150 Interviewees

(Appendix H)

Valley Community Fund Leadership:

Contact Number: 719-587-5529

Julie Mordecai, Board Member

Jan Oen, Board President

Don Thompson, Treasurer

Justin Garoutte, Conejos Clean Water

Julie Mordecai, Healthy Living Park

Jan Oen, Valley Community Fund

Mikela Tarlow, ActionLab

Don Thompson, Valley Community Fund

Burt Wadman, Architect

Debbie Westra, NAVSIS

Michael Wisdom, San Luis Valley Development

Resources Group

Steering Committee Leadership:

Catherine Augur, Creede Repertory Theatre

Heather Brooks, City of Alamosa

Nancy Butler, Rio Grande Headwaters Land Trust

Ty Coleman, Community Resources & Housing
Development Corp.

Kairina Danforth, Town of Crestone

Sarah Duncan-Pearce, Alamosa Public Health

Paul Foster, First Southwest Bank

Lupita Garcia, Energy Resource Center

Funders:

Valley Community Fund

San Luis Valley Regional Council - El Pomar
Foundation

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LIST OF APPENDICES

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NOTES AND REPORT LINKS

To download this report and for other hypertext links to reports and data calculation spreadsheets referenced or used to develop this feasibility study - click the following link:

<http://smoyerandassociates.com//pages/community-foundation-of-the-slv.php>

Endnotes

ⁱ Community Resource Center. *San Luis Valley Rural Philanthropy Days Listening Tour Report*. Retrieved April 5, 2016 from <http://crcamerica.org/wp-content/uploads/2015-San-Luis-Valley-Listening-Tour-Report.pdf> (April 2015)

ⁱⁱ San Luis Valley. March 6, 2016. In *Wikipedia*. Retrieved April 5, 2016 from https://en.wikipedia.org/wiki/San_Luis_Valley

ⁱⁱⁱ Colorado Nonprofit Association. *Understanding Giving: Beliefs and Behaviors of Colorado's Donors*. 2011. Retrieved on March 20, 2016 from <http://www.coloradononprofits.org/wp-content/uploads/understandinggiving.pdf>

^{iv} Council on Foundations. National Marketing Action Team. *Community Foundation Portfolio Market Readiness*. Retrieved April 6, 2016 from <http://www.cof.org/content/community-foundation-marketing-toolkits>

^v Community Resource Center. *San Luis Valley Rural Philanthropy Days Listening Tour Report*. Retrieved April 5, 2016 from <http://crcamerica.org/wp-content/uploads/2015-San-Luis-Valley-Listening-Tour-Report.pdf> (April 2015)

^{vi} Chronicle of Philanthropy. *How America Gives*. January 5, 2015. Retrieved March 2016 from <https://philanthropy.com/interactives/how-america-gives#search>.

^{vii} Colorado Association of Funders. *The Charitable Deduction in Colorado*. Retrieved March 4, 2016 from <http://coloradofunders.org/wp-content/uploads/2013/08/CAF-2015CharitableGivingReport.pdf>.

^{viii} Here Are 10 Of The Most Generous, Giving Counties in Colorado. In *Only In Your State*. Retrieved March 1, 2016 from <http://www.onlyinyourstate.com/colorado/generous-co/>.

^{ix} Chronicle of Philanthropy. *How America Gives*. January 5, 2015. Retrieved March 2016 from <https://philanthropy.com/interactives/how-america-gives#search>. To download the combined county spreadsheet by ratio level [click here](#). Go other *Other Spreadsheet and Calculation Data Sheets* section at the bottom of the page and click on Giving Ratio By County in the State of Colorado.

^x San Luis Valley Development Resources Group (SLV DRG). *Wealth Transfer in San Luis Valley*. Retrieved April 6, 2016 from http://www.energizingentrepreneurs.org/library/community_development_philanthropy_resources/transfer_of_wealth_studies.html. (2008).

^{xi} Center for Rural Entrepreneurship. In *Donor Opportunity Analysis*. Retrieved April 5, 2016 from http://www.energizingentrepreneurs.org/library/community_development_philanthropy_resources/market_opportunity_analysis.html

^{xii} Chronicle of Philanthropy. *How America Gives*. January 5, 2015. Retrieved March 2016 from <https://philanthropy.com/interactives/how-america-gives#search>.

^{xiii} Colorado Nonprofit Association. *Understanding Giving: Beliefs and Behaviors of Colorado's Donors*. 2014. Retrieved on March 20, 2016 from http://www.coloradononprofits.org/wp-content/uploads/UnderstandingGiving_2014_WEB.pdf