



About Community Foundations

Nonprofit institutions take different forms in different regions of the world. Community foundations have grown in popularity and in numbers globally since the late 20th century. Among the things that set most community foundations apart from other foundations is their status as independent institutions supported by funds from many donors which are used to address local needs. Furthermore, community foundations usually seek to build endowed funds which will make funds available in perpetuity to address changing community needs.

Growing in number and distribution around the globe, “community foundations are nongovernmental organizations (NGOs) created with funds from, and for, people within a specific geographic area. They are designed to meet local needs with local resources.” Many people in the field today consider them “effective tools for building strong local communities.”

[C.S. Mott Foundation -- <http://www.mott.org/ourissues/Community%20Foundations.aspx>]

A community foundation also “undertakes community leadership and partnership activities to address a wide variety of needs in its service area.” Many argue that it is “[t]heir task is to build substantial, permanent funds from which grants are made to local charitable and community organizations.”

[Worldwide Initiatives for Grantmaker Support – <http://www.wingsweb.org/information/glossary.cfm>]

In the United States, community foundations are governed by volunteer boards and are established to collect and distribute funds for community benefit. Community foundations in North America and Western Europe are largely grantmaking organizations. In addition to being independent, not-for-profit philanthropic organizations, community foundations in these regions typically provide services to the community – donors and grantees alike.

For many, community foundations are unique because of their local and personalized nature:

A community foundation...enables people with philanthropic interests to easily and effectively support the issues they care about — immediately, or through their will. Donors can establish a charitable fund at the foundation by contributing a variety of assets and may also recommend grants — in their name, if they choose — to nonprofit groups they want to support. ...

Community foundations help individuals, families, businesses, and nonprofit agencies achieve their charitable and financial goals by providing tools and resources that make giving easy, flexible, and effective.

Community foundations have an in-depth understanding of the community’s challenges and the groups and individuals addressing them. ...[They also] play a key role in addressing community needs, now and in the future.

[Council of Michigan Foundations – <http://www.cmif.org/CommunityFound.htm>]

For more about community foundations, and the organizations that support them, see the list of resources under development at: <http://philanthropy.org/resources/CommunityFoundations.html>
