

The Fund for 2025: A Vision for the Next Decade

In 2005, Philanthropy New York raised \$1.67M in a fund drive for increasing its capacity that coincided with a move to a new space, which resulted in a decade of remarkable growth in programming, an

expansion in our ability to convene philanthropic, business, nonprofit and government leaders and a demonstrable rise of our organization's stature. Today, we recognize that that our community is in a new era of increased visibility and expectations for the philanthropic sector. Philanthropy New York is embarking on a new initiative that embraces our mandate to advance the entire philanthropic community's vitality for the decade to come. This case summary presents the context for the Fund for 2025 and articulates the vision that can be achieved in the coming years with strategic investments in Philanthropy New York.



Background: What We Have Achieved in the Past Decade

New York, home to the nation's largest number of foundations, needs and demands a world class regional association. As the area's already substantial philanthropic community grows, so too do the demands and expectations placed on it. In fact, Philanthropy New York has grown in sophistication and accomplishment over the past decade, even while working in the same limited space with an exceptionally lean staff. Now is the time for Philanthropy New York to take the next leap that will allow it to keep pace with, and respond to the growing demands of, the region's increasingly dynamic foundation community.

Philanthropy New York is the principal professional community of approximately 285 private, corporate, family and public grantmaking organizations based in the New York City region, and provides a broad range of services to over 3,500 individual philanthropic professionals and trustees of those organizations. Taken together, our members provide support totaling over \$7 billion each year to thousands of nonprofit organizations located in New York and around the world, which in turn focus on an almost endless range of issues and concerns. PNY is "the regional association of grantmakers with global impact," and we believe that our imminent move to 1500 Broadway on Times Square will put us at the "crossroads of the world" in an even more meaningful way.

Created as a nonprofit organization in 1979 by New York City-based foundations, Philanthropy New York's primary mission is to support our members' work to serve the public good.

When Philanthropy New York began as the New York Regional Association of Grantmakers (NYRAG), its capacity and ambitions were relatively circumscribed and it functioned primarily as a “safe space” for professional staff of foundations to come together and share experiences. While that function remains very much at the core of our raison d’être, our role has expanded exponentially, especially in the past decade. Philanthropy New York currently:

- Presents upwards of 150 events each year ranging from short panel discussions to full conferences, from our popular Foundation CEO Interview Series to our Documentary Film Series. And our programming covers a vast range of subjects from the intricacies of interpreting nonprofit 990s to childhood nutrition; from New York City workforce development to international advocacy.
- Nurtures professional interest groups for foundation administrators and foundation CEOs and issue-based working groups for professionals focused on education, health, women and girls, international grantmaking and many others.
- Engages in public policy work by:
 1. Increasing the number and quality of interactions with government leaders with influence over policy on issues of greatest concern to our members,
 2. Taking official policy positions on key issues affecting the sector and communicating those positions to key government officials, and
 3. Convening leaders across all sectors to establish common goals and potential solutions.

Our organizational capacity continues to expand and our offerings along with it. Last year we presented to our members in our [annual report](#) a checklist of [58 different ways members can engage](#) with the philanthropic community through PNY. Those options will expand even further over the next three years as we continue to build out our new website with an innovative news distribution service ([The New York PhilanthroPost](#)) and many other exciting new features.

Philanthropy New York is increasingly recognized by media, government officials and other thought leaders as an important resource and authority on the philanthropic community. As we approach a new era, it is essential that we also increase our organizational capacity.

Why the Fund for 2025 Now?

New York’s foundation community deserves a top-notch representative and convening body that has the capacity the region’s growing philanthropic sector demands.

At the end of last year, Philanthropy New York members, Board and staff completed a new [Strategic Plan for 2014-2016](#). It represents a continuation of our existing vision, mission, core values and goals around (1) strategic member engagement, (2) informative public policy and (3) institutional sustainability. But it substantially revises our strategies. If our members are to be fully positioned to tackle the complex issues our City, nation and international communities face, we must be able to provide the appropriate level of educational programming and convening that undergirds their work. We plan to add important new programs, increase member engagement options and grow our public

policy work; improve our technological capacity and broadcast (live-streaming, etc.) interactions with existing and expanded audiences; and develop fee-based business lines that will further diversify our revenue beyond membership dues and increase our institutional sustainability.

In June 2015, PNY's current office lease will expire and staying in our existing space is not an option. The need to move presents a particularly well-timed opportunity to create the physical space that will support the ambitious elements of our new strategic plan.

This is truly a case of past-as-prologue. In 2004 – a time when PNY was in a small office with a very small windowless conference room, we had much more limited programming and convenings that were hosted catch-as-catch-can at the offices of member organizations – PNY faced the end of a lease and took a leap of faith.

Before that move, we produced under 100 meetings each year. In recent years, with a lean staff but better facilities, we now produce 150-170 programs each year. Having adequate, dedicated space has made a huge difference in not just our capacity, but also in our reputation as a convening organization and a center for organizing activities across sectors. Yet, while we have used this space well, and developed greater technological capacity it still has considerable limitations that we will improve upon when we move by June 2015.

Even as more and more information is transferred electronically, we have considerable evidence from members, other affinity groups and foundations across the nation that there is a need for a central meeting hub for face-to-face interactions for the philanthropic community in New York City. We have signed a lease for new space at 1500 Broadway that is a little less square footage as our current space but will be apportioned differently with smaller staff offices and larger, flexible meetings space that could host up to 74 people and utilizes technology options that could expand the digital audience for certain types of programs. (See more on this below). This expanded conference facility would allow us to offer members more opportunities to host their own meetings in state-of-the-art facilities.

Philanthropy New York's request for support of the Fund for 2025 is not centrally about building out new rental space, but rather an investment in the whole of the execution of our ambitious strategic plan. This plan includes increasing technological capacity, expanding our programming offerings, deepening our public policy work and pursuing new fee-based lines of work that will improve our long-term institutional sustainability over the next decade.

The Fund for 2025: A Vision for the Next Decade

The Fund for 2025 will direct investments toward the execution of the entire 2014-2016 Strategic Plan. While physical infrastructure is an important part of our plan, several other elements are central to the vision. The following pages delineate five areas that donors to the Fund for 2025 can direct their contributions according to their own specific interests. The areas in the following pages are:

- Creating "the hub" that will be the Philanthropy Center at 1500 Broadway, NYC (\$935,300)
- Investing in technology and improved communications capacity (\$300,000)

- Creating the public policy fellows program (\$816,000)
- Expanding programming capacity (\$351,000)
- Development of new lines of fee-based services (\$106,000)

Fundraising Goals

In this case statement, we have identified approximately \$2,500,000 in funding needs that would be dedicated to creating the philanthropic “hub” at 1500 Broadway, fully developing our technological capacity to serve members, establishing a public policy fellowship program, deepening our program offerings and developing fee-based services to enhance our organization’s long-term sustainability. It is our goal to raise at least \$2.5 million over the course of the Fund for 2025, which will conclude in 2016.

Based on early conversations and commitments from PNY member organizations associated with PNY’s board members and others, we are convinced this goal is very achievable. If we exceed our \$2.5 million goal, we will:

- Add to the technology enhancement fund, which experts tell us is currently somewhat conservative.
- Extend the currently budgeted eight-year commitment to the public policy fellows program to the full ten years of this 2025 period.
- Add to the program enhancement fund.

Leadership

The Fund for 2025 is being led by a committee of philanthropists who are among the most respected leaders in our field today. The committee includes:

Co-Chairs:

Jane O’Connell, *Altman Foundation*

Phil Henderson, *Surdna Foundation*

Committee:

Doug Bauer, *The Clark Foundation*

Mark Bodden, *Rudin Family Foundation*

Eric Eckholdt, *Credit Suisse Foundation*

Stephen Heintz, *Rockefeller Brothers Fund*

Kevin Jennings, *Arcus Foundation*

Leisle Lin, *Alfred P. Sloan Foundation*

Maria Mottola, *New York Foundation*

Melanie Mortimer, *SIFMA Foundation*

Mike Pratt, *The Scherman Foundation*

Hildy Simmons, *Brooklyn Community Foundation*

Darren Walker, *Ford Foundation*

We have already received several important commitments from leading foundations. So we are already on our way!

Your Foundation's Investment in Philanthropy New York

This request is separate from your organization's annual membership dues. However, if it is more convenient for your organization, arrangements can be made to consolidate payments for both annual membership and a contribution to the Fund for 2025 in a single payment.

Additionally, it is acceptable make a commitment and split payments for your organization's Fund for 2025 gift over the years 2014 to 2016.

The Fund for 2025

Investment Option 1

Creating the “hub”

Finding the right space was the first challenge. The location had to be one that is most convenient to the whole of our membership – which is spread across three states. The new space had to be able to accommodate meetings both large and small and allow us the flexibility to configure the space to meet both our programmatic goals and our member expectations.



We are thrilled that we have been able to sign a lease on space in [1500 Broadway](#), at 43rd Street. This is a Class A building at the “crossroads of the world” – and convenient to so many of our members. Philanthropy New York is actually being practical and thrifty in obtaining this space. We will be on the 7th floor and will receive a remarkable below-market rent because its view is partially obstructed by signage facing Times Square.

We were successful in identifying a space that is roughly the same square footage as our current space. We are working with architects who will help us to apportion smaller staff offices and larger, flexible meetings spaces and utilize technology options that could expand the digital audience for certain types of programs. This expanded conference facility would allow us to offer members more opportunities to host their own meetings in state-of-the-art facilities.

We also intend to build out the space with quiet work stations (or mini offices) that philanthropic professionals from across the world coming to New York on business can use and we can utilize for additional revenue. We hope this capacity will be a further draw for more foundations from across the nation to join Philanthropy New York as dues-paying associate members.

Our estimate, based on discussions with real estate experts and space planners, is that we will need to spend at least \$935,300 to obtain the new space, configure it to suit our needs, furnish it and move in.

The Fund for 2025

Investment Option 2

Investing in technology and improved communications capacity

While we are huge proponents of face-to-face conversations to build understanding and deeper collaboration, we also recognize the need to operate across vast geography using virtual spaces that new technology enables. Moving to a new physical space will allow us to upgrade our technology to better serve our members across the entire region (and even those in the City who find it hard to leave their desks!) with better sound and audio recording systems, video equipment, control room technology, etc. for the new space as well as building out continuous upgrades to our website and other online infrastructure.

This technology will allow our members to use our space to hold teleconferences with others across the city or across the world. It will allow them to use our facilities to broadcast their live events using our enhanced streaming capacity. And it will help them tap into our increasing sophistication as a major disseminator of philanthropic news and longer-form content.

This summer, Philanthropy New York launched our new website after years of planning and development. We are very excited about the new capacity that lets us connect members online and provide information that is tailored to their programmatic interests. One of the things we learned while developing the site (changing to a Drupal-based platform and a Salesforce CRM in our first major site upgrade in eight years) is that we need to plan for continuous upgrades that respond to the ever-changing technologies available to us – as opposed to doing a major re-launch every few years. That means setting aside capital funds for continuous technological upgrades.

We estimate that we will need to allocate \$225,000 for technology in the new space and believe it is prudent to allocate at least an additional \$75,000 to create a fund for future upgrades in equipment, software and new online functionality. So there is a total of \$300,000 in the Fund for 2025 budget for technology.



The Fund for 2025 Investment Option 3

Public policy fellows program

As Philanthropy New York's public policy work begins to mature, we are realizing that the work to research issues, frame them for the philanthropic audience and convene funders and government officials for conversations that actually drive toward achievable solutions is immensely labor intensive. Currently, we have only a single staff member dedicated to policy work and we are producing dozens of policy-focused programs and managing the work of three issue-based working groups (Education, Health and Women and Girls) and producing issue guides that often lead to our organization toward taking official stands on timely issues facing the philanthropic sector.

With the Fund for 2025, we intend to dedicate funds for the next decade that would support a public policy fellowship at Philanthropy New York that would vastly improve our capacity to advance members' interests in this area. We are modeling this fellowship on one maintained by the Council of Michigan Foundations, which has for many years reaped great benefits and increased policy effectiveness from its fellowship program.

Not only is a fellowship program likely to boost our public policy capacity, we also intend to use it support our commitment to diversity in philanthropy by identifying early-career professionals in the field who can learn from a two-year engagement in policy work and then go on to a career in philanthropy.

We are also incorporating into the policy fellows program a mentoring component. The fellow will, in addition to their core public policy responsibilities, serve as a mentor to one New York City high school student each year. We hope this will drive the diversity pipeline even deeper.

To ensure that a public policy fellowship is fully funded for the next decade, we want to ensure that we have \$85,000 each year for salary and benefits for an early-career professional, and we want to get the program up and running for at least eight years to assess its success. So we are budgeting \$816,000 for the eight year period.



Pictured: Kenita Williams, who is a former CMF public policy fellow and went on to lead the public policy portfolio at the Southeastern Council of Foundations.

The Fund for 2025 Investment Option 4

Programming expansion

One of the key objectives around member engagement in PNY's 2014-2016 Strategic Plan is to expand our offerings that provide a "deeper dive" or conference format that can provide our members with more substantial learning opportunities than our typical two-hour panel format. We will enrich our programming with new opportunities such as a second Essential Skills and Strategies for Grantmakers workshop, enhanced engagement for family foundations, and learning tools for new Foundation CEO's. We will also seek to augment programming across the professional spectrum – from emerging young leaders to seasoned program officers.

All of these ideas require new resources, for example, hiring subject area experts as consultants to design full-day conferences on specific issues or engage in more extensive research on the needs and learning interests of trustees. In a similar vein, PNY intends to use its new space to do more collaborative programming with affinity groups across the country. With this effort, we will need to dedicate resources to outreach to affinity groups and coordination on programming.

With an eye toward providing excellent and diverse programming for our members and long-term sustainability, we intend to invest approximately \$351,000 in the development and enhancement of new initiatives.



Pictured: Philanthropy New York planned, organized and promoted a half-day conference on the one-year anniversary of Hurricane Sandy that brought together City, State and Federal Officials, community leaders and funders from across the region to focus on unmet needs and the role philanthropy could play in making communities whole. The year before, PNY conducted a similar half-day conference on the needs of returning veterans across the region.

The Fund for 2025

Investment Option 5

Development of new lines of fee-based services

One of PNY's strategies for increasing institutional sustainability (and reduce our overall reliance on membership dues) is to "investigate and, as appropriate, develop fee-based business lines through which member and non-member organizations can draw on our staff's fiscal, governance and facilitation expertise to support our members' activities and projects." Our approach will be guided by PNY's Sustainability Committee and will draw upon our areas of expertise, such as planning and executing substantial, well-organized conferences and social events. We plan to engage experts on new business development for nonprofits that can help us research some of the more likely possibilities and develop concrete business plans to increase their long-term viability.



In addition, we have outlined two opportunities for organizational growth in our operational plan: the enhancement of our fiscal sponsorship program, a member service that has grown in popularity, and the use of our new space to generate additional members and revenue. The feasibility of both models has already been proven, and we would like to invest staff and consulting time to further refine how these programs are run and the marketing necessary to make the programs a successful and sustainable source of revenue for Philanthropy New York.

We feel that it would be wise to dedicate approximately \$106,000 to enhancing our current lines of fee-based business and investigating new business lines, developing business plans and launching at least one new fee-based business line.

Thank you for your support!