

**To the Sonoma Valley Fund Board  
From Katherine Fulton  
Re: A Facilitator's Report on 2016 Strategy Retreat**

It is common practice for the facilitator who has designed and led a meeting to share a quick summary and reflections. This brief report is designed to do this, both for those who attended the retreat, and those who could not.

SVF last held a retreat a couple of years ago, and put in place a broad strategic framework that the organization has used through 2015. At the same time, a number of new people have joined the board, and no founding board members remain. A more diverse and ambitious set of activities—and shift in board membership—has created some confusion about SVF's core identity and priorities.

So the new co-presidents, Joshua and Peg, decided to launch 2016 with a retreat. The idea was to step back from ordinary board business, look at the organization as a whole and get to know each other better. I agreed to facilitate, as this role is very similar to work I have been doing professionally for two decades.

After specific input from the board at the January meeting, a retreat committee (Joshua, Peg and myself, plus new board member Nancy Ramsey) met 3 times, sought executive committee input and also developed materials and a program aimed at addressing many of the questions on board members' minds. Eleven board members were able to attend all or part of the Feb. 26 retreat; six board members had personal conflicts and were unable to attend. Beth Brown and Miguel Ruelas from CFSC also attended the retreat.

The retreat was designed to engage board members in a variety of ways, including giving much more context about community foundations and the Community Foundation of Sonoma County. Then the board thoroughly discussed a pre-read that had been created on SVF's identity, goals, potential taglines and possible activities during 2016. Small groups worked in detail on some new approaches to engaging individuals and the community's institutions. Finally the board stepped back and reflected, taking a straw poll on takeaways and priorities.

That was when the real "aha" moment struck: all the straw poll winning priorities had to do with how we build SVF, before we look seriously at undertaking additional ways of serving our constituencies. At the top of the list was our relationship with the Community Foundation Sonoma County. After listening to Beth's goal—doubling the size of CFSC over the next decade—it slowly became clear just how important it is to SVF to further explore the upsides of this relationship, build trust, and find ways to further leverage this relationship in both directions.

The other priorities that emerged, summarized in a separate document from Peg and Joshua, are: building visibility; creating our development strategy; building our board; and building our capacity overall. Each of these, too, is related in one way or another to our relationship with CFSC.

As I step back and look at what I learned about SVF in this process, I would argue (with a strategy consultant's hat on) that SVF's key challenge at present is how hard it is to define

success (complete with benchmarks) in a way that board members can then work to implement. That's why so many board members entered the year with some confusion.

As I worked on the retreat, I began to believe that the source of this challenge is the slow evolution of the organization. In the beginning, SVF was designed in a particular way by its founders to meet needs that they saw. Over time, each of these original decisions has created new tensions that the current board is grappling with in what Peg called SVF's "early adolescence." This is a natural process in most organizations. The key is to face the evolution explicitly and make clear choices. Consider the implications of these four questions/tensions:

- 1) SHOULD WE ONLY BE FOCUSED ON LEGACY GIVING? - SVF was founded to focus on legacy giving only. But we are part of an overall community foundation movement nationally (more than 700 organizations strong) that draws its vitality equally from legacy giving and "giving while living." For most community foundations, it is never "either-or," but rather "both-and" ...giving while living (primarily through donor advised funds), *and* planned giving at death. Slowly, SVF also has learned that the potential rewards from promoting legacy gifts can be decades in the making, which has left the organization without funds for grantmaking and limited near-term achievements. Two years ago SVF determined that it should broaden its remit and also pursue current gifts. But, the board has wrestled with how best to advance against this goal.
- 2) WHAT IS OUR RELATIONSHIP WITH CFSC? - SVF was founded to address the specific needs of Sonoma Valley, which has a special character and feels quite distant psychologically from other county population centers. Yet, SVF is an affiliate of Community Foundation of Sonoma County, relying on its administrative, legal, and financial functions. Over time, and as the Sonoma Valley Fund has evolved, this "separate but integrated" stance has created relationship strains, branding issues and missed opportunities. SVF hasn't always taken advantage of the knowledge that the CFSC team has of professional philanthropy, of how county government actions affect the Valley and of how other nonprofits countywide are wrestling with many of the same issues permeating the Valley. Similarly, SVF's networks and local knowledge don't always leverage CFSC and advance its goals. The whole seems to add up to less than the sum of the parts, begging a number of identity and practical issues now coming to the fore.
- 3) WHAT IS OUR RELATIONSHIP WITH THE NONPROFIT PARTNERS? - SVF was set up with a special relationship to a small, but important set of nonprofits. The idea was that these larger nonprofits would distribute Sonoma Valley Fund's message about legacy giving, and the various people on the boards of these nonprofits would be the Valley vanguard for legacy giving. This did not happen, likely for reasons related to the 2008 economic crisis and the more immediate needs that everyone had to face as a result of that crisis. As today's SVF looks at the needs of the Valley's nonprofits, it's a fair question to ask (as some board members have begun to do) whether the original special relationship design is still optimal.
- 4) SHOULD WE CONTINUE TO BE A VOLUNTEER-ONLY ORGANIZATION? - Finally, SVF has always been a volunteer organization, with some degree of professional support from the staff of the CFSC. But as the board has undertaken additional activities in

recent years, it has become clear that the current volunteer model is strained, especially for the leadership. As president, Joshua has done a great job, and worked hard (at least a day a week) bringing SVF to this new threshold. But he is reaching the end of his second term on the board and will step down from this level of responsibility at the end of this year. At present, no one else on the board has stepped up to make an equivalent commitment of time. So the status quo operationally is set to change—the only question is how? This makes the current capacity constraints a core strategic issue.

As I worked on the retreat over the past two months, I began to see how these tensions confuse both our present and our way forward, with various board members seeing different parts of the picture, and expressing preferences about how to resolve these tensions in different ways. We designed the retreat to deepen board members' understanding, as a first step in charting a way forward.

So ends my facilitator's report, where I have tried to lay out clearly and neutrally what happened, and the pattern that I saw.

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Stepping back into a board member role, I believe our organization can create better solutions if we look at these tensions as a whole—rather than separately, given how inter-related most of them are. Although there is no clear right way forward, there are multiple viable paths. The important thing is to choose, and to come together to make the choices work.

As an initial next step, Joshua and Peg have created a new document after the retreat, for your consideration, that integrates various kinds of input board members offered at the retreat—a crisper strategy statement and a new way of talking about the action plan and priorities for 2016.

We hope that the combination of this brief retreat overview and the new integrated planning document will help board members come together to advance SVF in the near-term, even as we continue to grapple with the longer term questions and tensions.

Thank you to all who worked hard and participated so well to create a meaningful retreat for SVF. (On the next page is a chart I shared during the retreat about a question many board members remained confused about before the retreat.)

**Appendix:  
How are community foundations different from operating nonprofits?**

Community foundations are a big American success story, now spreading globally. But it is easy for people to get them confused with the more familiar nonprofit form, focused on a specific mission. The community foundation is usually focused on a place; its mission is the strength of the community itself, overall, and its vehicle is philanthropy. Over time, some community foundations grow to provide the leadership that only broad-based, inclusive, long-lasting institutions can supply. Here is a quick chart to contrast how a community foundation differs.

TYPE OF ORGANIZATION	COMMUNITY FOUNDATION	OPERATING NON-PROFIT
ROLE/ACTIVITIES	Intermediary (advising, grant making, promoting, facilitating, administering, brokering, creating knowledge, etc.)	Direct service, product or program; or advocacy
WHO SERVES	Donors and community as a whole	Specific target population
TIME FRAME	Short and long term. When successful, long-lasting institution that donors can count on.	Usually short-term or urgent (with missions that look to future); institutions often fragile
FUNDRAISING STANCE	Primarily advocate for more and better giving. Aims to help donors achieve their goals. Over time, endowments of various types naturally result.	Directly ask for money for specific needs, at least annually.
WHY IT EXISTS	Create a long-lasting institution that can promote giving, pool resources, meet existing and emerging community needs, take initiative and provide leadership for the community as a whole	Meet a specific need and/or advocate for a key constituency or sector