

CONFIDENTIAL

Grantee Perception Report®

prepared for the

Walter & Elise Haas Fund

Spring 2007

Report to the Board of Directors

VERSION 6/25/07



THE CENTER FOR
EFFECTIVE PHILANTHROPY

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Background

- ♦ Since February 2003, the Center for Effective Philanthropy (CEP) has conducted surveys of grantees on their perceptions of their foundation funders both on behalf of individual foundations and independently. The purpose of these surveys is two-fold: to gather data that is broadly useful – forming the basis of research reports such as *Listening to Grantees: What Nonprofits Value in Their Foundation Funders* (2004), *Foundation Communications: The Grantee Perspective* (2006), and *In Search of Impact: Practices and Perceptions in Foundations' Provision of Program and Operating Grants to Nonprofits* (2006) – and to provide individual foundations with Grantee Perception Reports.

- ♦ **The Grantee Perception Report® (GPR) shows an individual foundation its grantee perceptions relative to a set of perceptions of other foundations whose grantees were surveyed by CEP.**
 - It is important to note that, on most questions, grantee ratings cluster toward the high end of an absolute scale.
 - Grantee perceptions must be interpreted in light of the unique strategy of the foundation.
 - The survey covers many areas in which grantees' perceptions might be useful to a foundation. Each foundation should place emphasis on the areas covered according to the foundation's specific priorities.
 - Low ratings in an area that is not core to a foundation's strategy may not be concerning to a foundation. For example, a foundation that does not focus efforts on public policy would likely receive lower than average ratings in this area if it is adhering to its strategy.
 - Finally, across most measures in this report, foundation structural characteristics – such as type, asset size, focus, and age – are not strong predictors of grantee perceptions, suggesting that it is possible for all foundations to attain high ratings from grantees.

Methodology (1)

- ◆ The Center for Effective Philanthropy (CEP) has surveyed more than 40,000 grantees of 193 foundations since spring 2003. Please see the Appendix for a list of all foundations whose grantees CEP has surveyed.

- ◆ This Grantee Perception Report® (GPR) contains data collected over the last three years, and includes almost 15,000 grantee responses of 124 foundations.¹
 - CEP surveyed 243 fiscal year 2006 grantees of the Walter & Elise Haas Fund (“Haas Sr.”) during February and March 2007.
 - CEP received 193 completed responses, a 79 percent response rate.
 - Grantees submitted responses via mail and the Web.²

- ◆ The Walter & Elise Haas Fund provided grantee contact information.

- ◆ Selected grantee comments are shown throughout this report. This selection of comments highlights major themes and reflects trends in the data. These selected comments over-represent negative comments about the Fund in order to offer foundation leadership a wide range of perspectives.

Methodology (2)

- ♦ Throughout this report, Haas Sr. responses are shown segmented by program area. Four Haas Sr. respondents did not indicate their program area and could not be identified. These grantees are not included in this program segmentation but are included in the overall average.
 - Arts – 64 respondents (94% response rate)
 - Economic Security – 35 respondents (74% response rate)
 - Jewish Life – 33 respondents (85% response rate)
 - Education – 18 respondents (82% response rate)
 - Other Grantmaking Interests – 17 respondents (63% response rate)
 - Creative Work Fund – 22 respondents (52% response rate) – These grantees are included in the segmentation but are not included in the overall average

- ♦ Haas Sr. is also compared to a cohort of similarly-sized regional foundations picked to represent its peers (assets between \$150MM-\$300MM). The 18 foundations that comprise this group are:
 - The Abell Foundation
 - Altman Foundation
 - The Ambrose Monell Foundation
 - Amelia Peabody Foundation
 - Carrie Estelle Doheny Foundation
 - The Cannon Foundation
 - The Collins Foundation
 - The Fan Fox and Leslie R. Samuels Foundation
 - France-Merrick Foundation
 - The Frist Foundation
 - Gates Family Foundation
 - Grable Foundation
 - The Jay and Rose Phillips Family Foundation
 - The John R. Oishei Foundation
 - The Lenfest Foundation
 - Ruth Mott Foundation
 - S.H. Cowell Foundation
 - Walter & Elise Haas Fund

Key Findings

Across most dimensions on the grantee survey, the Walter and Elise Haas Fund (“Haas Sr.”) is rated highly by its grantees. Relative to other foundations, Haas Sr. is often rated above the 75th percentile, and the Foundation is frequently rated above the median comparative cohort foundation.

Haas Sr. is rated highly in its understanding of grantees’ fields, local communities, and of grantees’ own goals and strategies. The Fund is also rated highly in its impact of these fields and communities, and is rated similar to the median foundation in its impact on grantee’s organizations. Haas Sr. is rated above the rating of the median foundation and is the highest rated in the comparative cohort for advancing knowledge and effecting public policy in grantees’ fields. Grantees comment that the Fund is a “leader,” a “great source of information,” and that program staff are “experts in their fields.”

Grantees rate the quality of Haas Sr.’s interactions above the ratings received by the median foundation and the median comparative cohort foundation. The Fund is rated especially positively for the responsiveness of foundation staff and the fairness with which the Fund treats grantees. The clarity with which the Fund communicates its goals and strategy is rated above the rating of the median foundation, and its communication resources, both written and personal, are perceived to be more consistent than typical. Overall, grantees are more satisfied than typical with their experience with the Fund.

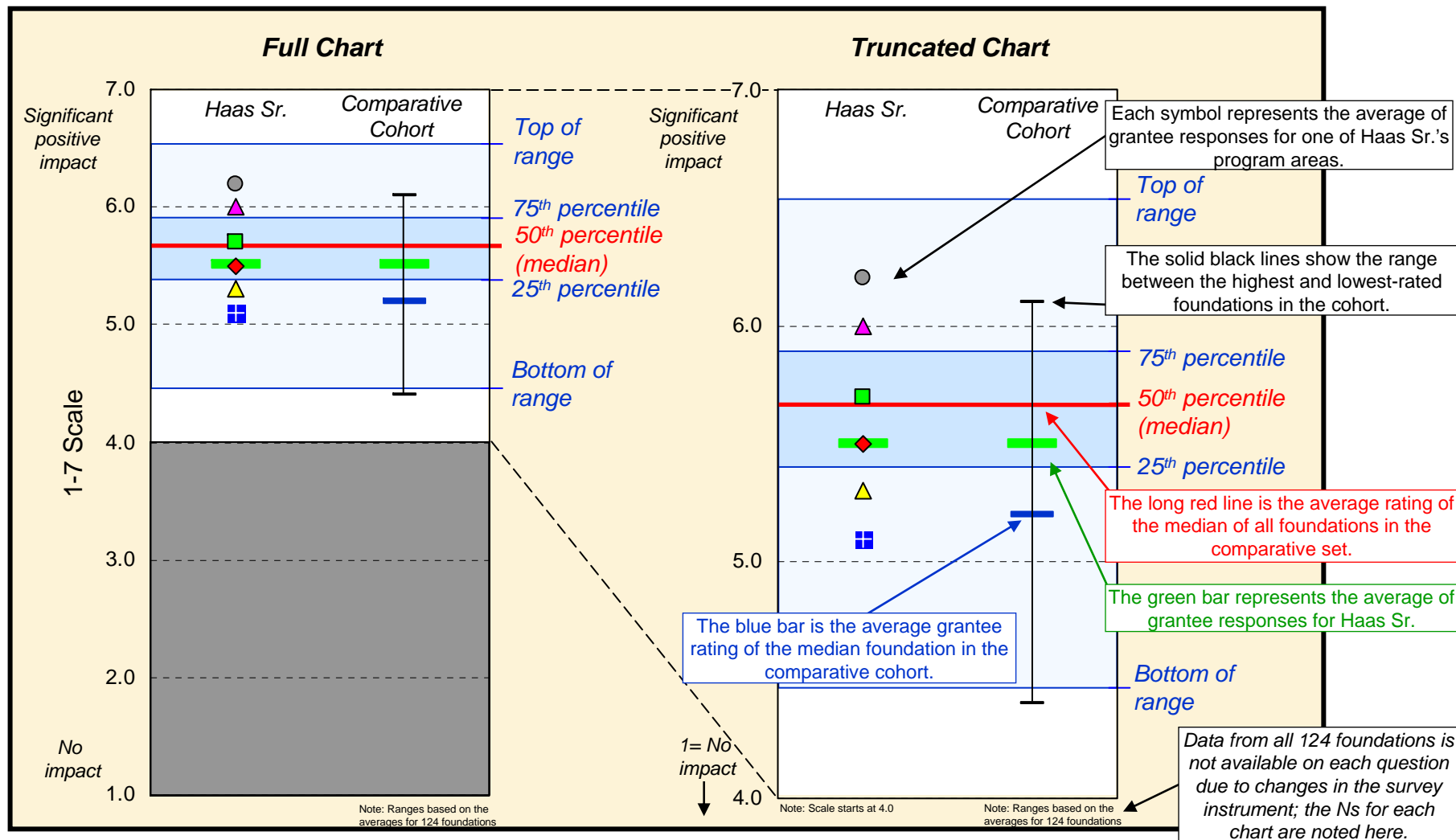
Compared to the median foundation, a similar proportion of Haas Sr. grantees receive non-monetary assistance and a larger than typical proportion receive assistance securing funding from other sources. Grantees rate the impact of Haas Sr.’s assistance securing funding from other sources and field-related non-monetary assistance above the median foundation and median comparative cohort foundation.

Finally, Haas Sr. awards grants that are similar in size as the median foundation, while requiring more time during the selection process than typical. These processes are rated by grantees as being more helpful in strengthening the funded programs/organizations than typical, but on balance, the Fund awards fewer dollars per administrative hour spent by grantees during the Fund’s processes.

Haas Sr. has lower administrative expenses as a percent of total assets and total giving compared to the median foundation. Foundation staff manage more applications and active grants than is typical.

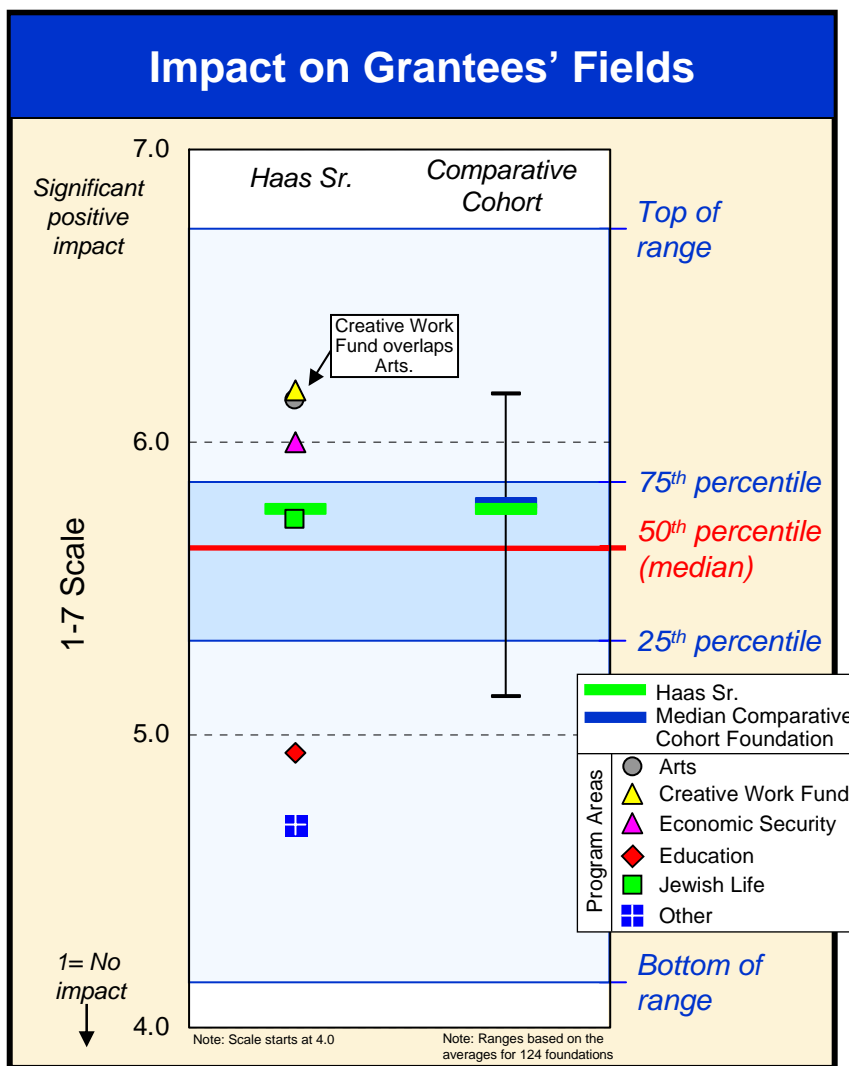
Reading GPR Charts

Much of the grantee perception data in the GPR is presented in the format below. These graphs show the average of grantee responses for Haas Sr., over a background that shows percentiles for the average ratings for the full comparative set of 124 foundations. **Throughout the report, many charts in this format are truncated from the full scale because foundation averages fall within the top half of the range.**



Impact on Grantees' Fields

Haas Sr. grantees rate the Fund's impact on their fields more positively than do grantees of the median foundation and similar to the median comparative cohort foundation.

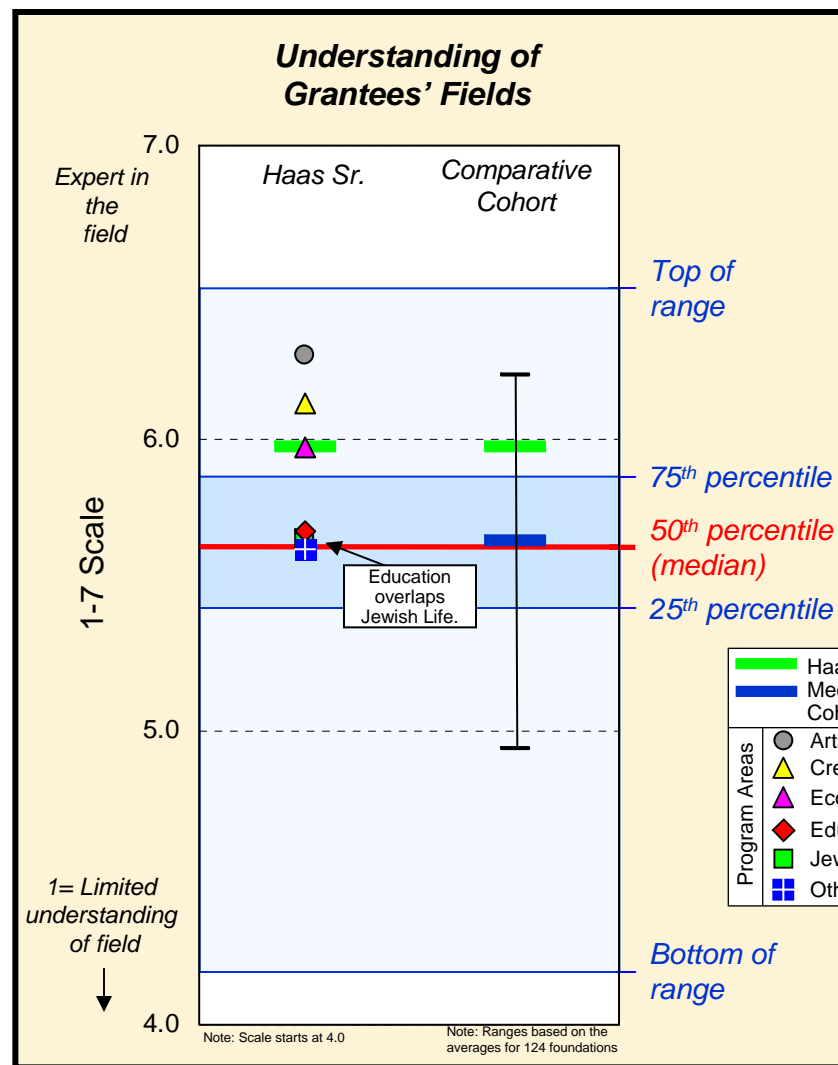


Selected Grantee Comments

- ♦ “The Haas Fund is known as one of the most sophisticated and knowledgeable funders in the Bay Area arts community. It has a major impact on the field, particularly in encouraging the creation of new work through the Creative Work Fund and on encouraging connection between arts organizations and the community. It is a beacon for arts organizations.”
- ♦ “Financial literacy and asset building in poor and working class neighborhoods is a new field where the Foundation has played a clear leadership role in providing vision and resources which has enabled groups and organizations to develop new strategies to work with people to move beyond poverty.”
- ♦ “The Haas Fund is a leader in cultural and Jewish philanthropy and has strengthened the entire Bay Area community by making arts and culture accessible to all.”
- ♦ “Foundation has limited knowledge of advances in the field. Projects must fit into foundation visions that reflect community needs in an erratic way.”
- ♦ “In a funding climate in which it is very difficult to find support for literary organizations and projects, the positive effect of the Fund’s support of literature cannot be underestimated.”

Understanding of Grantees' Fields

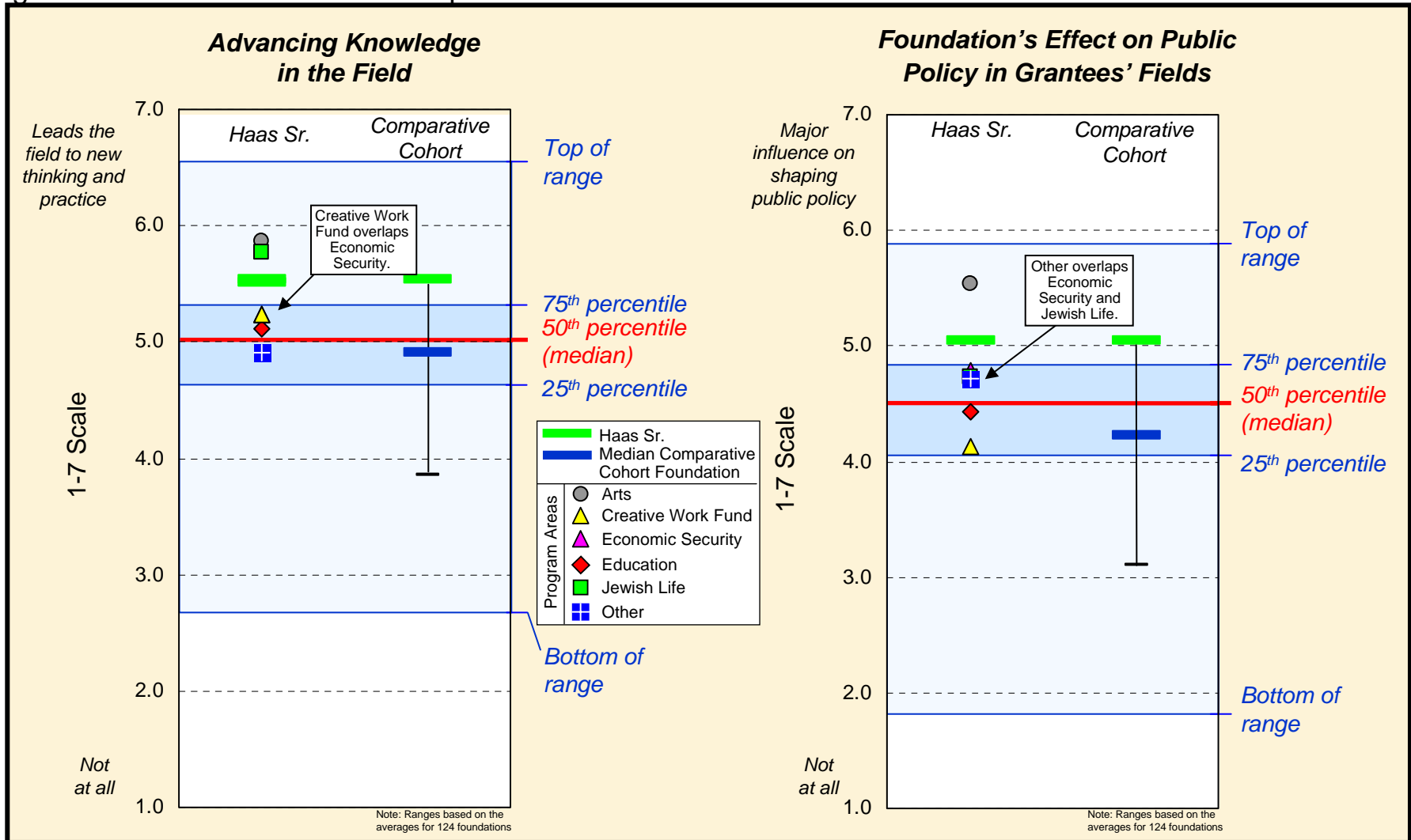
Relative to other foundations, the Fund is perceived to have a greater understanding of grantees' fields.



Note: This question includes a "don't know" response option. Four percent of Haas Sr. respondents answered "don't know," compared to 7 percent at the median foundation.

Advancing Knowledge in Fields and Effect on Public Policy

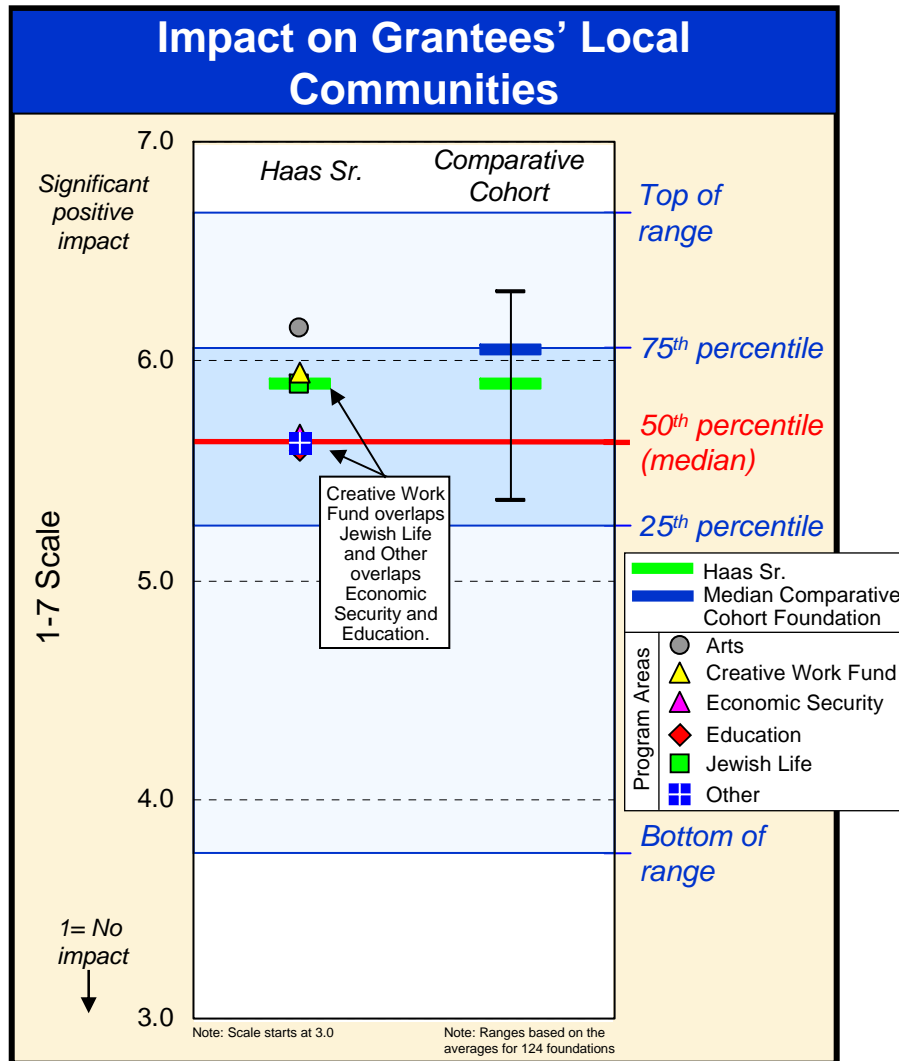
Haas Sr. is perceived to be advancing thinking and practice in its fields of funding to a greater degree and to have a greater influence on shaping public policy compared to other foundations. Haas Sr. is the highest rated foundation in the comparative cohort on both these measures.



Note: The questions depicted in these charts include a "don't know" response option. In the left-hand chart, 35 percent of Haas Sr. respondents answered "don't know," compared to 27 percent at the median foundation. In the right-hand chart, 49 percent of Haas Sr. respondents answered "don't know," compared to 45 percent at the median foundation.

Impact on Grantees' Local Communities

Haas Sr. grantees rate the Fund's impact on their local communities above the average rating received by the median foundation and similar to the median comparative cohort foundation.

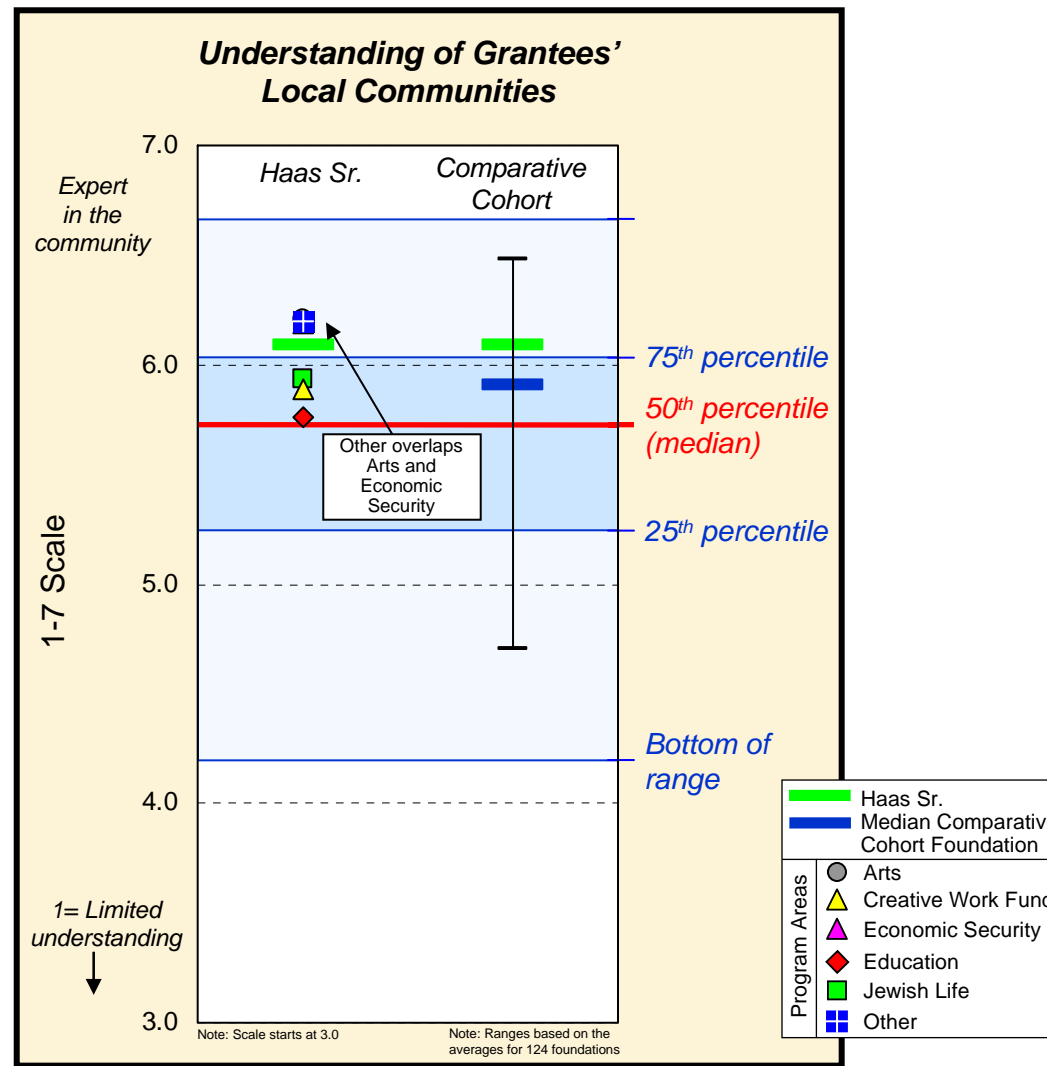


Selected Grantee Comments

- ◆ “The Walter and Elise Haas Fund is a pillar of the San Francisco philanthropic community.”
- ◆ “Haas has taken seriously a critical role they can play in the community – convening and making connections.”
- ◆ “The Haas Fund has quite an impact on the communities in which we work by organizing and funding various organizations across a variety of fields.”
- ◆ “[The Fund is] a very well established foundation who has had and is continuing to have a major impact in our community.”
- ◆ “Throughout the Bay Area are indicators of the Fund's impact – caring for the vulnerable, the creative arts, structures.”

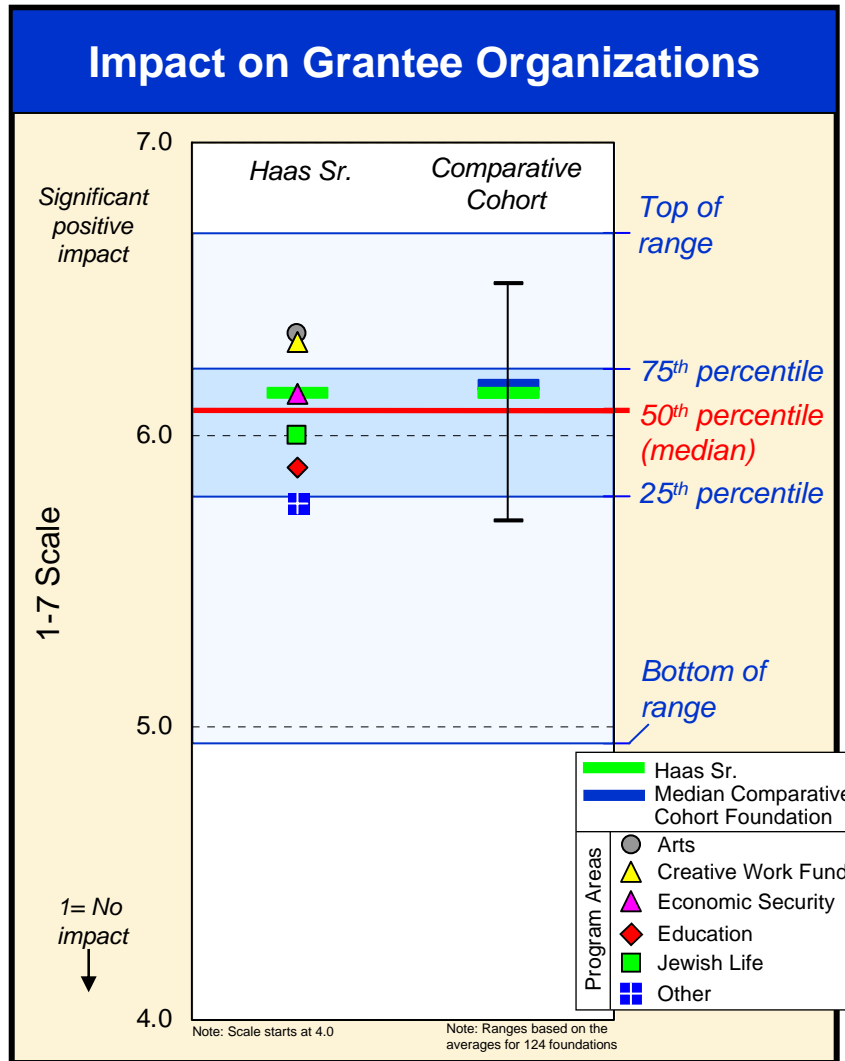
Understanding of Grantees' Local Communities

Haas Sr. grantees rate the Fund's understanding of their local communities above the rating of the median foundation and similar to the rating received by the median cohort foundation.



Impact on Grantee Organizations

Haas Sr. grantees rate the Fund’s impact on their organizations similar to the ratings received by the median foundation and median comparative cohort foundation.

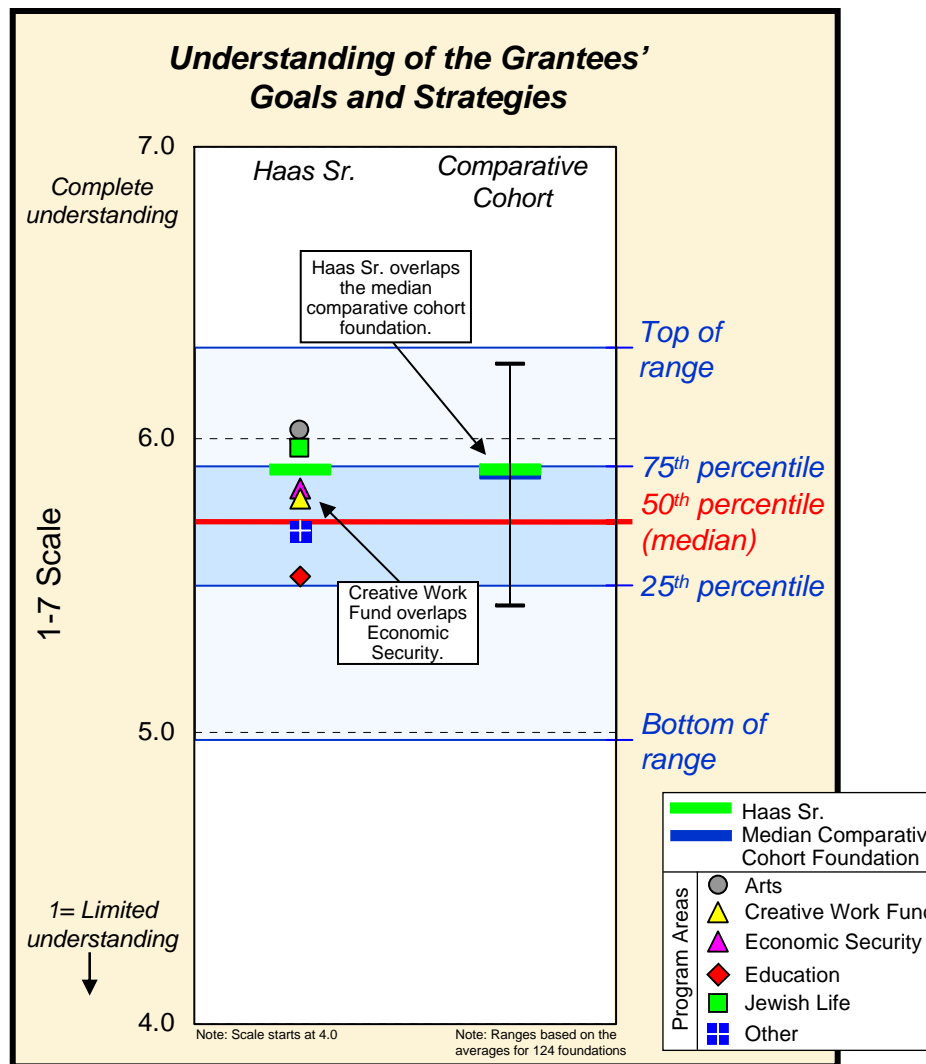


Selected Grantee Comments

- “I am very grateful for the Fund's vision and for the way the staff I have worked with have really pushed us to think bigger and deeper, and to really focus on the value of partnering with others in our community and on empowering community members. It led me to look at our organization, our program, our potential, and potential partners in a whole new light.”
- “The Walter and Elise Haas Fund has had a significant impact on [our organization] – providing partnership, access to information and broad perspective on the field, dimensional and flexible support. We feel that we can always reach out for help, for guidance, for information in addition to regularly being able to apply for appropriate grants.”
- “Since we received a small grant the impact has been less than can be with more funding and better understanding of our population and organization.”
- “The Walter & Elise Haas Fund has been a huge part of our organization’s success.”
- “The long time support of and partnership with the Haas Fund has been invaluable in our organizational stability, ability to offer quality programming, and value as a community resource.”

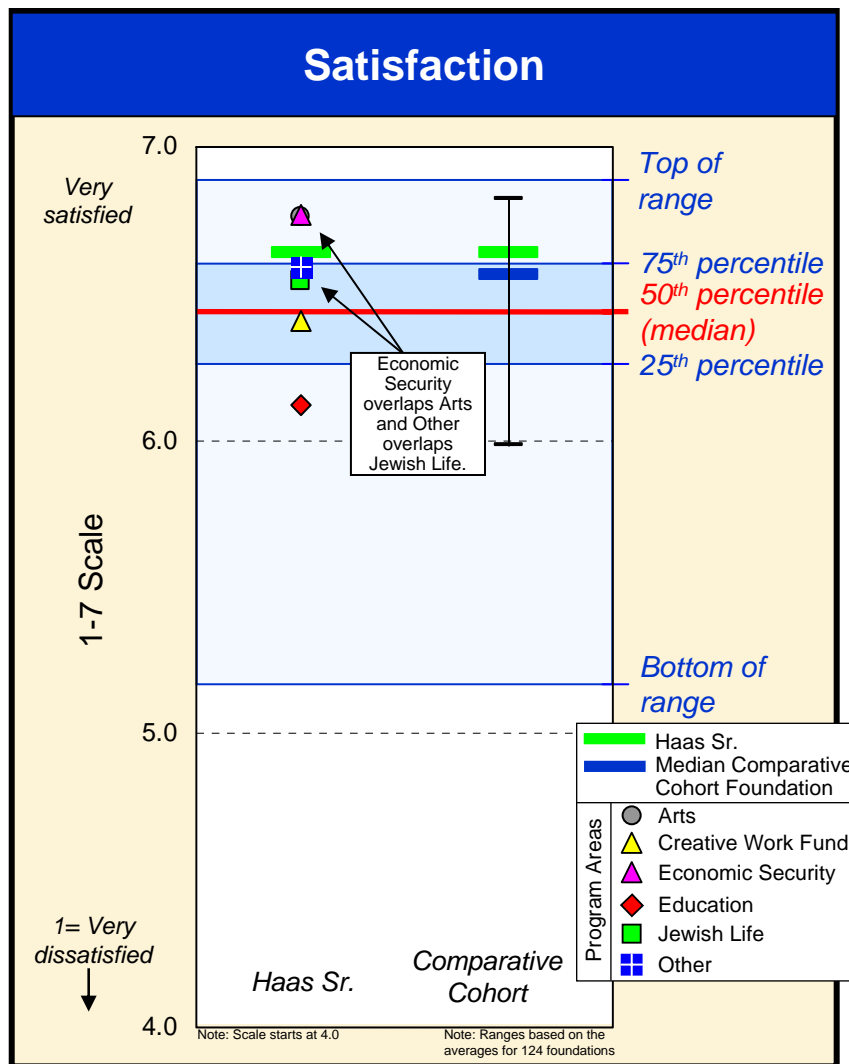
Understanding of Grantees' Goals and Strategies

Haas Sr. grantees rate the Fund's understanding of their organizations' goals and strategies above the rating received by the median foundation and similar to the rating received by the median comparative cohort foundation.



Satisfaction

Haas Sr. grantees are more satisfied with their experience with the Fund than grantees of the median foundation and similarly satisfied compared to grantees of the median comparative cohort foundation.



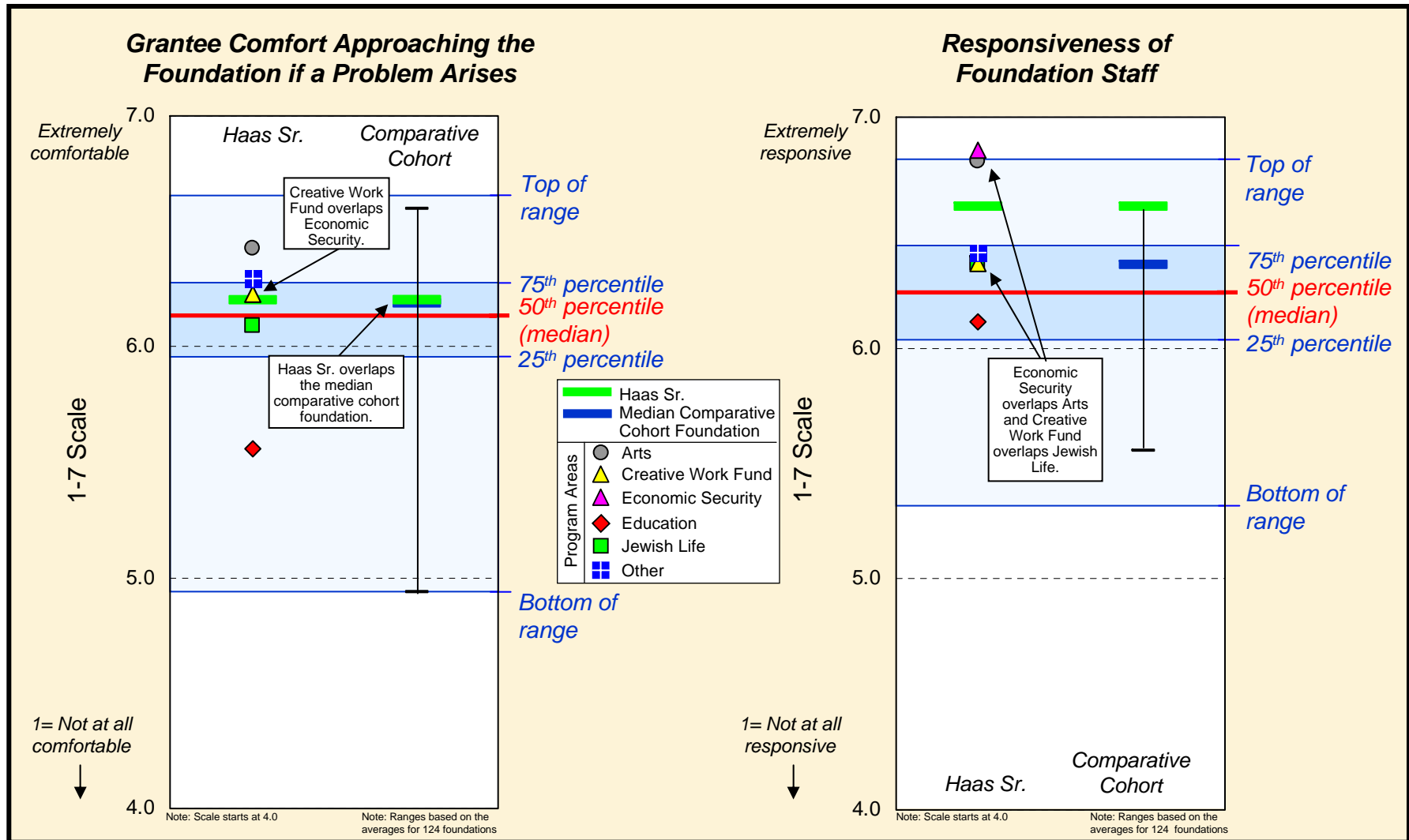
Selected Grantee Comments

- ◆ “This has consistently been the best relationship, process, interaction, and communication of all the foundation relationships we have.”
- ◆ “The Walter & Elise Haas Fund is one of the most progressive and generous funders that we have known. They have clearly given thought to making things as straightforward and simple for the artists who apply and benefit.”
- ◆ “This is one of the highest-performing foundations we work with and we work with many. It is an absolute pleasure to work with this staff.”
- ◆ “Exemplary ... we wish all funders were as fair, respectful, and effective with their grantees.”
- ◆ “Haas is one of the best foundations to work with – they are dedicated to the community and work with you to ensure success.”

Survey-Wide Analysis Fact: Three dimensions best predict grantee perceptions of satisfaction with their foundation funders: 1) *Quality of Interactions with Foundation Staff:* fairness, responsiveness, approachability; 2) *Clarity of Communication of a Foundation’s Goals and Strategy:* clear and consistent articulation of objectives; 3) *Expertise and External Orientation of the Foundation:* understanding of fields and communities of funding and ability to advance knowledge and affect public policy. For more on these findings and resulting management implications, please see CEP’s report, *Listening to Grantees: What Nonprofits Value in Their Foundation Funders.*

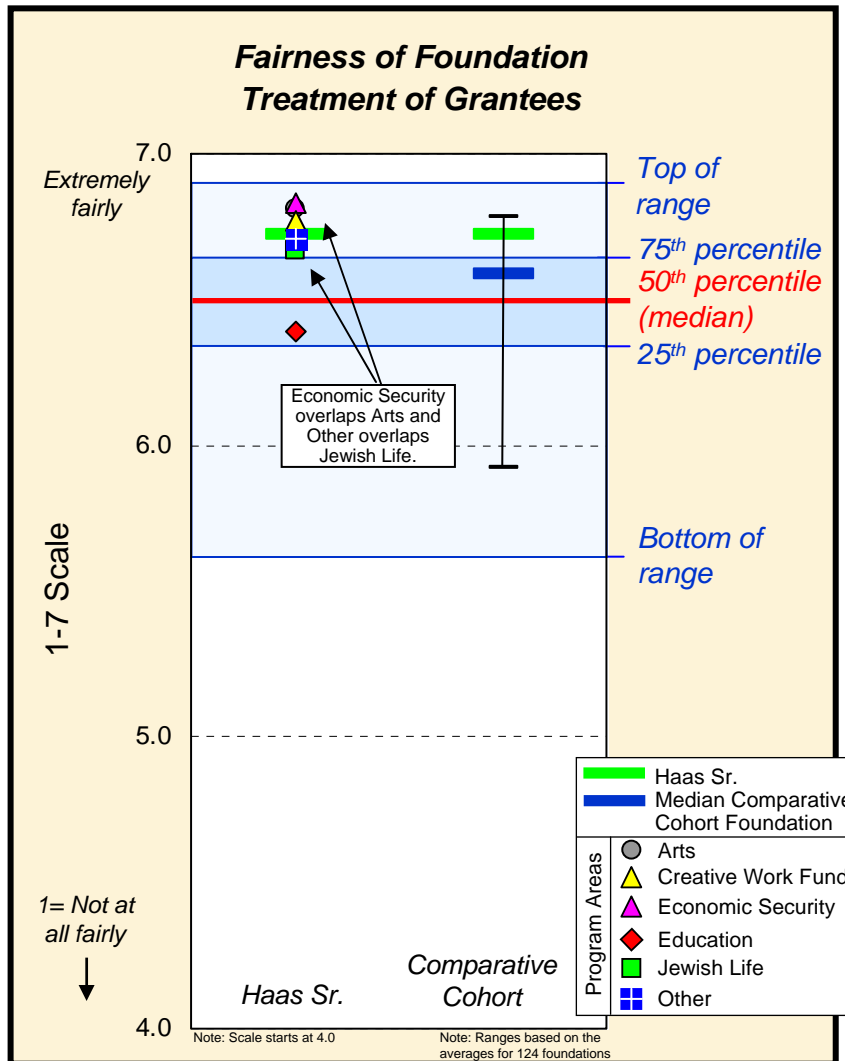
Interactions Measures (1)

Haas Sr. grantees rate the Fund similar to ratings received by the typical foundation on comfort in approaching the foundation if a problem arises. Haas Sr. grantees rate the Fund higher than the median foundation and median comparative cohort foundation on responsiveness of Fund staff.



Interactions Measures (2)

The Fund is rated more positively by its grantees in fairness of treatment of grantees than the median foundation and the median comparative cohort foundation.

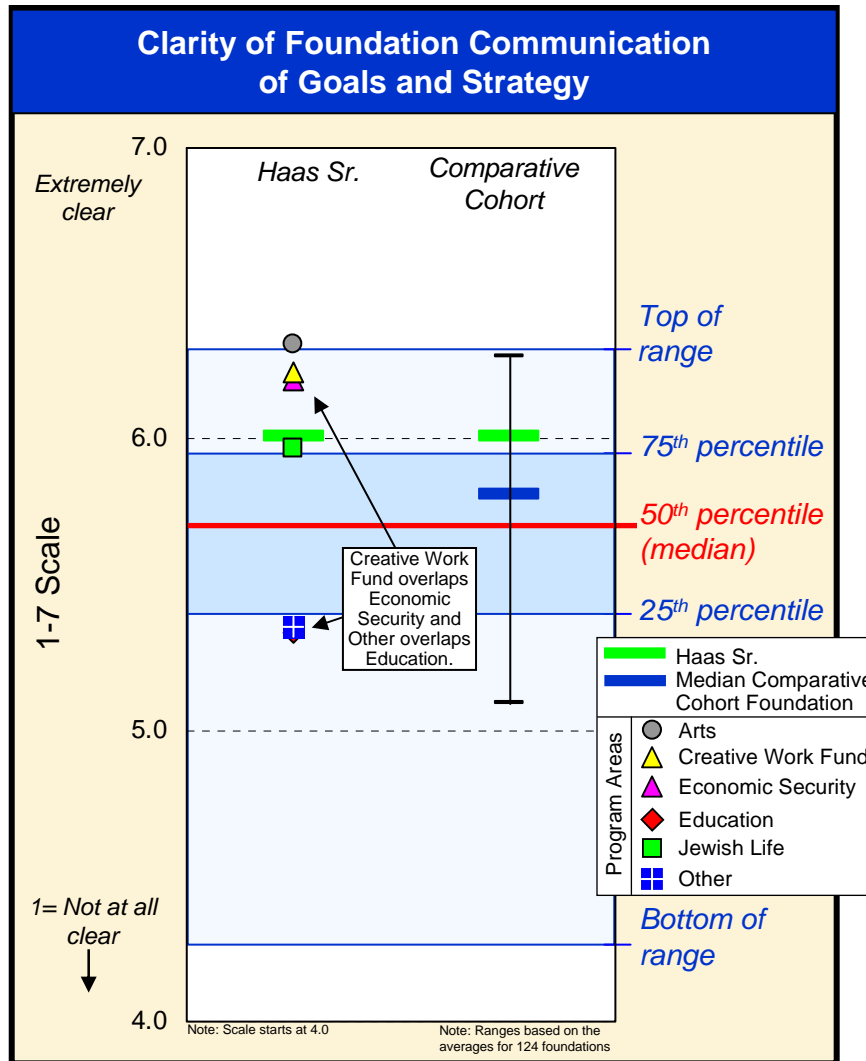


Selected Grantee Comments

- “We could not have a more professional, talented, committed and helpful program officer. [Our program officer] and all Haas staffers have been a joy to work with and the quality of their work has been absolutely first rate in every aspect.”
- “The staff at the Haas Fund are some of the most friendly and professional I have encountered. Our questions are always answered promptly and efficiently, and I believe that they are truly invested in our organization.”
- “I met the foundation staff in person only once for the reception for all the grantees and had no contact with anyone since then. It's too bad because I really liked them.”
- “The foundation's operations, interactions and communications were so clear and helpful that they set a very high standard for our interactions with all other funders.”
- “Interactions with foundation staff is excellent. Officers are always available to discuss project progress with grantees and communicate clearly and frankly recommendations and expectations. Program staff are always available for feedback and knowledgeable of grantees particular circumstances.”
- “I have enjoyed working with my program officer. S/he has been a wonderful guide and an inspiring presence in our work.”

Communication of Goals and Strategy

Haas Sr. grantees rate the Fund's clarity of communication of its goals and strategy above the rating of the median foundation and the median comparative cohort foundation.

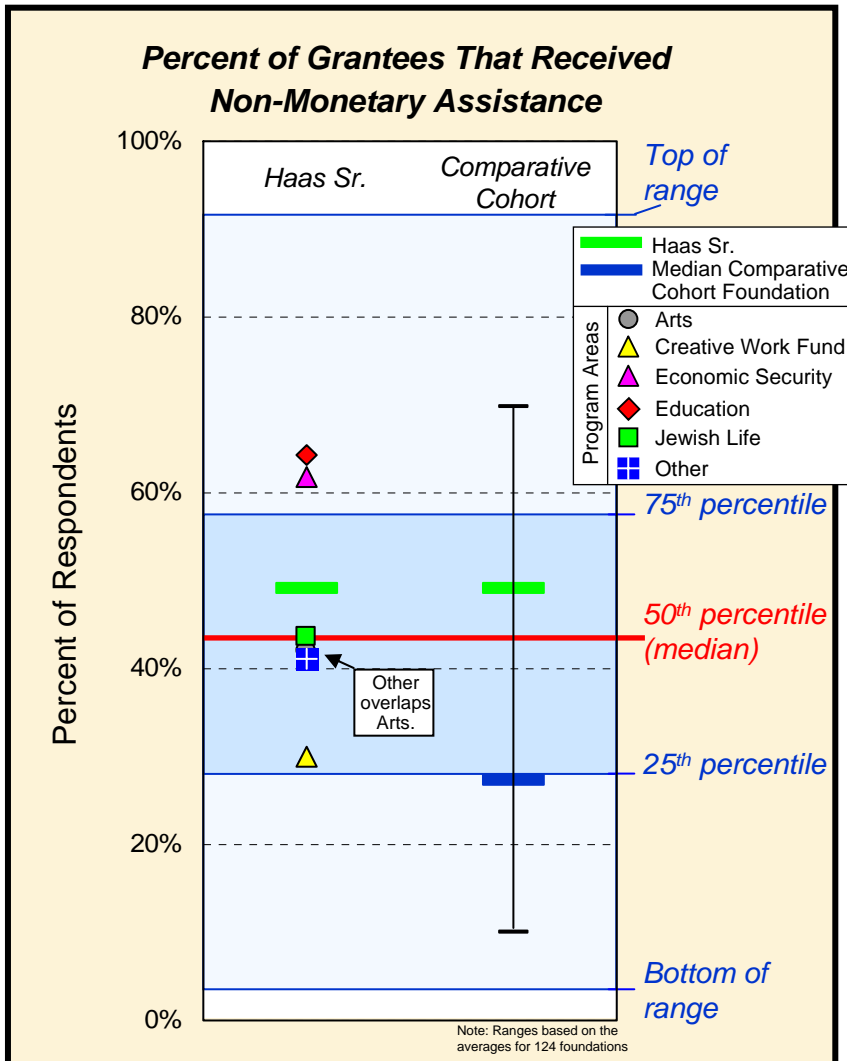


Selected Grantee Comments

- ♦ “The Foundation’s process was very clear, quick and direct. Their communications and interactions are effective. They are great to work with.”
- ♦ “Creative Work Fund materials presented goals clearly enough that I was able to successfully propose relevant programming.”
- ♦ “The new website is very clear.”
- ♦ “Great staff, clear goals, fast follow through and ability to support what they say they support.”
- ♦ “Website is not as informative as many foundation sites. Creative Work Fund site is particularly confusing.”
- ♦ “As a grantee I could understand the end goals [and] board direction without feeling burdened or intimidated.”
- ♦ “Foundation [is] very clear about expectations and efficient in operation and communication, so easy to work with.”

Non-Monetary Assistance

Forty-nine percent of Haas Sr. grantees report receiving non-monetary assistance, a similar proportion compared to the median foundation and a greater proportion compared to the median comparative cohort foundation.



Selected Grantee Comments

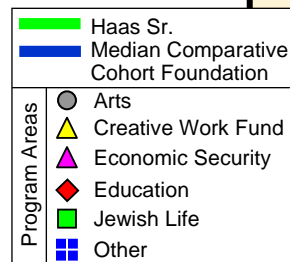
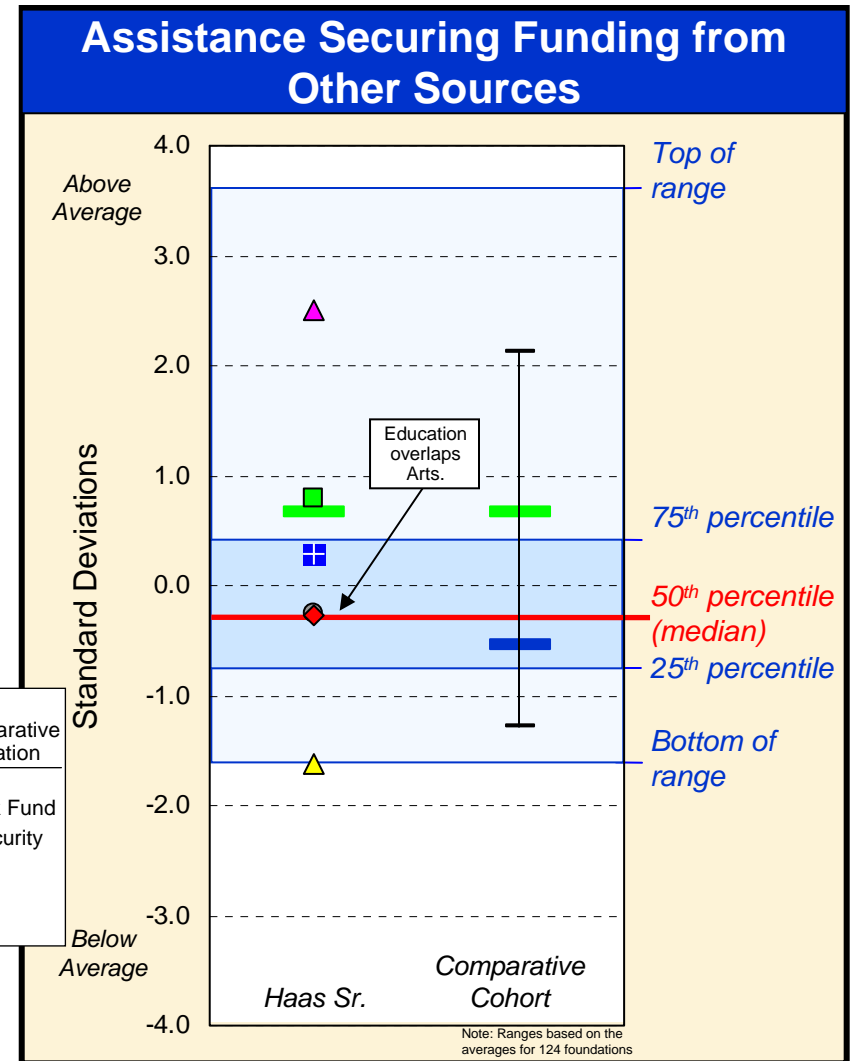
- ◆ “The foundation has impact for two additional reasons: 1) they know the policymakers and can help influence them and advise grantees about work with them 2) they know the other players and can make worthwhile introductions.”
- ◆ “The advice and strategy from the foundation made a very significant and positive impact on our growth, strategic planning and maturity as an organization.”
- ◆ “The non-monetary assistance has been important both in suggesting a specific individual for the board and in general moral support.”
- ◆ “I did not receive but would have greatly appreciated non monetary assistance, like guidance in terms of developing my company and getting support/consultation from an administrative standpoint. This grant was a big deal for me to receive and I had almost no guidance in terms of obtaining it, monitoring and carrying out the proposal.”
- ◆ “The assistance provided by the foundation was instrumental on educating us to the importance of strategic planning.”

Assistance Securing Funding from Other Sources

Haas Sr. is rated above the median foundation and the median comparative cohort foundation on this summary of the frequency and helpfulness of a foundation's assistance in obtaining funding from other sources.

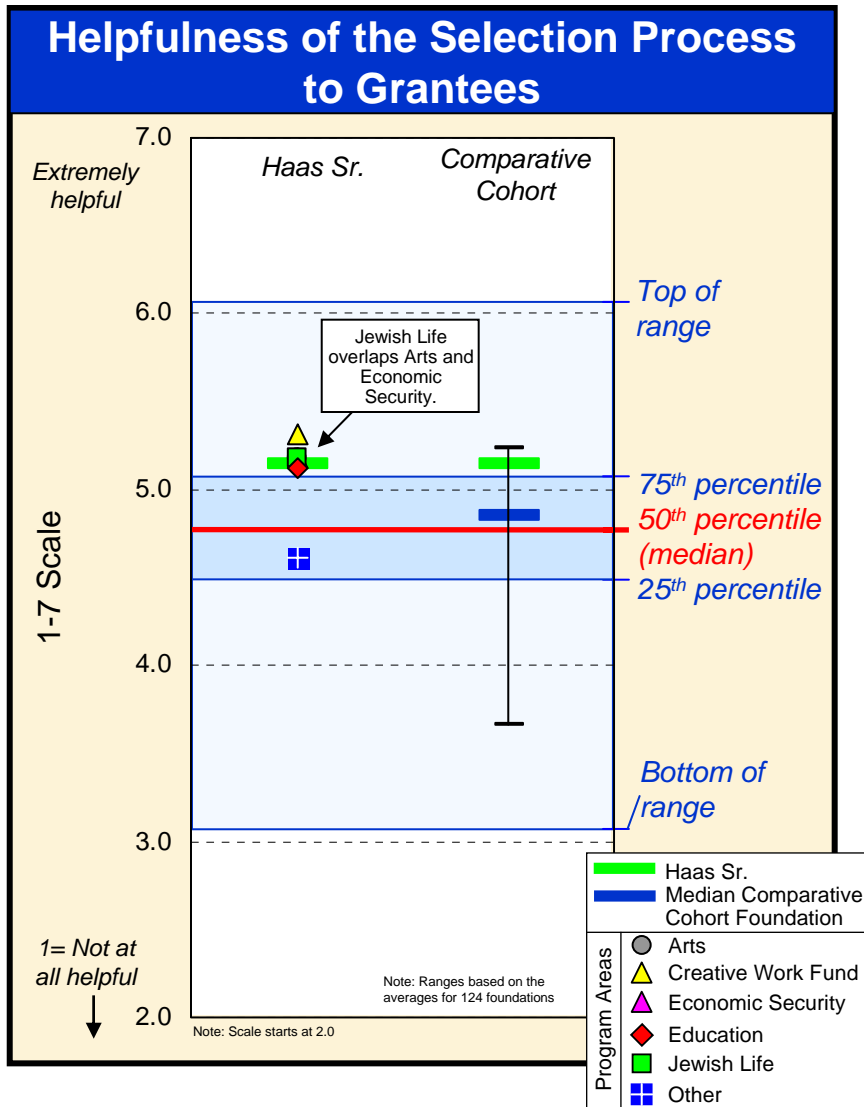
This summary includes:

- Frequency of active foundation assistance in obtaining additional funding from other sources
- The impact of those efforts



Helpfulness of Selection Process

Participating in the selection process at Haas Sr. is seen to be more helpful in strengthening the grantee than the process of the median foundation and median comparative cohort foundation.

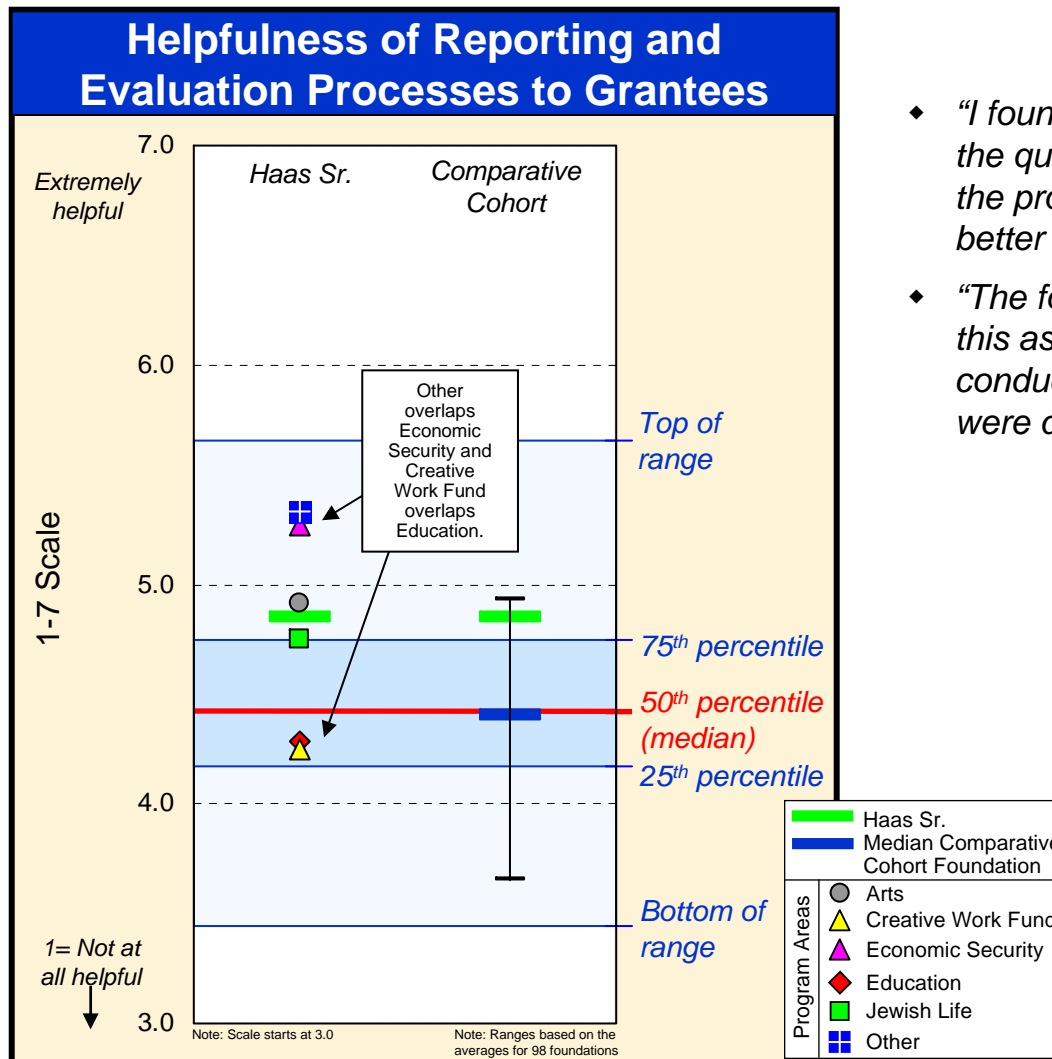


Selected Grantee Comments

- ♦ “The staff really added to the proposal process by asking thoughtful and insightful questions.”
- ♦ “We first approached [our program officer] some time ago with a general program outline and s/he provided excellent feedback on the overall program concept as well as constructive and useful information about how we may or may not fit into the foundation's priorities and grantmaking process.”
- ♦ “Great to work with a foundation that has clear processes, where you don't have to 'know someone' to have your proposal receive serious consideration. Great also how Haas takes risks with new, innovative programs.”
- ♦ “The Foundation is overwhelmed with excellent proposals and programs. The program staff are very committed and very responsive, but there are just too many applications for one person to review. There is a clear need for additional program staff to respond to inquiries and applications in a timely manner.”
- ♦ “They were extremely helpful while we were writing the proposal, and the entire process went very smoothly.”
- ♦ “Foundation staff were helpful and concise in communicating the requirements of the grant process. Overall, the process required more time and energy from agency staff in comparison to our two or three other major foundations.”

Helpfulness of Reporting and Evaluation Processes

Haas Sr.'s reporting and evaluation processes are seen to be more helpful in strengthening grantees than the processes of the median foundation and median comparative cohort foundation.



Selected Grantee Comments

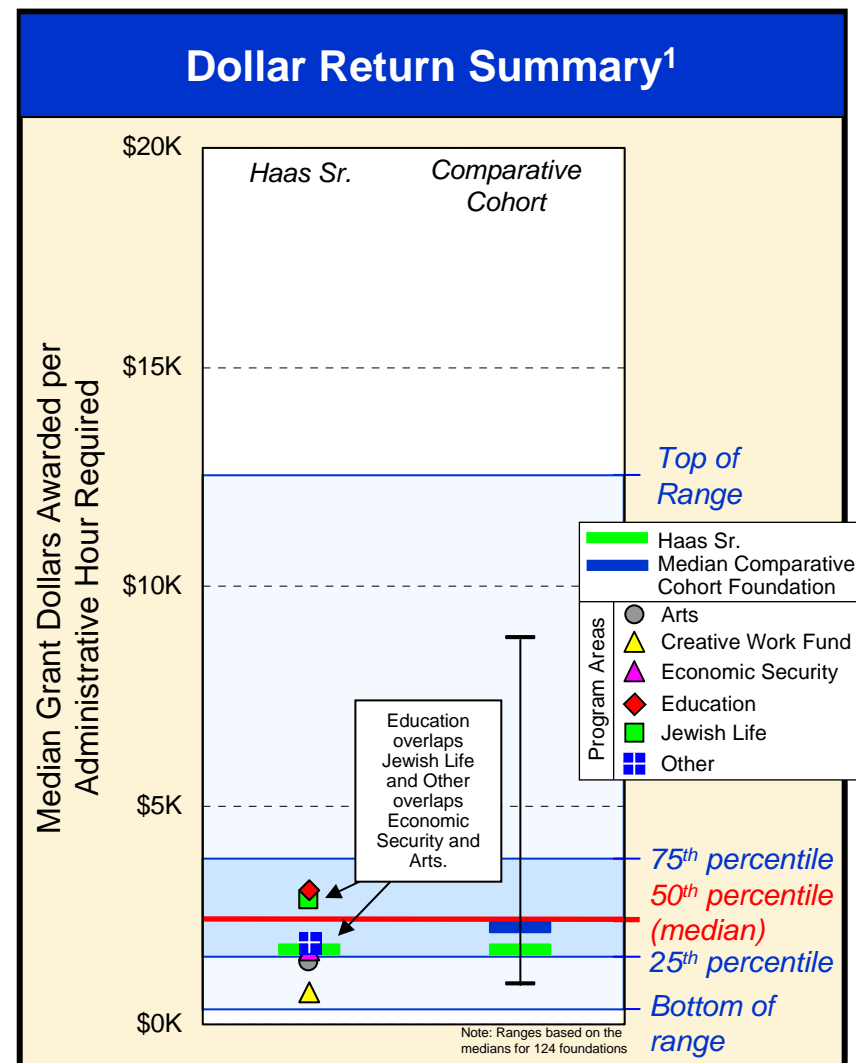
- ♦ *“I found the reporting process incredibly helpful, as the questions asked really made me think about how the program went and how we could make it even better the next year.”*
- ♦ *“The foundation asked for development strategies – this assisted us in articulating our approach and conducting research into what similar organizations were doing regionally and nationally.”*

Dollar Return Summary

Haas Sr. awards a smaller than typical number of dollars per administrative hour required of grantees.

This summary includes:

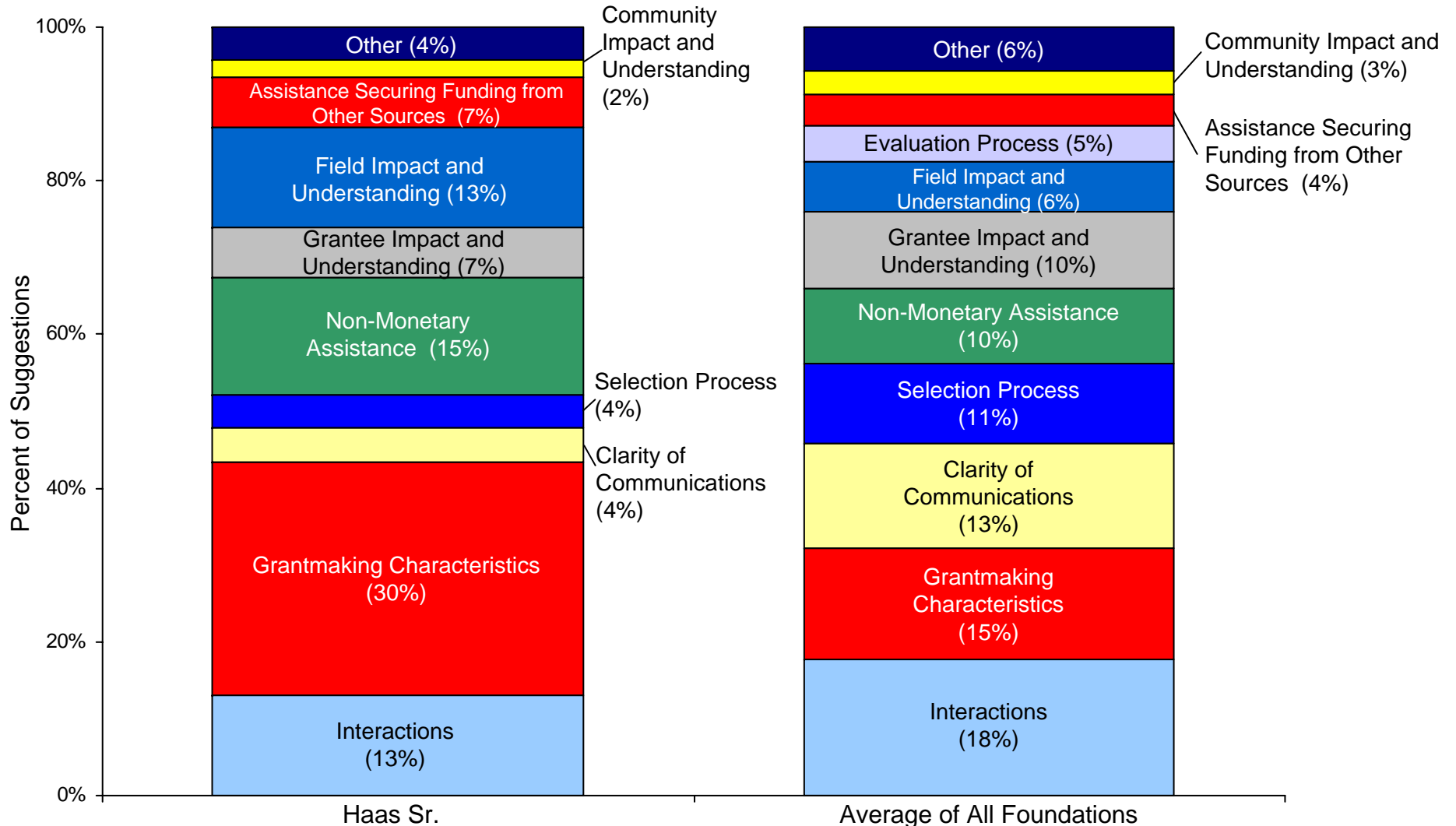
- The total grant dollars awarded
- The total time necessary to fulfill the administrative requirements over the lifetime of the grant.



Grantee Suggestions for the Fund (1)

Grantees were asked to provide any suggestions for how the Fund could improve. A larger than typical proportion of Haas Sr.'s suggestions concern grantmaking characteristics, non-monetary assistance, and grantee-field impact and understanding.

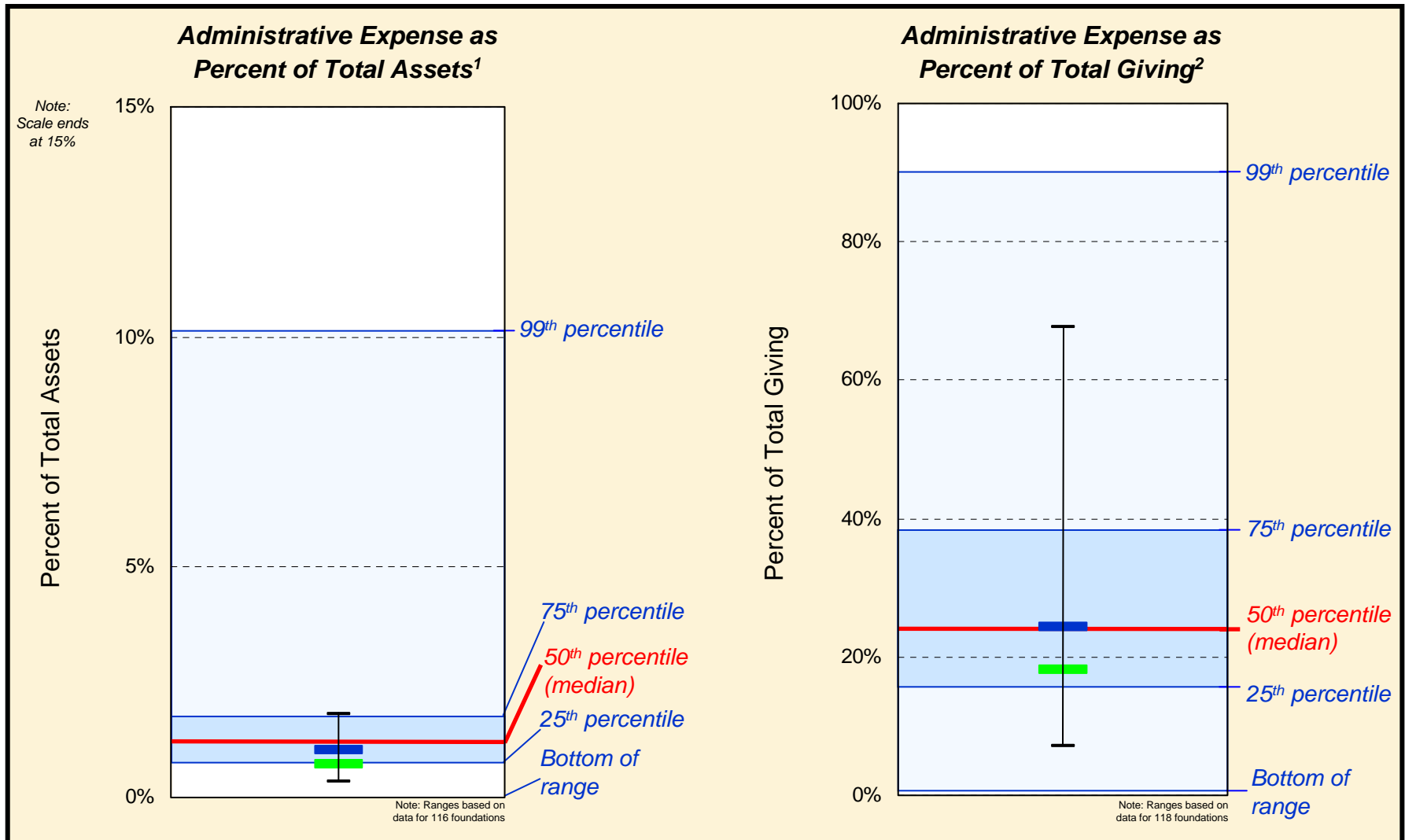
Topics of Grantee Suggestions



Note: This chart includes data about 64 foundations. There were a total of 46 grantee suggestions for Haas Sr. Comparative cohort data is unavailable.

Total Administrative Expense

Haas Sr. spends a smaller amount on administrative expenses as a percentage of total assets as the median foundation and median comparative cohort foundation. The Fund spends a below median amount on administrative expenses as a percentage of total giving relative to the median foundation and the median comparative cohort foundation.

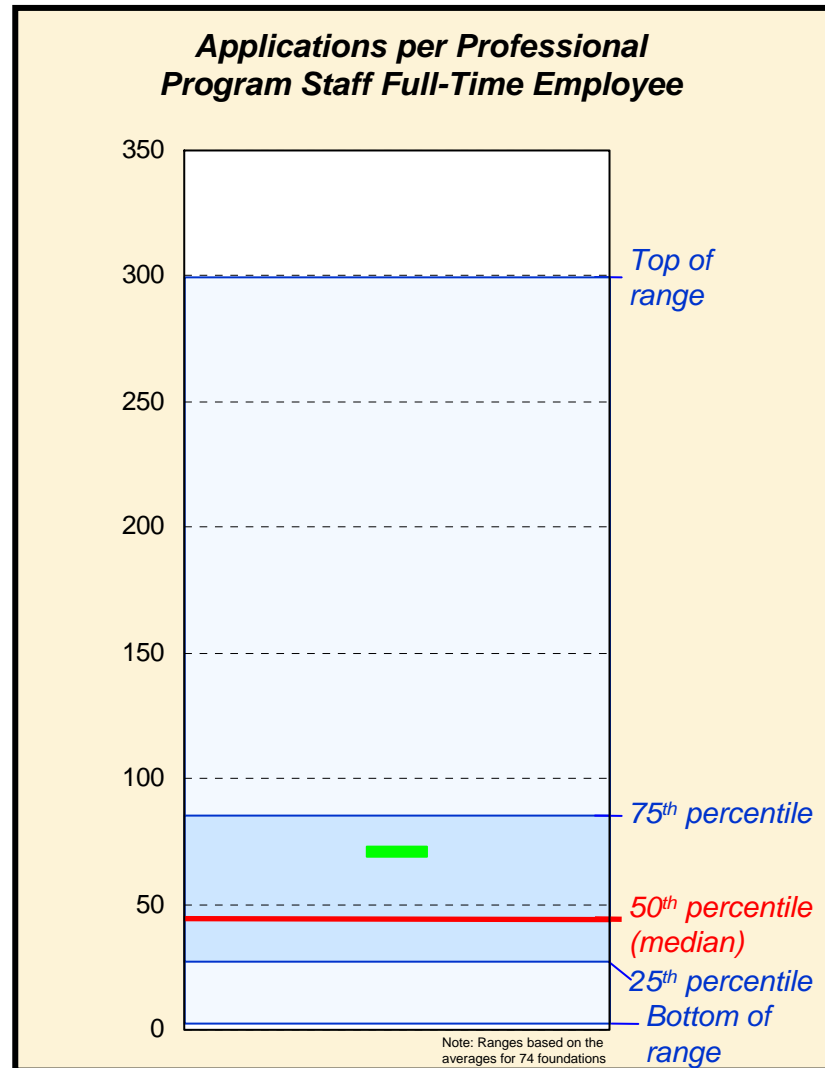


1: Total assets is in Box I on the 990-pf (line 21 on the 990), total administrative expense is line 24a (line 44a subtracting 22a on the 990), and total giving is line 25d (22a on the 990).

2: On the left-hand chart, one value over 50% is not shown. On the right-hand chart, one value over 100% is not shown.

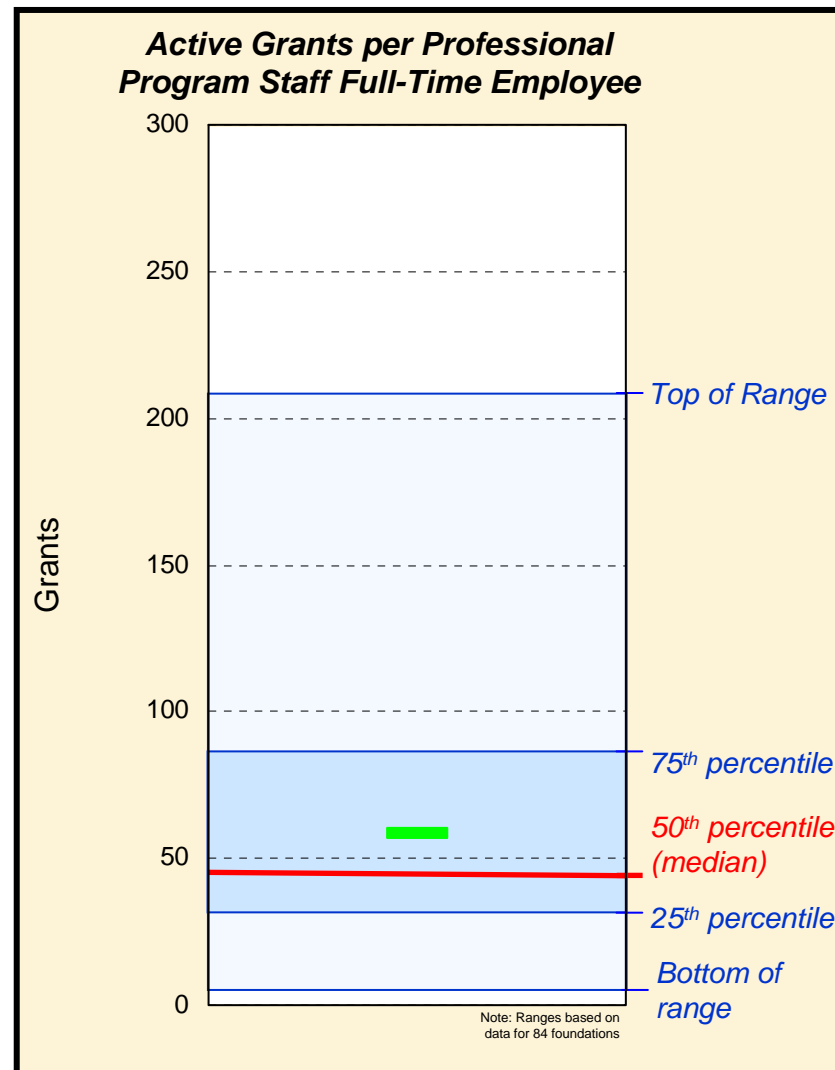
Program Staff Load (1)

Haas Sr. staff have a larger number of applications per professional program staff full-time employee.



Program Staff Load (2)

The Fund is above the median in the number of active grants per professional program staff full-time employee.



Areas for Discussion (1)

♦ High Ratings on Many Dimensions

- The Walter and Elise Haas Fund is rated highly by its grantees on most dimensions of the grantee survey. The Fund is often rated above the median foundation in the comparative set and the median comparative cohort foundation, and receives particularly high ratings on measures of grantee satisfaction, quality of interactions, helpfulness of the selection and reporting/evaluation processes in strengthening grantees, assistance securing funding from other sources, and impact on and understanding of grantees' local communities and fields.

♦ Haas Sr. Grantees Receive Fewer Dollars per Administrative Hour than is Typical

- Haas Sr. is below the median foundation for its dollar return on grantee administrative hours. While both the helpfulness of the selection process and the reporting/evaluation processes are rated more positively than typical for their helpfulness to grantees, the Fund requires more from grantees in each process than other foundations. Grantees spend more time completing requirements of the proposal and selection process than grantees of the median foundation. On average, the grants awarded by the Fund are shorter in length than typical.
- A large group of grantees' suggestions to the Fund concern the size and length of grants, with grantees suggesting they would like to receive larger, longer-term grants.
 - *Should the Fund consider reducing its administrative requirements while maintaining the helpfulness of the selection and reporting/evaluation process?*
 - *Can the Fund consider making larger and/or longer-term grants?*

Areas for Discussion (2)

- ◆ **Grantees Frequently Comment on and Suggest They Would Like More Non-monetary Assistance**
 - Haas Sr. provides non-monetary assistance to 49 percent of grantees, a similar proportion compared to the median foundation and a larger proportion compared to the median comparative cohort foundation.
 - Grantees that receive non-monetary assistance rate the Fund significantly higher for its impact on their organizations and its understanding of their organization’s goals and strategies.¹
 - The helpfulness of the Fund’s non-monetary assistance, especially field-related activities, is rated above the average rating received by the median foundation and median comparative cohort foundation. Grantees frequently comment that Fund staff are “experts in their fields and have in-depth experience.”
 - Fifteen percent of grantee suggestions concern non-monetary assistance, and grantees often ask for more non-monetary assistance in these suggestions.
 - *Should and can the Fund provide more non-monetary assistance to its grantees?*

- ◆ **Grantmaking Characteristics**
 - Thirty percent of grantee suggestions, a larger proportion than typical, concern the Fund’s grantmaking characteristics – size, length, and type of grant awarded. Grantees suggest that the Fund award more general operating support and longer, larger grants.
 - Haas Sr. awards a larger than typical proportion of program/project support grants, and, on average, the Fund’s grants are shorter in length compared to the typical foundation.
 - *Should the Foundation provide more general operating support?*
 - *Should the Foundation provide larger and/or longer grants?*
 - » *Do some grantees perceive the Fund’s multi-year grants as single-year grants? How can the foundation better communicate it’s grantmaking intent?*

Areas for Discussion (3)

- ♦ **Differences Exist Among Ratings of Haas Sr. Program Areas**
 - The Fund's high ratings are not consistent across all program areas. Ratings among program areas are widespread on a number of measures, including grantee satisfaction, impact on grantees' fields, impact on grantees' organizations, quality of interactions, clarity of foundation communication of goals and strategy, consistency of information provided by communications resources, and helpfulness of the reporting and evaluation process.
 - *Is the Fund comfortable with the variation in grantee ratings among program areas?*
 - » *Which differences are intentional vs. unintentional?*
 - *How might the Fund address areas of lower performance?*

- ♦ **Less Administrative Expenses and Lean Staffing**
 - As described in the Operational Benchmarking Report (pages 24-26), Haas Sr. spends a smaller than typical amount on administrative expenses as a percentage of total assets and total giving. Haas Sr. staff have a larger number of applications and active grants per professional program staff full-time employee.
 - *How does the Fund's operational structure affect its ability to work with grantees and other constituents?*

Contact Information

- ◆ This report was produced for the Walter & Elise Haas Fund by the Center for Effective Philanthropy in May 2007.

- ◆ Please contact CEP if you have any questions:
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