



NEW HAMPSHIRE
CHARITABLE FOUNDATION

STRONGER COMMUNITIES. GREATER GIVING.

New Directions
2012 – 2015

Executive Summary

June 2012

This year the New Hampshire Charitable Foundation turns 50. What started in 1962 as a short-term trust to distribute the estate of former Governor Spaulding and his family has grown into a permanent powerhouse of inspired community philanthropy. For three generations, generous Granite Staters have turned here to achieve more with their charitable giving.

The numbers are striking. Nearly \$500 million in charitable assets in 1,675 funds. 4,500 grants and scholarships awarded in 2011. Eight regional advisory boards with more than 100 volunteers engaged in grantmaking and building relationships. Behind these numbers are countless stories of giving back and looking ahead. In collaboration with donors and partners, the Foundation has started many of the state's most important nonprofits and helped advance countless initiatives to advance community well-being. Our work touches thousands of lives in every region of New Hampshire every year. We are building on a legacy of compassionate and meaningful community philanthropy.

THE VIEW AHEAD

Just as the founders in 1962 envisioned a need that was well ahead of their time – pooling charitable assets for greater impact – so must we chart new directions to better serve New Hampshire's changing needs. Our communities face significant challenges, including widening gaps in income and education, declining public budgets and new pressures on nonprofits. After three decades of rapid growth, in-migration has virtually stopped. Technological changes, globalization, and an aging population bring different pressures and opportunities. One thing is certain: The independent charitable sector will be counted on to do more. As the largest funder in the state and a trusted thought leader, we must stay ahead of the curve.

New Hampshire still ranks high among the states in livability: Public safety, per capita income, educational achievement, health, civic engagement, and employment, among other measures. But there are two problems with this picture. First, these average rankings do not reflect growing geographic and socioeconomic discrepancies; our overall enviable quality of life is increasingly out of reach for too many of our neighbors. Second, key leading indicators suggest that these qualities will erode over time without concerted action. Compared to other states, we are last in funding higher education and first in student debt load. Our population is healthier than average, but we lead the nation in prescription drug abuse and are third in risky underage drinking. Our overall poverty rate is third lowest in the U.S., but Manchester, Coos County, and other areas exceed the national average. We are 49th in charitable giving. Even our historically high rates of civic engagement have dropped in recent years.

Few institutions have the bandwidth to look ahead and confront these long-term trends. Government agencies are hampered by one- or two-year budget cycles. Most nonprofits have scant reserves and struggle day-to-day with hugely increased client loads. Employers need to focus on quarterly returns and business growth in a tough economy and labor market.

The foundation is different. We have the unique ability and responsibility to have a long-term vision in a short-term world, to be an anchor and a beacon in uncertain times. This is our obligation to the donors who entrust charitable assets to us and the people of New Hampshire who benefit from our work.

OUR VISION FOR NEW HAMPSHIRE

We envision strong, just, and resilient communities where:

- All residents have access to quality health care, food, housing, and other critical needs;
- Students of all ages improve their lives through appropriate education and job training opportunities;
- Significant environmental assets are permanently protected and available for long-term public benefit;
- Arts and culture organizations preserve heritage, celebrate self-expression, and foster appreciation of diversity;
- Economic opportunity is available to all; and
- Residents give back to their communities and participate meaningfully in civic life.

OUR NEW MISSION

We seek to strengthen communities and inspire greater giving by:

- Investing charitable assets for today and tomorrow
- Funding effective organizations, ideas, and students
- Leading and collaborating on important public issues

OUR PLAN

Over the past two years we have engaged hundreds of stakeholders in thinking about the future of the foundation. Staff, directors, regional advisors, donors, and partners have shared insights, questions, and aspirations. The new directions in the following pages are built on their input.

Building on core capabilities

We have identified our defining capabilities and perspectives:

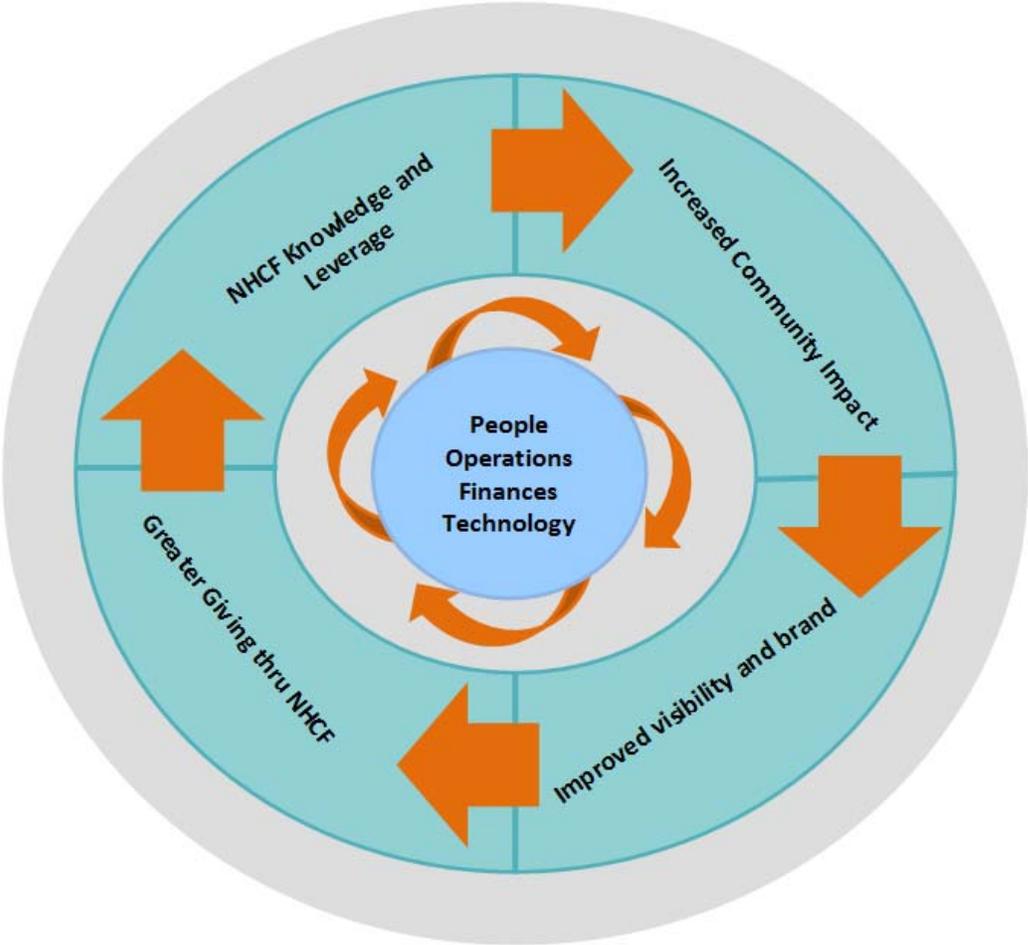
- We are uniquely able to think and lead for the long term well-being of New Hampshire.
- We are both local and statewide – deeply embedded in every community through networks of staff, boards, donors, and partners; and united by a statewide view and vision.
- We have extensive community knowledge about New Hampshire problems and solutions.
- We achieve leverage by connecting the passions and resources of donors with the state’s most effective organizations, ideas, and students.
- We attract passionate and talented people – staff, board members, and regional advisors.

Improving performance

By building on our core capabilities and focusing more strategically, we will improve performance in four equally important and interdependent outcomes:

- Increased community impact
- Greater giving
- Better brand recognition and engagement
- Organizational strength

These outcomes drive each other. The better we share knowledge and lever resources, the greater community impact we will have. The better we communicate the results of our impact and engage stakeholders, the more donors we will inspire to invest. Greater investment leads to more knowledge and leverage. The cycle grows, fueled by strategic investments in people, operations, finances, and technology.



Pulling the pieces together

In the following pages are specific goals , objectives, and sample initiatives that will define our work in the years 2012 - 2015.

GOAL 1: INCREASED COMMUNITY IMPACT

Objectives

- A. Expand the strategic use of foundation knowledge and resources to increase impact and leverage and drive support to the most effective community work.**

Sample Initiatives

1. Develop a knowledge management system to improve the quality and accessibility of information to serve donors, evaluate impact, and influence grantmaking and community leadership.
2. Develop and implement a limited number of strategic initiatives in selected areas within the Vision Statement.
3. Develop a range of grantmaking services to meet the needs of donors of all giving levels.
4. Implement a new Community Grants program that will lower costs for the foundation and its applicants, foster innovation and collaboration, and help sustain nonprofits.
5. Explore impact investing as an additional vehicle for sustained community impact and donor participation.

- B. Advance the long-term goals of the Substance Use Disorders (SUD) and Neil and Louise Tillotson Fund initiatives, and increase their impact through leverage with other Foundation work.**

Sample Initiatives

1. Implement new 10 year SUD prevention initiative with public and private partners.
2. Advance the strategic plan and goals of the Neil and Louise Tillotson Fund and initiatives in the North Country as developed by the fund's advisory committee, including:
 - Advance early childhood development;
 - Support and develop local community leaders; and
 - Foster business and entrepreneurship.

GOAL 2: GREATER GIVING

Objectives

A. Increase engagement with current and prospective donors and fund establishers.

Sample Initiatives

1. Engage target constituents and their advisors in activities that increase the effectiveness of their giving, including greater access to community knowledge and grantmaking opportunities.
2. Identify new donors interested in the community foundation model of giving and leverage.

B. Develop flexible and innovative giving opportunities that attract a wider range of donors.

Sample Initiatives

1. Expand and enhance the Entrepreneurs Foundation to attract and engage new investors.
2. Explore and test cost-effective strategies to increase giving to community and issue-based funds.

GOAL 3: IMPROVED VISIBILITY AND BRAND

Objectives

- A. Develop and launch a new communications and marketing approach focused on key constituents – donors, prospects, professional advisors, and targeted opinion leaders from nonprofits, business, and government.**

Sample Initiatives

1. Reorganize and strengthen communications department under leadership of new vice president for communications and marketing.
2. Develop and execute a comprehensive and sustained communications strategy to tell the foundation’s story and support philanthropic, programmatic, and organizational goals.

GOAL 4: FINANCIAL SUSTAINABILITY AND ORGANIZATIONAL HEALTH

Objectives

- A. Improve operating systems and governance structure necessary to achieve the strategic goals.**

Sample Initiatives

1. Streamline transactions and other core operating processes.
2. Develop and implement a comprehensive management system to improve cross-functional decision-making, planning and budgeting, evaluation, and learning.
3. Train and support regional advisors to increase their participation and effectiveness in asset development, communications, and grantmaking.

- B. Sustain a high-performing financial, investment, and information services infrastructure.**

Sample Initiatives

1. Build a robust cloud-based infrastructure and management of core software applications.
2. Continue to build out online solutions for contributions, grantmaking, fund management, and constituent engagement.
3. Dedicate sufficient leadership, time, and resources to sustain high-performing finance and investment functions.