Bonnie Hildreth and the Story of a Community Foundation in Michigan

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The story of the Barry Community Foundation, based in Hastings, Michigan, reads like a "How To Do It Right Guide" for Community Development Philanthropy. Bonnie Hildreth has been the Executive Director for the Foundation since it was formed in 1995.

Barry County is located in southwestern Michigan and is home to 60,000 residents. It is described as "'the only northern county in southern Michigan' -- hilly, wooded countryside dotted with spring-fed lakes. Westerlies pick up moisture from Lake Michigan 75 miles west."¹ The rural county is surrounded by four larger industrial cities: Battle Creek, Kalamazoo, Lansing and Grand Rapids. Over half of Barry County's workers commute to jobs outside the county each day. Hastings is the largest community in Barry with approximately 7,000 people. Even on its own website, Hastings is described as a "Bedroom town for commuters to Grand Rapids, Lansing, Battle Creek, Kalamazoo." Of the approximately 10,000 jobs in the county, one-third are in manufacturing, and another third are in either retail or health care and social services. Historically, Barry County tended to have a relatively high average household wage compared to the state and a low poverty rate.²

In 1995, residents of Barry County, Michigan raised \$2 million in local donations to establish the Barry Community Foundation.

The Kellogg Foundation matched this with an additional \$1 million.

Now, in 2010, the Barry Community Foundation has \$17 million in endowments, 165 funds, and 80 volunteers.

Bonnie Hildreth takes very little credit for herself in the story of the Barry Community Foundation's creation, but it is evident that she is at the center of its subsequent success. The Thornapple Foundation had been a well-established private foundation in Barry County, Michigan for some years before the director attended a meeting sponsored by the W.K. Kellogg Foundation in July 1995. Kellogg, along with

² Resources: "A Portrait of Barry County" Michigan State University Extension <u>http://web1.msue.msu.edu/countyprofiles/barry/Barry.pdf accessed March 30</u>, 2010 and U.S. Census Bureau | County Business Patterns County Business Patterns <u>http://www.census.gov/econ/cbp/</u> accessed March 26, 2010, and Barry County website <u>http://www.barrycounty.org/townships/cities/hastings/</u> accessed March 30, 2010.

¹ Resource: Barry County website at <u>http://www.barrycounty.org/townships/cities/hastings/</u> accessed March 30, 2010.

Michigan Community Foundation and Marion Ewing had issued a challenge grant to all Michigan communities: for every \$2 raised locally for community foundation endowments, Kellogg would provide \$1, up to a maximum of \$1 million per community. The only catch? The matching funds were to be used to establish endowed funds for youth-directed charitable giving, with all decision-making overseen by Youth Advisory Councils. This was the hook for Thornapple and for Barry County. It was exactly what they were looking for.

The Thornapple Foundation did not waste any time. They approached the United Way of Barry County to join forces in the challenge grant and to establish the first Barry Community Foundation. That's when Thornapple found Bonnie Hildreth, then the Executive Director of the United Way. The Barry Community Foundation was founded in 1995, and Ms. Hildreth was asked to act as the Executive Director for both the Barry County Community Foundation and the United Way. By collaborating in the beginning, the two organizations aimed to ensure a living wage to the new director. This was an extraordinary step for a



Barry County Community Foundation Board

rural Michigan community in the mid-1990s, when the whole state was in economic decline. Thornapple immediately dissolved and transferred its \$350,000 to the newly formed foundation. That first cash injection of \$350,000 from the Thornapple Foundation was used to endow a fund to pay for the administrative and operational costs of the Barry Community Foundation for the next 5 years. This ensured the Foundation's survival through those first critical years of asset building.

Barry County Community Foundation raised \$2 million from local sources in those first years and earned the \$1 million from the Kellogg Foundation to set up its Youth Advisory Council. The Foundation now has \$17 million in endowments, an active Youth Advisory Council, and 80 volunteers. And, Ms. Hildreth now devotes 100 percent of her time to directing foundation activities.

The Youth Advisory Council, originally organized as a condition of the \$1 million in matching funds from Kellogg, is a cornerstone of the Barry Community Foundation's activities.

Taking youth seriously appears to be a way of life in Michigan. "We have a state law," says Ms. Hildreth, "that 16 year-olds have votes that count in any non-profit. We have two youth spots on the [Barry Community] Foundation Board."

The current Youth Advisory Council is made up of sixty 13 – 21 year olds in Barry County and is open to any young person who wants to be involved. The Youth Advisory Council has its own endowed fund, as envisioned by Kellogg, and grants monies back to youth in the community. The Youth Advisory Council is very strict on one point. Each grant must be clearly youth initiated, written and directed. The Youth Advisory Council will turn down any application that appears to feature adult-directed activities for youth or that does not involve a youth co-writer. The Youth Advisory Council has funded over \$300,000 in grants and mini-grants since its inception.

The Barry Community Foundation is one of 65 community foundations in Michigan. Michigan is considered a national leader in community philanthropy, providing residents of every county in the state with access to a community foundation. Community foundations are a fast growing community development strategy for rural America. Through community foundations, communities can endow funds to support local initiatives from economic development to the arts to college scholarships and everything in between. At the same time, community foundations provide people with a way to support their own communities through charitable giving and ensure that communities have a reliable internally generated asset to draw upon.

"Community foundations in Michigan are very flexible," says Ms. Hildreth. The Barry Community Foundation is able to accommodate donors' needs, so that they can give in a way that is comfortable for them and in a way that supports exactly what they value in their community. The Barry Community Foundation currently has endowed funds for activities as diverse as a free community clinic, farmland preservation, healthy youth and seniors, education, an arts council, and a memorial park bench program.

Ms. Hildreth pauses in her bright narrative about the Foundation to reflect on the current economic crisis and life in rural Michigan. The local economy, according to Ms. Hildreth, has been hard hit by the state economic crisis, which is rooted in the declining automotive industry and manufacturing. "We only had two manufacturers that were very dependent on the auto industry," says Ms. Hildreth about Barry County, "but they were hurt." In this environment, locally grown grants and funds are even more vital.

"In a small community, we take pride in the fact that we don't wait for others to fix our problems though. We do it ourselves," says Ms. Hildreth. "I know if something happens to me tomorrow, the community would rally. That's what we do."

This philosophy shines through the works of the Foundation,

The Barry Community Foundation's first chartable grant of \$50,000 was made in 1995 to the town of Delton to help build a new library.

The Youth Advisory Council has funded over \$300,000 in grants and mini-grants to local youths over the past 15 years.

The Barry Community Foundation now makes grants across a diverse range of interests including farmland preservation, healthy youth and seniors, education, and an arts council.

even from the first charitable grant made in 1995. The Foundation donated \$50,000 to Delton, Michigan that year to build a library. The \$50,000 came from the original \$350,000 transferred from Thornapple. Delton is an unincorporated town in Barry County with no governmental structure and no tax base. Delton had kept a capital campaign for a new library alive for 17 years, raising nearly all the funds it needed through private donations. Delton area residents had purchased materials for the library little-by-little, which they stored in barns and attics for 10, even 15 years, until the day that ground could be broken. That day finally came thanks to the final donation by the Barry Community Foundation. And, still Delton used their own building trades program from the local schools to erect the library, not asking others for what they could do themselves.

Community development philanthropy is about charitable giving for the good of communities. But, for Bonnie Hildreth, community development philanthropy is also deeply personal. The Barry Community Foundation has grown to over 165 different funds and \$17 million in endowments over the past 15 years. "I know everyone who donates," says Ms. Hildreth simply. "I talk to the donors. I work with them to set up collaborations. They trust me to keep things anonymous. They trust the Foundation as a neutral place." This is one of the many keys to the success of the Foundation.

Ms. Hildreth says that as the Foundation has matured, the staff and Board have consistently sought out new ideas to make it a more effective community resource and catalyst for improved quality of life. As she explains it, the Foundation had a very strong start and was able to raise significant financial resources locally in the early years. This meant that the Foundation could build several endowed funds, with a great amount of diversity. As the funds grew, the need for a cohesive, directed asset building strategy grew. Now, the Barry Community Foundation is focused on building community assets in four strategic areas: (1) Leadership; (2) Entrepreneurship; (3) Youth Engagement; and (4) Community Assets. These are the four pillars of *Hometown Competitiveness*,³ an economic development strategy for rural areas, which emphasizes the importance of developing local assets as a basis for renewed community economic activity. Within this structure, the Foundation has developed seven investment areas. All



Truck filled during Cupboard to Cupboard food drive project of HomeTown Partnership

future grants will fit into one of the seven areas.

Ms. Hildreth's personal connection with the donors is crucial to making the new strategy successful. For example, if the Foundation identifies a specific need such as education, Ms. Hildreth can contact donors who support youth, education, and scholarships and work with them and pool several smaller funds for a larger directed grant. By knowing both sides of the community, that is, the local priorities *and* the local donors, Foundation activities can be very well targeted to address local needs.

The motto for the Barry Community Foundation reads, "Barry Community Foundation. For Good. For Barry County. Forever." Forever is a long time. But, the way Ms. Hildreth tells the story, it's not hard to believe that the Barry Community Foundation is going to make it. Forever.

For more information on...

- ... the RUPRI Center for Rural Entrepreneurship, go to <u>www.energizingentrepreneurs.org</u>
- ... Barry Community Foundation, go to www.barrycf.org/

³ Hometown Competitiveness is a collaborative involving the Nebraska Community Foundation, the RUPRI Center for Rural Entrepreneurship and Heartland Center for Leadership Development.