

## KENYA

### Kenya Community Development Foundation

#### History

The Kenya Community Development Foundation (KCDF) was set up in 1997. Founders were Kenyan development practitioners and scholars who were concerned about the issue of sustainability of community-based initiatives focusing on poverty reduction and social justice, as well as persistent donor dependency.

Although a non-profit, it is registered under the Companies Act as a Company Limited by Guarantee without share capital (a non-profit company). KCDF is Kenya's only community foundation.

#### Current situation: Facts and figures

<b>Geographic area served:</b>	Kenya (KCDF has a country-wide mandate)
<b>Population size</b> of service area:	Kenya's population is currently about 34 million
<b>Total sum of grants</b> made in 2007:	Approximately: US \$580,000*
<b>Total number of grants</b> made in 2007:	142 grants
<b>Total sum of the income/ donations</b> in 2007:	Approximately: US \$1 million
<b>Single largest source of income</b> in 2007:	The Ford Foundation
Is there <b>an endowment?</b> Yes/No.	Yes.
<b>If Yes, the size of the endowment:</b>	Approximately US \$4,000,000

\* Figures are for 2006/2007 audit.

#### Activities and impact

**Example 1:** In 2007, KCDF scaled up its work by rolling out a new Youth Development Programme funded by the World Bank. Previously, KCDF was receiving pass-through grants (under US \$40,000) from the Bank's Small Grants Program. In the new partnership, the World Bank (through funding from the Japan Social Development Fund-JSDF) awarded KCDF a grant totalling US \$1.9 million, thus enabling KCDF to create a full-fledged Youth Development Program through which it will avail grants worth US\$ 900,000 to youth-led and youth-serving organizations countrywide over a four-year period.

The impact of this partnership has enhanced recognition of KCDF as a credible grant-making endowed foundation. Partnership with the World Bank has also been viewed positively by Kenya's corporate sector with two corporate entities, Safaricom (Kenya's largest company) and the Chandaria Foundation (one of the larger manufacturing companies in Kenya), providing pass-through grants for Food Security and High School Scholarships for needy children respectively.

**Example 2:** In 2007, KCDF stepped up efforts towards resource mobilization to meet the requirements of a Challenge Grant worth US \$3 million given by the Ford Foundation. Through this challenge, KCDF

joined a group of 17 other grant-making entities (funds, trusts and foundations) around the world that are members of the Ford Foundation's International Initiative to Strengthen Philanthropy (IISP).

Through the endowment challenge, KCDF plans to raise an equivalent of US \$1 million, with at least US \$250,000 coming from Kenyan sources. There is great optimism that this challenge will be met, particularly in light of the fact that KCDF has in the past met a similar challenge that saw it raise the equivalent of US \$672,000 from Kenyan sources within a period of less than three years between 2004 and 2005.

The impact of this has been encouraging progress towards the establishment of one of the very few African endowed foundations that will have the capacity to make grants in Kenya in perpetuity.

### **Operations and staffing**

KCDF hired professional staff at start-up. Currently there are four departments namely:

- Finance and Investment;
- Governance and Institutional Development;
- Programme Development and Grantmaking; and
- Communication and Asset Development.

#### Staff Numbers:

Finance and Investment	3
Institutional Development	4
Programme Development and Grantmaking	4
Communication and Asset Development	2

### **Community foundation income**

#### Total income in 2007:

Approximately: US \$1 million

#### Purposes

Income to KCDF was received for the following uses:

- To support the organization's core costs
- To augment the endowment fund
- For pass-through grants
- To support staff capacity building through participation in international forums.

#### Permanent funds/Sustainability

KCDF is building its endowment fund. The most recent substantial injection of funds to the endowment was in September 2006 when US \$1 million was received. There have been donations by community groups that are building permanent funds with KCDF, but this amounted to less than US \$40,000.

Over the course of 2007, KCDF developed its resource mobilization strategy as a way of raising the equivalent of US \$1 million through various strategies, which include reaching out to Kenyans in the Diaspora, the corporate sector, individuals, including high net worth individuals and partner communities.

## **Environment for philanthropy**

### Local attitudes

The Kenyan community has historically been a giving community. However, the giving has not been systematic. KCDF's work in promotion of philanthropy, therefore, focuses on nurturing the giving culture and making giving systematic and sustainable.

In order to achieve this, KCDF has launched a Friends of KCDF initiative in Kenya and incorporated a Friends of KCDF organization in the United States, where a substantial number of Kenyans live. Both these initiatives continue to grow.

### Legal and tax environment

The tax environment in Kenya has not been very supportive of giving since gifts by companies and individuals have not been enjoying tax relief. This however changed somewhat in 2007 when the Minister for Finance indicated in his annual budget speech that gifts to "charities" in future will enjoy tax relief. However, there were limitations brought about by the confusion of the definition of charities, an issue which is still being resolved.

The other obstacle in this aspect has been the lack of a foundations law in Kenya, which leads the Kenya Revenue Authority to exercise extreme caution while determining which entities deserve tax relief. The Authority has, however, given KCDF relief from withholding tax on its endowment.

Work to address this issue is, therefore, continuing under the auspices of the relevant networks, particularly the East Africa Association of Grantmakers (EAAG) and KCDF is an active member.

### Changing attitudes and the national or regional environment

Continuous engagement should be sustained through forums that bring together actors from the government, private and non-profit sectors (including KCDF) to create mutual understanding around this issue and therefore create an enabling legal and policy environment for philanthropy in Kenya.

## **Current challenges and future developments**

Kenya has recently experienced turmoil following a disputed election results. Large numbers of people, and in some cases entire communities, have become internally displaced. No meaningful development work can go on without taking this situation into account. Like most development actors, KCDF is exploring the best way of supporting much needed post-conflict interventions among affected communities.

## **Meeting organizational support needs**

**East Africa Association of Grant makers (EAAG)** – They have provided a forum for agencies with a common interest in grantmaking to get together and speak with one voice.

**Synergos Institute** – They provide important forums for grantmakers to exchange experiences and new learning at the global level

**WINGS** – Through activities such as learning and sharing support, WINGS provides another invaluable opportunity for peer foundations around the world to learn from each other and share experiences.

**Ford Foundation’s International Initiative to Strengthen Philanthropy** – Over the past three years, this initiative, of which KCDF is a member, has provided an additional network of global grantmaking organizations that enable members to give mutual support. IISP also provides technical assistance to member organisations that has made tremendous positive impact on the organisations’ capacities.

**Others** – KCDF as a learning organization remains keen to join networks and initiatives that have potential for mutual benefits, granted that it does not have local peers from which to learn best practices on an ongoing basis.

### **International links**

KCDF links with key international forums that seek to support foundations such as the WINGS Global Fund; the Community Foundations Centre, Council on Foundations, the European Foundation Centre and the African Grantmakers Affinity Group among others.

### **Additional resources**

See the KCDF website for the following reports:

KCDF Audited Report

[http://www.kcdfoundation.org/index.php?option=com\\_deeppockets&task=catShow&id=62&Itemid=160](http://www.kcdfoundation.org/index.php?option=com_deeppockets&task=catShow&id=62&Itemid=160)

Annual Report

[http://www.kcdfoundation.org/index.php?option=com\\_deeppockets&task=catShow&id=60&Itemid=165](http://www.kcdfoundation.org/index.php?option=com_deeppockets&task=catShow&id=60&Itemid=165)

*Correspondent: Anthony Mugo, Asset Development Manager, Kenya Community Development Foundation*

## **SOUTH AFRICA**

### **Community foundations**

#### **History**

Community foundations in South Africa were established partly to promote and develop democracy and address years of racial segregation, resolve political conflict, and above all, to improve the quality of life in local communities. Local communities also realized that securing funds in perpetuity would allow communities to determine and take charge of their own local needs and in so doing determining and plotting their own social destiny in future (breaking the dependency syndrome). Civil society organizations were also weak and had almost collapsed post 1994 – civil society needed strong and vibrant organizations which could provide leadership and financial security in order to address emerging community and social development needs.

The first community foundation in South Africa was established in Richards Bay, the Uthungulu Community Foundation, in October 1999. Founder members: Mr. John Mabuyakhulu and Louis van Zyl. Original funding: Charles Stewart Mott Foundation and Ford Foundation.

The second community foundation in South Africa was the Greater Rustenburg Community Foundation formed in January 2000. Founder member: Christine Delpert. Original funding: Impala Platinum Mine, Charles Stewart Mott Foundation (for operational funding) and Ford Foundation (seed funding for endowed fund – grantmaking).

Today there are 5 more community foundations in South Africa for a total of 7. The Greater Durban Community Foundation (GDCF) was established to facilitate partnerships between business, local government, civil society and communities. Established 2001, initial funding was obtained from local government and 1 big business. Founder members: Durban Mayor, Mondi, Member of Parliament and the Chamber of Business. The West Coast Community Foundation (WCCF) was established through a mandate of 54 local community organizations to mobilise resources for community development. Founding members: the late John Fortuin and others. Original funders: Goedgedacht Trust, Good Hope Development Fund, Cordaid and Irish Aid.

Little is known about the Community Development Foundation, Western Cape (CDF, WC), Greater Entambini /Ladysmith Community Foundation (GELCF) and Atok Community Foundation.

**Current situation: Facts and figures**

Number of community foundations <b>formally established in total.</b>	7
Number of community foundations established <b>in 2007.</b>	2
The number of community foundations <b>at early stages of development.</b>	3
<b>Percentage</b> of country's <b>territory</b> covered by community foundations.	5 out 9 provinces
<b>Percentage of population</b> that has access to a community foundation.	Approximately 5 percent of population nationally
<b>Total number of people</b> with access to a community foundation.	Approximately 5 million people
Is the <b>rate of</b> community foundation <b>formation</b> steady/increasing/decreasing? Explain why in the box below:	Steady

Unlike other community-based organizations (CBOs), community foundations are unique in terms of having sustainability, in perpetuity, inclusive, transparent and accountability elements. Community foundations work with and through non-governmental and community-based organizations, serving as agents of change, are best positioned to build linkages between potential funders and community needs, provide a vehicle to ensure the capturing of small pockets of wealth and setting up endowed funds which will serve its communities in perpetuity, are well positioned to respond to local community needs and thus supporting and amplifying already existing initiatives in their geographic areas of operation.

<b>Total sum of grants made</b> by community foundations in 2007.	A total sum of R3,683,354.00. (Approximately US \$458,000)
<b>Total number of grants</b> made.	317 grants made between 2001 and 2007. GRCF also made 31 indirect (in kind) grants to community-based organizations through facilitating mentorship programs – 200 community based organizations benefited from this.
<b>Total sum of the income/donations</b> in 2007.	R13,934,005.00. (Approximately US \$1,733,000)
<b>Single largest source of income</b> for community foundations	GRCF – National corporation UCF – National corporation GDCF – Local corporation WCCF – International

	funders
<b>Total sum of endowments</b> at the end of 2007.	R20,339,516.25 (Approximately US \$2,530,000)
<b>Community foundation with the largest endowment</b> at the end of 2007 and <b>size of its endowment</b> .	Uthungulu Community Foundation – R14,195,863.16. (Approximately US \$1,766,000)

Note: The data above are for 3 of the 7 community foundations in South Africa: Uthungulu Community Foundation, Greater Rustenburg Community Foundation, West Coast Community Foundation. US dollar exchange as of 27 March 2008.

### Complete list of community foundations

#### 1. UTHUNGULU COMMUNITY FOUNDATION (UCF)

P.O.BOX 1748, Richards Bay, 3900, South Africa.

Contact: Chris Mkhize, CEO

Tel: +27 35 7971882 Fax: +27 14 35 7973134

Website: [www.ucf.org](http://www.ucf.org)

E-mail: [chris.mkhize@ucf.org.za](mailto:chris.mkhize@ucf.org.za)

#### 2. GREATER RUSTENBURG COMMUNITY FOUNDATION (GRCF)

P.O.BOX 21553, Protea Park, 0305, South Africa.

Contact: CEO, George Mathuse and COO, Christine Delpport.

Tel: +27 15 5921525 Fax: +27 14 5921506

Website: [www.grcf.co.za](http://www.grcf.co.za) (under construction)

E-mail: [george@grcf.co.za](mailto:george@grcf.co.za) and [christine@grcf.co.za](mailto:christine@grcf.co.za)

#### 3. GREATER DURBAN COMMUNITY FOUNDATION (GD CF)

Location: 5th Floor Art Centre, 44 Albany Grove, Durban, 4001, South Africa

Mailing address: P. O. Box 4855, Durban, 4000, South Africa

Contact: Mrs. Margaret Winter, Executive Director

Tel: +27 31 304 6031 Fax: +27 31 304 6037

E-mail: [info@gdcf.org.za](mailto:info@gdcf.org.za)

#### 4. WEST COAST COMMUNITY FOUNDATION (WCCF)

Location: Geard Pharmacy Building

69 Voortrekker Road

Malmesbury 7300 South Africa

Mailing address: P.O.Box 924

Malmesbury, 7299, South Africa

Contact: Mrs. Johanna Hendricks, Executive Director

Tel: +27 22 482 1993 Fax: +27 22 482 1994

Cell No: +27 76 411 1283

Email: [info@wccf.org.za](mailto:info@wccf.org.za)

#### 5. COMMUNITY DEVELOPMENT FOUNDATION, WESTERN CAPE (CDF, WC)

Address: The Learning Centre

Dreyersdal Farm Road, Bergvliet, 7945.

Contact: Mrs. Beulah Fredericks, Executive Director  
Tel: 27 21 715 0525 Fax: 27 21 715 0325  
E-mail: [info@cdfwcape.org.za](mailto:info@cdfwcape.org.za); E-mail: [beulah@cdfwcape.org.za](mailto:beulah@cdfwcape.org.za)

6. GREATER EMNAMBITHI/LADYSMITH COMMUNITY FOUNDATION (GELCF)

Contact person: Mr. S D Sibande  
E-mail: [sdsibande@ladysmith.co.za](mailto:sdsibande@ladysmith.co.za)

7. ATOK COMMUNITY FOUNDATION (ATF)

Contact person: Mr. Lazarus Masete  
E-mail: [lazman\\_masete@yahoo.com](mailto:lazman_masete@yahoo.com)

### **Community foundation staffing**

Community foundations in South Africa normally start off by a governing body consisting of only volunteers. Once the community foundation establishes an office with paid staff members the governing bodies then remain volunteers, and they appoint a CEO/Executive Director and one or two other paid staff members.

In the case of the GRCF the founding governing body took charge of the community foundation process for a period of 18 months before the first professional paid staff were appointed. GRCF's current paid staff members include: CEO, COO, Program Manager, Financial Administrator, Office Administration Officer, Receptionist/Community Liaison officer and NPO Support Manager.

UCF currently also has professional paid staff with a voluntary governing body. UCF paid staff include: CEO, Project Officer, Financial Officer, Administrative Officer.

WCCF has professional paid staff with a voluntary governing body. However, the Executive Director also serves as a voting board member. WCCF paid staff include: Executive Director, Administration Officer, Part-time Fundraising Officer.

GDCF has professional paid staff and a voluntary governing body.

No confirmed information is available about ATOK CF, GELCF or the CDF, WC.

## **Community foundation income**

1. GRCF – New sources of income: Individuals in our own community, medium-sized local businesses, new corporate trusts, interest from investments
2. UCF – Sources of income: Interest from investments, donations from corporations, government agencies, individuals
3. WCCF – Sources of income: Individual giving, Give As You Earn (Staff), Friends of the Foundation, services rendered on behalf of Social Development Department (Government).
4. GDCF – Sources of income: Unrestricted grants from local government, business grants for specific projects.
5. No information available from ATOK CF, GELCF, CDF,WC

### Income

1. GRCF – 65 percent of total Income generated from all donors were utilised for operations and 15 percent of that income was utilised for re-granting. The remainder of 35 percent of total income generated was for building both the endowed fund for grantmaking, as well as the endowed fund for the GRCF's operational cost. Ever year 25 percent of interest yielded from the GRCF's endowed fund is re-invested in the endowed fund for grantmaking.
2. WCCF – 100 percent of total income went into the endowed fund.
3. UCF – Total income is divided into operational cost and the other is invested in the endowed fund for grantmaking.
4. GDCF – Total income is utilised for operations and projects – they are only now starting to set up an endowed fund for grantmaking.
5. No information from the ATOK CF, GELCF, CDT,WC

### Purposes

1. UCF – Income was received for operations and grantmaking
2. GRCF – Income was received for unrestricted endowed fund (grantmaking), designated funds, donor advised funds, Field of Interest funds (all endowed funds), as well as operational cost.
3. WCCF – Endowed funds
4. No information on GDCF, ATOK CF, GELCF, CDF,WC

### Permanent funds/Sustainability

1. GRCF – 20 percent of recent income was invested in endowed funds.
2. UCF also invested annual income in endowed fund – percentage not available.
3. WCCF – 100 percent of recent income was invested in endowed fund.
4. GDCF – has not yet established an endowed fund.
5. No information available from ATOK CF, GELCF and CDF,WC

## **Environment for philanthropy**

### Local attitudes

It's all about lingo – often the word “philanthropy” is misunderstood to be that of only making contributions towards “charitable” institutions or “charitable causes” (the more “softer” social development issues). In a developing country such as South Africa the word/term/concept community philanthropy is often replaced by community giving and community “help” – community foundations are also represented in general marketing material as community grantmaking organizations – although this

might also imply a certain level of community development; it seems as if this term is far more accepted and understood, especially in the rural areas of our geographic boundaries. However, more recently with the establishment of more community foundations in South Africa there is a general acceptance that philanthropy is becoming synonymous with “giving” and “helping” – communities are starting to perceive community foundations as philanthropic institutions who are responding to critical needs of local communities on a social level. The transformation of the GDCF, which towards the end of 2007 refocused their core business of becoming a truly fledged community foundation, proves the point. The UCF and GRCF especially have worked hard to make community philanthropy commonly used in communities. This is slowly but surely reaping fruit.

#### Legal and tax environment

Three community foundations in South Africa (UCF, GRCF and WCCF) have received tax exempt status, and the GRCF has also been registered as a Public Benefit Organization (PBO). This means that the GRCF is eligible to issue a TAX certificate to any of its donors, which affords to a donor/funder a 10 percent tax rebate on personal tax. All community foundations that have received PBO status can offer this rebate to their donors. These tax incentives are still very limited, and it is believed that if tax incentives are expanded it will benefit the growth of community foundations in South Africa.

Another government incentive that has just been introduced is the fact that community foundations and other charitable institutions may also now embark on income generating initiatives to make these organizations more sustainable. Community foundations were restricted in the past and could have lost their tax exempt status if they did embark on income generating initiatives. Now community foundations could consider investing some of their endowed funds in property, which could yield favourable income over a medium and long term.

#### Changing attitudes and the national or local environment

1. The current community foundations in South Africa could develop a collective initiative to raise the general public’s awareness of the work and impact of community foundations in their geographic areas of operation.
2. Technology could be utilized more effectively to also raise the awareness of the work that community foundations do – e-news letters to Government and potential donors.
3. More finance to invest in the publications telling the stories of community foundations, informing the public of the benefits of investing in community foundations.
4. Measuring the impact of the current community foundations and publishing the outcomes.
5. Getting stronger support from Government in recognizing the benefit of community foundations even in supporting Government on how community foundations can help ensure a more effective implementation of local integrated development plans.
6. Better and more viable tax incentives.

### **Community foundation activity and impact**

#### ***Example 1.*** Brief Case History – West Coast Community Foundation (WCCF)

The WCCF is community foundation that started organically. Through research done by the Goedgedacht Trust in 1990 some 54 small grassroots initiatives were identified. They all provided critical services to their communities, but would never become sustainable due a lack of funds. The model of a community foundation was introduced to them by the late founder member, John Fortuin. A mandate was given to establish a community foundation and to seek resources that would support these grassroots organizations

in the West Coast of the Western Cape region. Today the WCCF serves a population of 300,000 people and covers a geographic area of 31,000 sq km. This community consists primarily of farm workers and fishermen who mainly live on social grants and only have seasonal work. Challenges of the area are continuing desertification, lack of skilled labor, lack of full-time employment, substance abuse, abuse of women and children and fetal alcohol syndrome. In 2001 the WCCF was registered, funding was obtained from Cordaid, Irish Aid, Goedgedacht Trust and the South Africa Bishop's Conference. The office of the WCCF is situated in Malmesbury, West Coast, known also as the bread basket of South Africa. The WCCF started their grantmaking in 2005 by awarding 16 small grants of R5,000.00 (approximately US \$620) each and again in 2007 they awarded 20 small grants of R5000.00 each. The WCCF has also introduced an incentive program whereby they give R1000.00 (approximately US \$125) to every small grassroots organization which can raise their own R1000.00. This proves to be very successful and 6 organizations have already qualified. This also raises the awareness of local giving and support amongst communities themselves. The WCCF has also developed a Resources Mobilising and Marketing Strategy to target local business and corporates. The WCCF has also successfully forged partnerships with different government departments and are currently also involved in collaborating in presenting capacitating workshop with the departments of Agriculture and Cape Metropole Municipality. The WCCF is also a member of the South Africa Community Foundation Association (SACOFA).

**Example 2.** Agent of Change – Uthungulu Community Foundation (UCF)

South Africa continues to struggle with racial integration processes – especially in certain parts of the country such as Kwa Zulu Natal. UCF continues to bring together the different races and individuals with conflicting interests to focus more on matters of conflict, peace and justice. In the local communities UCF continues to lead in terms of providing capacity building training, working hand-in-hand with non-governmental and community-based organizations. On 20 February 2008 for example, UCF organized and facilitated workshop training on preparing a business plan and writing a fund-raising proposal document.

**Example 3.** Impacting on vibrant and sustainable community-based organizations – Greater Rustenburg Community Foundation (GRCF)

1. Through the grantmaking program of the GRCF over a number of years, the GRCF now sees a significant change in organizations that have received grants and technical support from the GRCF. One such an example is a Women's Empowerment organization in one of the informal squatter communities on the outskirts of Rustenburg. The GRCF invested an amount of R27,000.00 (approximately US \$3,360) in this organization 3 years ago, and then continued to render technical support to this organization through their mentorship program. This organization started rendering Home Based Care (HBC) services in the Boitekong community after identifying numerous terminally ill people in the community, as well as orphans and vulnerable children. Soon they realized that the HBC would not be able to continue unless they added an income generating project to the HBC. This women's group skilled themselves in beading, sewing and other forms of art work. Finally they received SETA accreditation and through the income they generated they could subsidise the HBC. The GRCF added capacity through various training programs, as well as making a grant to expand their income-based project and also equipping the HBC program. Through donor relations of the GRCF with a local leading financial institution, an opportunity was created whereby the women's group received recognition by the financial institution and in so doing the financial institution has now created a market where this group can sell their products at main tourist destinations in our community. The project is also supported in terms of financial and administration support by the financial institution. This affords the women's group the opportunity to continue a desperately needed HBC service in the community. Recently this group received a multiple year grant from the local department of social development to the value of R600,000.00 (approximately US \$75,000) per year for a three-year grant.

2. Another community-based organization, Robin Good, which distributes food to organizations who deal with homeless people and orphans and vulnerable children, received grants from the GRCF and someone who has a donor advised fund with the GRCF. They are now able to distribute 28,000 plates of food per month through rural and remote rural community-based organizations to the homeless, orphans and vulnerable children. They also provide support to various Home Based Care and Early Learning Centers to establish food gardens in rural communities.

## **Current challenges and future developments**

### Major challenges facing community foundations

1. Community foundations are still not very familiar concepts/models in South Africa and are currently not being recognized by Government as possible effective vehicles that could support Government in the execution and delivery of social development.
2. Tax incentives are not by far favorable for community foundations in South Africa – improvement is needed.
3. We need to see the emergence of more community foundations in South Africa.
4. Corporates still find it difficult to invest in endowments of community foundations and mostly want to provide conduit funding.
5. Individual giving needs to be promoted more strongly in South Africa.
6. The collective voice of community foundations in South Africa need to be more strongly developed – the GRCF alone carries a mandate of more than 300 community-based organizations. Collectively, we act on a very large CBO sector in South Africa.

### Areas for future community foundations development

Indeed, there are a few other areas in the country where we see the contemplation of community foundations emerging. The South Africa Community Foundation Association (SACOFA) need to become more actively involved in the promoting of community foundations, a strategy they have embarked on since the beginning of 2008. Ideally every province in South Africa should have more than one community foundation.

## **International links**

UCF, GRCF, WCCF and CDF,WC have all been involved in international networks and peer learning such as the Council on Foundations conferences, EFC conferences, African Grantmakers Affinity Group Conferences, WINGS peer learning workshops, Community Foundation Network (UK) Conference, as well as one-to-one peer exchange opportunities. We also have received various international guests on various occasions.

We all agree that these networking opportunities have guided the development of community foundations in South Africa. It continues to provide a platform for us as South African community foundations to learn and share with our peers and colleagues, and it provides an opportunity for us here in South Africa to stay abreast with developments in the community foundation movement, as well as providing a platform for us to seek advice and guidance from our more experienced colleagues. We also believe that South Africa, as a developing country, has many lessons which others can learn from us.

## **Support Organization: South Africa Community Foundation Association (SACOFA)**

### **History and purpose**

#### Brief History

Over the past five years, a number of community foundations have been established in South Africa. The concept is, however, a relatively new one and hence emerging local community foundations have jointly identified a shared need to support one another, as well as to develop the capacity of their operations. In addition, local community foundations need to create awareness of the movement locally and also require to link with the community foundation network globally.

In order to address these needs, the South Africa Community Foundation Association (SACOFA) was established during 2005, and the Association has been formally registered as a non-profit organization (046-762-NPO) in South Africa.

#### The SACOFA Vision

The long-term vision of SACOFA is to make a meaningful contribution to establishing and maintaining vibrant, well-resourced and fully empowered communities that operate independently in South Africa through supporting, promoting and advancing the philanthropic mechanism of community foundations.

#### Organizational Mission and Objectives of the Association

The mission of SACOFA is to be a highly effective and interactive support network, established for the benefit of sustaining community foundations by rendering services to its membership base in line with their specific needs.

The Association's objectives are to:

- share experiences, develop expertise and gain knowledge amongst community foundations;
- develop a set of governance guidelines for local community foundations and encourage mutual support;
- build and support an indigenous South African community foundation movement;
- conduct relevant research and disseminate information;
- identify best practices and participate in peer review sessions;
- share tools, policies and resources;
- strengthen organizational and governing structures;
- provide assistance, advice, guidance, capacity building services and technical support;
- promote a culture of local giving;
- formally link with role-players on the African continent and the global community foundation movement;
- increase an awareness of the community foundation network;
- promote and support emerging community foundation initiatives;
- mobilize resources for the Association and create links for its members.

### Other organizations that support and promote the development of community foundations

There are none.

### **Structure and organization**

SACOFA is a membership organization, and it makes provision for other community grantmaking organization to affiliate as well. It has no full-time paid staff yet. The Greater Rustenburg Community Foundation has been elected to serve as the Secretariat of SACOFA

Beginning in 2008 other community grantmaking organizations will also be invited to attend the SACOFA network meetings and training workshops. SACOFA has received funding from the Carl & Emily Fuchs Foundation in order to fund our quarterly meetings. SACOFA members also make contributions towards their travel and accommodations. In 2008 SACOFA members will start paying membership fees of R5,000.00 (approximately US \$620) per year for each foundation.

All the SACOFA members currently form the governing body.

### **Recent accomplishments**

- All the SACOFA members are also members of the Synergos Community Grantmaking leadership cooperative.
- During 2007 SACOFA supported the Greater Durban Community Foundation (GDCF), and this resulted in GDCF's Board of Trustees deciding that GDCF should re-focus, start building an endowed fund and engage in grantmaking. This was probably one of SACOFA'S biggest achievements
- SACOFA has conducted 11 training workshops since 2005.
- Various SACOFA members were also involved in rendering technical support towards the emerging community foundations elsewhere in Africa, such as the Tanzania community foundations. The GRCF and UCF have also supported the Tanzania community foundations with examples of supporting documents, such as founding documents, policies and strategies.
- SACOFA, through one of its members, will also chair a session during a consultative conference in South Africa, facilitated by IDHASA on "Effective AIDS Distribution for Civil Society Organizations".

### **Current challenges/future developments**

The biggest challenge for SACOFA will be to raise sufficient funds in order to:

- a) expand the learning and sharing initiatives;
- b) raise local awareness for both SACOFA and its members;
- c) create marketing materials;
- d) attend international conferences.

### **Additional resources**

SACOFA are now in its first process of producing financial statements – no funds during the previous financial year – the financial statement should be available by June 2008. The first promotional document is attached to this report (please see Annex 9 for the SACOFA Information Brochure 2006).

*Correspondent: Christine Delpont, SACOFA and Greater Rustenburg Community Foundation*

## TANZANIA

### Community foundations

#### History<sup>1</sup>

The World Bank targeted Tanzania for the development of pilot community foundations as part of its own Community Foundations Initiative. It works there through its grantee, the Tanzanian Social Action Fund (TASAF). TASAF was established in 2000 and in the first phase of its operations, 2000-2004, it focused primarily on rural areas and districts. In its second phase, 2005-2009, it expanded its programs to include all areas. Its projects benefit communities with poor access to basic social and market services, households that are food insecure, and vulnerable individuals.

Rapid urbanization in Tanzania created the urgent need for new mechanisms to extend community-driven development (CDD) into urban areas. Urban areas present a challenge due to their diverse and mobile populations, and the mix of rich and poor, educated and uneducated, large and small businesses, and varying political agendas and ideologies.

Community foundations offer a number of advantages in urban areas. They are independent organizations that can:

- provide grants for local projects selected by local residents;
- mobilize local resources;
- empower local communities;
- encourage citizen participation in development work;
- help meet the challenge of sustainability;
- tap external resources;
- increase capacity utilization; and
- improve governance of local non-profit institutions.

TASAF selected four areas to promote the community foundation concept: Kinondoni Municipality; Mwanza City; Morogoro Municipality; and Arusha Municipality. These four areas are representative of urban areas in Tanzania and can serve as models for the development of community foundations in other parts of the country. They were selected because of their local wealth, vibrant economies, numerous businesses, skilled individuals able to develop community foundations, and the support of municipal and city councils. The first round of community foundation workshops was held from late 2006 through mid-2007. These workshops resulted in the formation of four Steering Committees in these areas. TASAF continued to provide technical support to the Steering Committees, including sample governing documents and policies, help with budgeting, facilitating links to community foundation practitioners and networks in other countries, organizing and financing training sessions to enhance capacity of trustees and staff and workshops to share the experiences as well as providing technical advice at steering committee and board meetings. Each of the four Steering Committees established their community foundations in 2007. Individual reports from the four community foundations follow.

---

<sup>1</sup> The History section of the Tanzania Country Report was compiled by Eleanor W. Sacks. The source for much of this discussion is: The World Bank, *Social Funds: Innovations Notes*, Vol. 5, No. 1, February 2008. The full report is available on the web at: <http://siteresources.worldbank.org/INTSF/Resources/395669-1124228277650/SFIInnotesV5No1.pdf>

## **Arusha Municipal Community Foundation**

### **History**

The first meeting was a one-day sensitization workshop in preparation for the formation of a community foundation in Arusha in May 2007. It was jointly convened by the Municipal Council of Arusha and TASAF. The workshop was officially opened by the Regional Commissioner of Arusha region with a word of welcome to the guest speakers, moderators and participants and he indicated that Arusha Municipality was privileged to be considered as the fourth pilot project in the country on community foundations.

Arusha Municipality has a population of about 300,000 residents and participants were invited from a cross-section of the population. Seventy participants attended the workshop.

The workshop was facilitated by Tanzania Social Action Fund (TASAF). The Executive Director of TASAF, Dr. Servacius Likwelile made remarks. The first presentation by Mr. Amadeus Kamagenge, Training, Research and Participation Specialist at TASAF (Coordinator of CF Initiatives) gave an overview on the activities of TASAF, underscored the empowerment of communities to access opportunities, so that they can request, implement and monitor projects that improve the quality of life of members of the communities.

The second presentation was made by Dr. Juraj Mesik, a World Bank Senior Community Foundations expert in which he clearly described the basic characteristics of a community foundation.

The participants elected a chairman who then moderated the meeting in the choice of criteria for the election of a steering committee for the formation of Arusha Municipal Community Foundation. They indicated they needed a broad spectrum of community representatives as well as professional experience in the steering committee:

Originally, ten Steering Committee members were elected, but only nine saw the process through to the launching of the foundation.

The Steering Committee's work plan included:

- Preparation of the constitution
- Formation of the Board
- Preparation of policy documents on: conflict of interest; grantmaking; transparency; grant agreements
- List of potential donors
- Fund raising plan
- Indicative budget

The foundation was launched on 29<sup>th</sup> November 2007 and was registered in 2008. The following members were elected by stakeholders as the first founding board members:

Mr. James Kangalu – Chairman, TCCIA Arusha  
Mrs. Praise G. Ngowi – BEST Arusha  
Mrs. Lydia M. Joachim – WODSTA – Arusha  
Mrs. Susan Mnafe – Lawyer, Regional Commissioner's office  
Mrs. Chiku A. Issa – Zonal Director – CRDB – Arusha  
Mrs. Mwahija Chogga – Councilor, Arusha Municipality

Mr. Aggrey Mushi – Councilor, Arusha Municipality  
Sheikh Ally Mzee – Regional Secretary, BAKWATA, Arusha  
Dr. Efraim C. Njau - Independent Pharmaceutical Consultant  
Mr. Elishilia D. Kaaya –Managing Director, AICC  
Mr. Adolf R. Olomi, MD – Banana Investments Ltd  
Rev. Ambele Mwaipopo –KKKT– Arusha.  
Mr. Bradesh Pandit – Chairman of Tanzania Federation of Industries.  
Mr. Anup Modha - Secretary, Chairman, Confederation of Tanzania Industries (CTI) Arusha/Moshi

### **Current situation: Facts and figures**

<b>Geographic area served:</b>	93 sq km, with a potential to reach 500 sq km when it gets city status.
<b>Population size</b> of service area:	300,000
<b>Total sum of grants</b> made in 2007:	none
<b>Total number of grants</b> made in 2007:	none
<b>Total sum of the income/donations</b> in 2007:	8,000,000 Tanzania shillings (approximately US \$6,720)
<b>Single largest source of income</b> in 2007:	Donations from the Arusha business community
Is there <b>an endowment?</b> Yes/No.	Yes, it has plans to build an endowment
<b>If Yes, the size of the endowment:</b>	About 30% of total collections

*Note: Conversion to US dollars is as of 28 April 2008.*

### **Activities and impact**

The community foundation is too new to have had much impact as yet.

### **Operations and staffing**

The community foundation has not as yet recruited professional (paid) staff. The chairperson and secretary currently do most of the administrative work as volunteers.

### **Community foundation income**

#### Income categories

Donors – Individual contributions during the launching.

#### Purposes

Unrestricted grants. We are currently not using any collected funds for operating costs.

### Permanent funds/Sustainability

We believe in endowment building as part of our strategy to ensure sustainability, but the decision on the proposed proportion of 30 percent to be put aside annually has yet to be decided.

## **Environment for philanthropy**

### Local attitudes

People in the community like to give for a good cause.

### Legal and tax environment

We hope to know precisely after getting registration.

### Changing attitudes and the national or regional environment

Over the past 50 years Tanzania has evolved from the colonial era through a phase of socialism to a present day as a budding democracy walking on a tight rope economy plagued with abject poverty and the egalitarian spin-offs of globalisation. The advent of community foundations in Tanzania is akin to a renaissance of socialism and that is probably the reason one can use to explain why the central and local governments look upon establishment of foundations with favour. This attitude will undoubtedly create an enabling environment for philanthropy.

Arusha Municipal Community Foundation aims at mobilising resources, building and managing a permanent endowment fund, and providing grants to individuals and groups in Arusha Municipality in order to improve the quality of life of its people.

## **Current challenges and future developments**

The war currently being fought against corruption in the country is likely to bear fruits in the medium and long term. The spin off effects of this may result in more equitable distribution of the national wealth and create an enabling environment for those willing to give more.

## **Meeting organizational support needs**

We hope to organize ourselves to approach support organizations inside and outside the country when we have got registration.

## **International links**

We have been involved in a networking conference held at Liverpool in September 2007 to which we were invited and were funded by WINGS Global Fund for Community Foundations. These contacts are useful, as we are a very young foundation, and we would appreciate being more involved to achieve a good degree of international collaboration.

## **Additional resources**

Our website: [www.arushamcf.org](http://www.arushamcf.org) is currently under construction.

*Correspondent: Efraim Changare Njau, Chairperson, Arusha Municipal Community Foundation*

## **Kinondoni Community Foundation**

### **History**

Kinondoni Community Foundation (KCF) was launched in April 2007, five months after the Tanzanian Social Action Fund (TASAF) presented the community foundation concept to the Kinondoni community. The reason behind its launch was the need to complement the Government efforts through philanthropic involvement thus improving the quality of life of the community. That is, within the community there are various needs that remain unsolved for relatively long periods of time. Thus it was felt that unless the community itself takes some steps to address the situation, some of the problems are likely to have serious repercussion on the well-being of the community members.

The Community Foundation founders included members from the civil society, from the local government and from the business community who are residents of Kinondoni district. Just to mention those who were elected to the Board of Trustees of the Community Foundation, they are: Mr. Felix G. N. Masha (Chairperson), Ambassador Alfred C. Tandau (Vice Chairperson), Mr. Iddi Simba, Mr. Omar Malima, Dr. Servacius B. Likwelile, Dr. Marina Njelekela, Hon. Mayor Salum Londa, Mr. Noel Mahyenga, Hon. Fatma M. Ngoma, Mr. Yogesh Manek, Hon. Ritha Mlaki, Hon. Charles Keenja, Hon. Iddi Azzan and Hon. Tarimba Abbas.

The registration of the Kinondoni Community Foundation was delayed until 4<sup>th</sup> March 2008 despite the application for registration being submitted in the second quarter of the year 2007. Therefore the time of active existence of KCF is too short to have already made assessment of any special factors that may inhibit or propel the Foundation.

## Current situation: Facts and figures

<b>Geographic area served:</b>	Essentially, it is the Kinondoni Municipality located in the northern part of Dar es Salaam city, covering about 531 sq km, with a population density of 1,179 people per square km
<b>Population size</b> of service area:	1.3 million
<b>Total sum of grants</b> made in 2007:	None
<b>Total number of grants</b> made in 2007:	None
<b>Total sum of the income/ donations</b> in 2007:	US \$30,000
<b>Single largest source of income</b> in 2007:	Local Government
Is there an <b>endowment</b> ? Yes/No.	No, we are looking at possibilities of establishing one after we receive enough information on the process
<b>If Yes, the size of the endowment:</b>	N/A

## Activities and impact

We are preparing a fundraising activity in August 2008 and three community service activities in May 2008, as a way of promoting the new foundation to the community.

## Operations and staffing

Currently, there is one paid staff member, employed soon after the community received some funds from local donors, who made pledges/contributions during the launching of the Foundation. In future there are plans to recruit the grant-making manager and the Foundation's accountant. However, this will take place after the Community Foundation has grown significantly, especially in terms of financial capabilities to cater to employed staff members.

## Community foundation income

### Income categories

As the Community Foundation has just started, the largest source of the funds has come from the local government contribution.

### Purposes

About 25 percent was restricted for the treatment of patients suffering from fistula, whereas the rest was unrestricted.

### Permanent funds/Sustainability

In the future, endowment building will be a part of our strategy to ensure sustainability.

## **Environment for philanthropy**

### Local attitudes

Community philanthropy is receiving much attention as it has proven to help in solving community problems. The attitudes developed through cultural tendencies in the communities whereby most of community events are handled in collaboration among villagers and they contribute to the success of completion of the task. Thus there are no obstacles to giving as already people have been giving for various reasons. We are to undertake a fundraising event in August. That is when we will be able to practically assess the attitudes. However, they are already high.

### Legal and tax environment

Since the concept of a community foundation is slowly filtering in the government system, we are not sure of the extent to which community foundations will be given legal and tax incentives. If community foundations are categorized as part of NGOs or community-based organizations (CBOs), there are some tax exemptions granted.

### Changing attitudes and the national or regional environment

We need to promote the benefits to the community as this is likely to reap support for the Foundation. Our foundation is taking an active role in this, as we will have activities promoting the Kinondoni Community Foundation in the coming months.

## **Current challenges and future developments**

A current challenge is the newness of the idea of community foundations. This will be overcome through promotion of the benefits as indicated above.

## **Meeting organizational support needs**

One of the most important supports for the Kinondoni Community Foundation is the Kinondoni Municipal Council, but there are other potential institutions that could support Kinondoni Community Foundation. Of course this is apart from the support we are receiving from TASAF like advice and a donation of some office equipment.

## **International links**

One member of KCF's Board of Trustees attended the Council on Foundations Fall Conference for Community Foundations in San Francisco, California in September 2007.

## **Additional resources**

No website currently exists.

*Correspondent: Bernard H.C. Kalinga, Administrator, Kinondoni Community Foundation*

## **Morogoro Municipal Community Foundation**

### **History**

The history of the Morogoro Municipal Community Foundation (MMCF) dates back to December 2006 when the World Bank funded a project of the Tanzanian Social Action Fund (TASAF), which, in collaboration with the World Bank's Community Foundation Initiative (CFI), organized a workshop for stakeholders of the community foundation in Morogoro Municipality. Dr. Juraj Mesik, the Senior Community Foundations Specialist from World Bank, Washington, DC, and resource persons from the TASAF project, made presentations on the community foundation concept and operations, as well as the linkage with the TASAF project.

Stakeholders discussed the presentations and finally resolved to establish a community foundation in the municipality. Additionally, stakeholders appointed a Steering Committee to carry out initial preparatory activities, namely to:

- prepare a draft constitution,
- propose members of the Board of Trustees,
- draft policies on Conflicts of Interest, Transparency, and Simple Grantmaking.

Other functions of the Steering Committee included:

- preparing a draft grant agreement,
- drawing up a list of potential donors,
- preparing an outline for a fund-raising plan and an estimated budget for 2007-2011, and
- organizing a stakeholders' workshop at a date proposed by the Steering Committee.

The Steering Committee started working on the assigned activities immediately. Members of the Committee formed groups which were then assigned tasks to accomplish. Each month the Steering Committee meets once or twice to deliberate on the tasks as presented by the groups. The TASAF Management Unit is always invited to attend Steering Committee meetings so as to provide technical support.

## Current situation: Facts and figures

<b>Geographic area served:</b>	Morogoro Municipality, of 260 square kilometres and the head-quarter of Morogoro Region, one of the oldest towns in the history of Tanzania. The Municipal Council is divided into 19 administrative wards and 274 mitaa. Morogoro Region is the third largest region in the country with an area of 73,039 square kilometres covering 8.2% of the Tanzania mainland area with the population of 1,759,809 (2002 census).
<b>Population size</b> of service area:	Morogoro Municipality has a total population size of about 228,863 (2002).
<b>Total sum of grants</b> made in 2007:	During the year 2007, no grants made. MMCF officially launched in August 2007, so the last period of the year was spent for official take off of the foundation.
<b>Total number of grants</b> made in 2007:	Not any. Too new.
<b>Total sum of the income/ donations</b> in 2007:	US \$20,800 (Grants received plus local contributions.)
<b>Single largest source of income</b> in 2007:	Voluntary local contributions from local donors/ individuals during and after launching of the foundation.
Is there an <b>endowment?</b> Yes/No.	No. Very young yet.
<b>If Yes, the size of the endowment:</b>	N/A

## Activities and impact

In December (2006) the first mobilization meeting was held, and 41 members who attended declared their intention to form a Steering Committee of 8 members. The Steering Committee performed their expected roles and presented to the first stakeholders and launching meeting that was associated with local fund-raising. This was done on August 28<sup>th</sup>, 2007 of which 420 community stakeholders were involved and pledged to contribute US \$17,000, of which 50 percent had been paid by end of 2007.

Types and numbers of attendees are as follows:

- Councilors – 25
- Heads of departments – 13
- Ward executive officers – 19
- Chairmen – 30
- Army – Tanzania People’s Defense Force; Prisons; Security etc. – 4
- Education Institutions – 31
- Religious institutions – 8
- Media – 15
- Political parties – 6
- NGOs – 16
- Community-based organizations 12

- Business communities – 111
- Islamic leaders – 16
- Councilors – 4
- TASAF – 13
- Community foundations 3
- Trustees – 18
- Patrons – 3
- Communication networks – 14

## **Operations and staffing**

The community foundation is run primarily by unpaid volunteers who are also Trustees. Trustees contribute to the Foundation through cash and in-kind gifts. At the start, each trustee paid US \$100 in cash and some contributed materials including: software, support for broadcasting and communication activities, office premises, etc. The Executive Director position is still vacant and the post is currently under the acting director.

## **Community foundation income**

### Income categories

Last year's contributions sourced from:

- Individual business community US \$5,000,
- Morogoro Municipal Council US \$10,000,
- Financial and parastatal organizations, including CRDB Bank, Ltd (a private commercial bank in Tanzania) US \$2,000, and
- WINGS Global Fund, as a foreign donor, supported a total of US \$15,800 (the grants extended to MMCF through Umbrella of Non-Governmental Organizations – UNGO)

By December 31, 2007 a total of US \$20,800 were received by MMCF.

### Purposes

The first grant of US \$4,445 was extended to MMCF for Learning and Sharing Skills workshop that involved participants from all 4 community foundations in Tanzania, 2 from South Africa (Uthungulu Community Foundation and Greater Rustenburg Community Foundation), and the Kenya Community Development Foundation.

The second grant of US \$15,800 was to enable 7 participants from the four community foundations (Mwanza, Arusha, Kinondoni and Morogoro) and TASAF to participate in the CFN Conference in Liverpool, UK and the Council on Foundation 2007 Fall Conference for Community Foundations in San Francisco, California, USA.

Both grants were supported by the WINGS Global Fund for Community Foundations. Local funds were used for internal office expenses, publications, communication etc.

### Permanent funds/Sustainability

Although endowment funds are included in the MMCF fund-raising plan (US \$100,000 yearly), actual implementation is foreseen in 2008.

The plan is sustainable because endowment funds are raised from multiple sources and internally-generated funds, as spelled out in Section 8.4 of the community foundation's constitution below. See also the link to the detailed fund-raising plan under Additional Resources.

#### **8.4 Permanent Investment Fund /Endowment Fund**

- i. The foundation shall establish and maintain a permanent investment fund (endowment fund). The fund shall not be used for provision of grants, investment in a risky business, neither be used as a guarantee for the foundation's obligations nor obligations of the third party.
- ii. The foundation is obliged to deposit finances that comprise a part of the endowment into a bank account.
- iii. Finances that comprise a part of the endowment can be used only to purchase:
  - a) Government bonds and treasury bills;
  - b) Securities quoted on a stock exchange and of the shares in the open mutual funds mortgage bond;
  - c) Deposit funds and deposit certificates;
  - d) Real estate
- iv. For support of its public benefit purpose, the foundation shall create funds by the decision of the Board of Trustees or by the written contract with physical or legal person

### **Environment for philanthropy**

#### Local attitudes

The idea of establishing community foundations in Tanzania goes back to December 2006 and the Tanzanian Social Action Fund (TASAF) workshop, which generated great interest and discussed the relevance of establishing a community foundation in the municipality. These efforts were fully backed by the Government of Tanzania through the Prime Minister's Office. Through a series of meetings held by the newly-formed Steering Committee, the local community was fully involved and finally approved the work of the Steering Committee at a broad community forum on 28<sup>th</sup> August 2007. The positive local attitude was demonstrated that day when they voluntarily committed to support the fund-raising plan of their community foundation. The community statutory representative (Member of Parliament) was among the potential contributors during the launching day of MMCF. The community foundation idea is supported also by district (legal support) and regional authorities (involvement of Regional Commissioner through letter sharing, implementation reports, etc.). The local media is playing an active role, as well as the local radio station which has committed to air a free 30-minute weekly programme.

#### Legal and tax environment

MMCF is a registered non-profit non-governmental organization, which automatically is accepted for different legal taxes such as income tax, corporate tax, etc. Although it is allowed to raise funds from profit interventions, such as banking transactions, income raised from such initiatives should be used

strictly for supporting community activities or increasing the size of the endowment fund, be used in line with its public beneficial purpose, and for covering expenses resulting from the foundation's administration, as well as making some financial deposit into a bank account, etc.

### Changing attitudes and the national or regional environment

We encourage the government to consider a certain percentage (X %) of community-collected cess (i.e. tax or charge from crops' sales) or revenue by the local authorities to be returned to them through their community foundation for the purpose of supporting running expenses. The community needs to be informed by the government on how it conceives of the special qualities of community foundations – how they differ from other organizations in the country – through supporting its grant-making mechanism. The concept of voluntarism in supporting community foundation's activities should be done through joint action programmes through government programmes.

### **Current challenges and future developments**

- How to provide first grants to the community that will demonstrate the real nature of the foundation and catalyse the process of winning the concept to the community
- How to effectively realize potential collection from its poor local community
- How to get appropriate and practical fund-raising and grant-making skills to MMCF committees and the Board for effective performance
- Recruitment of key personnel (Executive Director, Grant Manager, Fundraising Manager) with appropriate qualifications on community foundations, as this idea is quite new in Tanzania
- How to get donors who can support us with endowment money to raise MMCF integrity and guarantee our work. US \$100,000 is required.
- Establishment of office space (office building) with modern office equipment and facilitation tools – computers, printers, scanners, fax machine and other information and communications technological tools.

### **Meeting organizational support needs**

#### **Global Fund for Community Foundation – GFCF**

Already supported MMCF for two grants as already mentioned. Still more supports will be requested from GFCF to attain the targets set by Morogoro Municipal Community Foundation.

#### **Tanzania Social Action Fund (TASAF)**

The TASAF Management Unit of TASAF was used continuously to advise on the formation of community foundations in Tanzania and its involvement is still needed as our future technical advisory centre for Tanzania Community Foundation Network (TCFN). It has been successful in setting up four community foundations in Tanzania through Steering Committees, and currently is providing technical advisory supports to the same foundations.

#### **Tanzanian Community Foundations – Kinondoni, Mwanza and Arusha:**

These are newer and infant community foundations in Tanzania. We started at the same time and all initiatives made by MMCF were also fully supported by these three foundations. Application of funds for Learning and Sharing Skills in May 2007 and application of funds for Liverpool CFN Conference as well as the US community foundations conference in San Francisco last year, although pioneered by MMCF, it was a cross-grant and fully benefited by the rest. Through this experience, a decision to form a national community foundation network has been reached, which will work on joint fund-raising and

implementation plans in the future. Common fund-raising strategies will be set by the group to allow for fair allocation of resources

**Learning and Sharing network:**

At the regional level, the Learning Sharing Network (informal) involves all 4 community foundations in Tanzania and 2 from South Africa (Greater Rustenburg and Uthungulu). Since May 2007, this informal network has proved very successful in terms of information sharing and skills linking.

**Community Foundation Initiative Advisory Committee (CFI-AC):**

We came together this year to share and learn from each other, our work being evaluated and solutions to several challenges, such as problems in registering community foundations globally, arose jointly. Being a good network, we met with different community foundations globally and set an entry point for strong future technical and financial collaboration

**International links**

1. **Learning and Sharing event** – 16-18 May 2007, Tanzania. Four community foundations from Tanzania, 2 community foundations from South Africa, the Senior Community Foundation Specialist, World Bank, Washington, DC (Juraj Mesik), the Greater Rustenburg and Uthungulu community foundation of South Africa, as well as the Kenya Community Development Foundation were involved.
2. **Community Foundation Network Conference** at Liverpool, UK (September 17-19, 2007). Together with the results from **Council on Foundations Conference** in San Francisco, USA, we managed to create a link with CFI-AC conference held in Dar es Salaam, Tanzania in March 11, 2008
3. **WINGS Global Fund for Community Foundation** – Financially supported MMCF during its inception stage through the two events above. MMCF will consider seeking further support in the future.

**Additional resources**

MMCF does not have a website as yet. See attached documents:

1. Annual Report 2007 (Annex 10)
2. Income and Expenditure statement as at 31<sup>st</sup> December 2007 (Annex 11)
3. List of Board members (Annex 12)
4. Strategic and Development Plan 2007-2011 and Fund-raising Plan 2007/8-2011/12 (Annex 13)

*Correspondent: Mwadhini O. Myanza, President, Morogoro Municipal Community Foundation*

## Mwanza City Community Foundation

### History

The idea was introduced by Tanzanian Social Action Fund (TASAF) with the support from the World Bank through an organized workshop in December 2006. The workshop was to sensitize our community on community foundations in different parts of the world especially the USA. The workshop participants were highly impressed and decided to form a steering committee of 15 people to lead in the preparation of the community foundation. This is how the Mwanza City Community Foundation began, which is now 1 year and 4 months old. We are still at the infant stage of preparation and are involving the community-at-large. Launching of the Mwanza City Community Foundation is planned on August 9, 2008.

So far all Terms of Reference assigned to the steering Committee have been prepared. These are:

- Constitution
- Key policy documents – conflict of interest, transparency and accountability policy, grantmaking and nominating policy.
- Preparations for stakeholders workshop is in place, but very slow.

### Special factors:

The idea of community foundations is quite new in our region, as well as the whole country. People know only of NGOs and CBOs, which in some cases have been “briefcase”, not operating in a transparent and accountable manner, leaving the communities to be suspicious and not believing!! The private sectors, especially the business community, has never been involved in community or philanthropy work. This is the sector which is well-off and could contribute to community foundations. They are very slow in responding and it takes time before they are convinced to take part or contribute. This is the same with our local authority. The positive side is that the Government system is in place from top to bottom and vice versa for reaching the grassroots and is very conducive. Once everything will be in place it will be easy to reach the communities at the lowest level.

### Current situation: Facts and figures

<b>Geographic area served:</b>	1435 sq km; approximately 554 sq mi
<b>Population size</b> of service area:	700,000
<b>Total sum of grants</b> made in 2007:	Not yet
<b>Total number of grants</b> made in 2007:	-
<b>Total sum of the income/ donations</b> in 2007:	-
<b>Single largest source of income</b> in 2007:	-
Is there <b>an endowment?</b> Yes/No.	No
<b>If Yes, the size of the endowment:</b>	-

### Activities and impact

N/A. We have not yet started grant making.

## **Operations and staffing**

The Community Foundation is currently being run by volunteer board members.

## **Community foundation income**

### Income categories

N/A. Too early.

### Purposes

N/A. Too early.

### Permanent funds/Sustainability

Endowment is part of our strategy, but not yet applied.

## **Environment for philanthropy**

### Local attitudes

It is not easy to assess now. But it is still a new idea. We have to do a lot of awareness raising in the proper manner.

### Legal and tax environment

We are still looking at this and learning more of our laws.

### Changing attitudes and the national or regional environment

Yes, we have been trying to get closer to our local and regional authorities, in order to make them understand the whole concept of philanthropy and community foundations. We need to have resources to do this and reach out to people in a proper manner. We are still at a struggling stage. We do need a lot of support to reach there!!

## **Current challenges and future developments**

Resource mobilization – funds – for everything – office, overhead costs, office equipment and stationeries. It is not easy for board members to always volunteer.

## **Meeting organizational support needs**

The first one who comes to mind is our local authority, i.e. the City Council who have already promised us space for our office, as well as putting aside some funds for the MCCF. But the problem is they are too slow in implementing. But we are doing follow-up, which takes a lot of time!! We are also using the City

Council Legal Officer (City Solicitor) to do all our legal work. We feel the private sector could do a lot without feeling the pinch!!

### **International links**

The attendance of our Chairperson at the Council on Foundations Fall Conference for Community Foundation in San Francisco, September 2007, was useful for the board as well as for networking. The Community Foundation Initiative's Advisory Committee's visit was very fruitful, as we received a number of advices verbally, as well as a written report, which will be useful for improving issues for our community foundation. The Council on Foundation's website is also very useful for accessing different subjects on community foundations.

### **Additional resources**

There is no website, as yet.

*Correspondent: Noor Meghji Mbakile, Chairperson, Mwanza City Community Foundation*

## UGANDA

### **Kanyacheli Community Foundation**

#### **History and current situation**

Kanyacheli Community Foundation is a registered non-profit organization located in Kampala, Uganda, East Africa, with a key mission to improve the quality of life among impoverished rural and urban communities. Kanyacheli Community Foundation does not directly engage in development activities, but the foundation provides small grants to non-government organizations (NGOs) and local communities who implement viable community projects. In general, Kanyacheli Community Foundation serves three main audiences: the community as a whole, the non-profit sector, and donors. The primary mission of this foundation is mirrored in its constitution and mission statement, which were articulated in 2004.

The idea of starting a community foundation in Uganda was first inspired by Ms. Maggie I. Jaruzel of the Charles Stewart Mott Foundation. I was on a flight from Detroit, Michigan to St. Louis when I sat next to Maggie. That was towards the end of April 2004. During the flight we talked about several issues and one of them was starting a community foundation. The goal of starting a community foundation was to provide seed money in the form of grants to our impoverished community in Uganda. Maggie later introduced me to Mr. Chris Mkhize, CEO of the Uthungulu Community Foundation in South Africa. Chris also warned us that starting a community foundation takes plenty of time. Going by the little experience of starting one in Uganda, we now completely agree with him. We hope we can get there sooner rather than later.

Kanyacheli Community Foundation was tentatively registered in May 2005, but ran into some funding difficulties, as well as logistical problems because of the general elections that were held in February 2006. We later reenergized the community foundation and started with the mobilization of communities after the hectic 2005–2006 electioneering period.

We are currently pursuing three key goals.

- First, we are planning on a site visit to the Uthungulu Community Foundation in South Africa;
- Second, we are interesting donors to support our community foundation's activities;
- Third, we are organizing and training teachers and women in three districts (Kampala, Kayunga, and Mbarara).

In the past two years, our community foundation has been partially active. Members were recruited, but due the lack of funds we were unable to meet our targets. However, I have encouraged the other members of the staff and founders to continue with recruitment and mobilization. We are taking a go-slow approach to build relevant grassroots organizational structures and membership. We also wish to get a strong commitment from a donor to support some of our activities in the short to medium period. We believe this will revitalize hopes and dreams among the membership of Kanyacheli Community Foundation.

We have planned a series of meetings with the following people in our communities of interest (COI) starting with Mbarara District in Uganda.

- NGO & local community representatives
- Local government representatives
- Business representatives

- Other community influential people

It is our considered opinion that community foundations offer incredible opportunities to emancipate our African communities from abject poverty and disease. We also know that a lot of work needs to be done in educating our masses to move away from expecting aid all the time. We anticipate that we will create unique opportunities, which can sustain our rapidly evolving communities in the not too distant future. Most importantly, we need to encourage and promote positive attitudes among our impoverished communities regarding life and enormous opportunities that surround them. By expanding this foundation, we hope to facilitate our impoverished communities to realize their full potential.

We are the only community foundation in Uganda, and welcome any suggestions and comments from other community foundations.

## **Operations and staffing**

### **Founder Members:**

1. Tonny J. Oyana, PhD, [tjoyana@siu.edu](mailto:tjoyana@siu.edu)
2. Mrs. Damalie M. Oyana, [OyanaDM@cdm.com](mailto:OyanaDM@cdm.com)
3. Mrs. Florence Makada Ssempebwa, [F.Makada@ug.motorcare.com](mailto:F.Makada@ug.motorcare.com)
4. Mr. Charles Nuwagaba, [charlesnuwagaba@yahoo.com](mailto:charlesnuwagaba@yahoo.com)
5. Mrs. Alice Karamuzi Kaboyo, [bainelice@yahoo.com](mailto:bainelice@yahoo.com)

### **Staff:**

1. National Program Coordinator, Mr. George Erisat [erisatgm@yahoo.com](mailto:erisatgm@yahoo.com)
2. Media Relations, Mr. Paul Mugenyi [PMugenyi@faulu.com](mailto:PMugenyi@faulu.com)
3. District Liaison Officer and Treasurer, Michael Mugenyi [mikemugenyi@yahoo.co.uk](mailto:mikemugenyi@yahoo.co.uk)

## **Community Foundation Income**

### Income

Each of the founding members contributes Shs 1,000,000 for the annual budget for operations, totalling Shs. 25,000,000. That equals US \$13,900 at a rate of one US dollar for Shs. 1,800.

### Purposes

Target group: We are focusing on registering teachers and women so that we may support them in entrepreneurial development and the processing of value-added agricultural products. From this beginning, we hope to expand the base group.

## **Environment for philanthropy**

### Local attitudes

Local giving has been in the traditions of most cultures in Uganda. What is new, however, is the giving to support community needs or investment goals. I personally believe that sustained financial resources for a community foundation must be generated locally. The generosity of local community philanthropy should not be overstated, but at times community philanthropists have a giving fatigue syndrome.

### **Current challenges and future developments**

At present, we are targeting local support, conducting fund raising initiatives, and using this as an inventory for building a local database of local donors and support. In the near future, we intend to write funding proposals to external donors. We will probably focus on three to five reliable donors to support some of our activities.

*Correspondent: Dr. Tonny J. Oyana, Founding Member, Kanyacheli Community Foundation*

## ZIMBABWE

### The Community Foundation for the Western Region of Zimbabwe

#### History

The Community Foundation for the Western Region of Zimbabwe (CFWRZ) arose from a community collective savings program known as Qogelela. It was launched with a small endowment from Qogelela contributed by over 50,000 community members under the auspices of the Organization for Rural Associations for Progress. The Foundation was formed in 1998. It works to improve the quality of lives for the economically disadvantaged communities mainly in Matabeleland South, North and the Midlands province. It supports and mobilizes resources for development initiatives coming from the rural communities. However, the provinces, though in need of accelerated development programs, are rich in cultural heritage of their people, have untapped potential as investment hubs. Original funders were the communities, the Carnegie Corporation, the Open Society Initiative for Southern Africa and the United Nations Development Programme. The CFWRZ is the first grantmaking community foundation in Zimbabwe.

#### Current situation: Facts and figures

<b>Geographic area served:</b>	Western region of Zimbabwe
<b>Population size</b> of service area:	3 million
<b>Total sum of grants</b> made in 2007:	US \$168,950.00
<b>Total number of grants</b> made in 2007:	9
<b>Total sum of the income/ donations</b> in 2007:	US \$424,774.90
<b>Single largest source of income</b> in 2007:	Bernard van Leer Foundation
Is there an endowment? Yes/No.	Yes
<b>If Yes, the size of the endowment:</b>	US \$140,000

#### Activities and impact

- Grantmaking
- Convening
- Working with donors and partners both at community and international levels
- Local fundraising
- Seeking international grants
- Networking by our presence in national, regional and international, e.g. conferences/meetings

**Example.** One story of positive impact is a grant given in the past year to two home-based care groups to support the establishment of nutrition and herbal gardens. The two groups that benefited from this grant now have the ability to use both conventional and traditional herbs to treat minor illnesses such as rash, wounds, and ring worm. Due to a shortage of drugs in clinics and hospitals, communities have resorted to producing Aloe Vera Vaseline that is effectively reducing the above infections among young children, in particular. Nutrition gardens also have been effective in providing the needed nutrition to children 0-8 years that are provided for under the grant. Care givers prepare vegetables for the children under their care. These gardens are established closer to Early Childhood Centers or schools.

## **Operations and staffing**

Our community foundation is run primarily by the paid professional staff. The Foundation currently employs 7 full-time staff persons. In an effort to reduce overhead costs, the Foundation is making use of university students on attachment. Presently two students are attached to programs, while the third one is attached to the Finance Department. The students are offering valuable time to the Foundation, while they are also gaining valuable experience that they require for their professional enhancement.

## **Community foundation income**

### Income categories

International Foundations:	99.9 %
Individual Contributions:	0.1 %
Corporations:	nil
Government Grants:	nil
Local Foundations:	nil

### Purposes

- Unrestricted grants
- Funds for specific programs
- Operating costs

### Permanent funds/Sustainability

Endowment building is part of our sustainability strategy. At present our endowment stands at US \$140,000. This includes immovable assets, that is, two properties with a total value of US \$140,000. It should be noted that properties appreciate in value. This is also a better investment option in a hyper-inflationary environment.

## **Environment for philanthropy**

### Local attitudes

There are positive attitudes towards community philanthropy, as this is already embedded in our culture. However, the socio-economic challenges are in a way affecting community philanthropy.

### Legal and tax environment

Legal and tax incentives for giving need to be put in place. This is a deterrent for giving as no tax incentives are in place for people who want to give e.g. businesses. However, as a community foundation, we are exempted from paying taxes, e.g. on our bank investments.

### Changing attitudes and the national or regional environment

- More technical support as far as fundraising is required and additional financial resources.
- Raising awareness within the corporate sector and individuals on the subject of increased philanthropy.

### **Current challenges and future developments**

- Raising adequate funds to meet the numerous challenges every year
- Reaching out to meet an array of community needs
- Raising endowment funds
- High inflation and economic challenges – This raises prices of goods and services, reduces the community foundation’s efficiency in addressing many needs.

### **Meeting organizational support needs**

Community Foundations of Canada, the Synergos Institute and the Bernard van Leer Foundation have offered technical support on grantmaking and exposed our Foundation with others in Canada, the US and at the regional level.

### **International links**

- I am a former Synergos Senior Fellow. Interaction with others gives more insight into areas of fundraising, grant management, etc. The peer exchanges are very important.
- I also belong to other peer learning groups such as:
  - Africa Grantmakers Affinity Group
  - Southern African Community Grantmakers Leadership Cooperative
  - Community Foundation Initiative (Advisory Committee Member) – World Bank Initiative

### **Additional resources**

The Foundation website is: [www.westfound.com](http://www.westfound.com)

*Correspondent: Inviolatta Moyo, Executive Director, The Community Foundation for the Western Region of Zimbabwe*