



Karen Aldridge-Eason, Michigan's  
Foundation Liaison to the Governor at the  
capitol in Lansing.

## Building the Bridge

### Overview

It began in 2002 when David Egner, president and CEO of the Hudson-Webber Foundation, proposed creating a philanthropic liaison position between the governor's office and Michigan foundations. His idea was based on a successful liaison office in former Detroit Mayor Dennis Archer's office.

When Egner and C. David Campbell, president of the McGregor Fund, approached then-newly elected Governor Jennifer Granholm about creating such an office, she said she immediately saw its potential value for forging new or stronger public-private partnerships.

Egner and Campbell next approached Rob Collier, Council of Michigan Foundations' (CMF) president & CEO for help. Their discussion led to conversations with the CMF Board of Trustees and Government Relations Committee.

The CMF Board agreed to explore the opportunity understanding that if the office was established, CMF would play a major role as fiscal sponsor.

Today, the Office of Foundation Liaison to the Governor (OFL), headed by Karen Aldridge-Eason and associate Maura Dewan, is heralded as a tremendous success having leveraged stronger, more

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strategic public-private partnerships, better understanding among state officials about foundations, and more than \$79 million in state and foundation dollars supporting an array of initiatives designed to move Michigan forward.

Its success has sparked interest from around the globe and is cited as the model upon which similar offices have been created from New Jersey to New Mexico.

### RAISING AWARENESS

These six case studies demonstrate the value and benefits of regional associations and their members engaging policymakers at the local, state and federal levels. PolicyWorks is designed to build the capacity of regional associations by: (1) raising awareness; (2) building skills and systems; and (3) catalyzing action. In doing so, PolicyWorks envisions that regional associations will become valued voices and expert resources on issues critical to philanthropy and society.

- ➔ Beyond Tinkering in Education Reform
- ➔ Opening the Charitable Spigot
- ➔ **Building the Bridge**
- ➔ Striking a Compromise
- ➔ Forging a Partnership
- ➔ Supporting Nonprofit Partners

## Challenge

CMF President & CEO Rob Collier says “From the outset Michigan foundation leaders realized that a liaison in the governor’s office could be a tremendous asset in promoting new and progressive relationships between foundations, policymakers and state officials.”

“At the same time,” adds Collier, “we were acutely aware of a number of challenges that would need to be addressed before an office was established.”

Those challenges included:

- Ensuring that policymakers and other government officials understood the office was not an easy conduit into foundation coffers.
- Designing the liaison’s role in such a way that it would not cross legal or ethical lines—especially IRS rules and regulations governing advocacy.
- Hiring an individual with experience in both state government and foundation work to serve as liaison.
- Clearly communicating and protecting the office’s nonpartisan commitment.

Governor Granholm says she initially had conflicting thoughts about allowing the OFL to be made part of her cabinet since it was to be funded by the foundation sector and not the state. This would effectively prevent the office from being answerable to her administratively, she says.

“It was a leap of faith and a challenge on all our parts,” says Granholm. “Nothing like this had ever been tried before. If it worked, it could prove a tremendous asset to the state. We all believed it was worth a try.”

## Strategies

Resolving the best way to overcome the initial challenges was the purview of CMF working with lead funders and legal counsel.

The funders requested that CMF serve as the office’s fiscal agent and decided the OFL’s work should be governed by an Advisory Committee of contributing funders, representatives from CMF as its fiscal agent and members from the governor’s executive staff.

Next came strategic discussions on how to prove to the governor, legislators and policymakers on both sides of the aisle that the OFL was committed to operating in a completely non-partisan and politically impartial manner, says C. David Campbell, president of the McGregor Fund and OFL Advisory Committee member.

“The key to that was open and continual dialogue, designing and implementing an educational component aimed at all lawmakers and administration officials followed by continual assurances and actions that backed up our commitment to being completely non-partisan,” says Campbell.

Once the initial challenges were worked out, lead funders including the Hudson-Webber Foundation, W.K. Kellogg Foundation, The Kresge Foundation, McGregor Fund, Charles Stewart Mott Foundation and The Skillman Foundation sat down to map out the OFL’s objectives, said Collier. After much discussion, the group settled on:

- educating state officials about foundations;
- forging relationships and supporting the development of partnerships between the state and foundations;
- attracting new national grant dollars to Michigan; and
- responding to opportunities for new local and regional public-private partnerships to serve people and the implementation of government programs.

Keeping a foundation-funded office as unique as the OFL—“in but not of” the executive office—required creating various policies designed to protect its autonomy and credibility and shield it from being used by government leaders for political purposes.

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“We were very intentional about selecting policy priorities that were shared by the governor,” Collier says. “I believe this strategy enables us to quickly and efficiently identify, target and move forward on seeking significant and systemic change for the state of Michigan on many different issues.”

Administrative guidelines for the OFL also were developed.

For example, the Foundation Liaison does not engage in any direct political events with the governor or her staff leading up to a gubernatorial election to prevent any accusations of partisanship.

Additionally, any initiative undertaken needs to be acceptable to any new, future administration without any partisan aspect.

Collier was asked to conduct the search for the foundation liaison. Selecting just the right person was critical, says Collier. One name kept bubbling to the surface: Karen Aldridge-Eason.

Aldridge-Eason's background in both foundation work and state government made her the logical choice. On March 24, 2003, when Governor Granholm announced her appointment, Aldridge-Eason was program director for the C.S. Mott Foundation where she was responsible for its \$10 million to \$20 million investment in Flint area initiatives.

Prior to joining Mott in 1994, Aldridge-Eason was director of the Office of Health and Human Services for the Michigan Department of Management and Budget. As part of its contribution to the new OFL initiative, the Mott Foundation agreed to make Aldridge-Eason a loaned executive to the state.

Finally, CMF contracted with the Community Research Institute (CRI) at the Johnson Center for Philanthropy and Nonprofit Leadership at Grand Valley State University to conduct a formative evaluation of the office. The CRI findings continue to inform the office's work and priorities.

## Results

In just over five years, the OFL and the state have worked together to increase Michigan's economic competitiveness through reforms in K-16 education, economic development—including workforce development, health, early childhood and land use.

A sampling of the OFL's successes to date include:

- Working with the governor's office to identify opportunities for philanthropy to assist the state with its response to the federal economic recovery package.
- Collaborating with foundations, the state Departments of Labor and Economic Growth, Corrections and Human Services to create a best practices workforce development training program for people chronically unemployed.



Foundation Liaison Karen Aldridge-Eason and CMF Member Dave Egner, President & CEO, Hudson-Webber Foundation.

- Collaborating with CMF and the governor to help improve state government's performance and reform systems, including the establishment of the "Michigan Business One Stop" website which streamlines the processes and makes it easier to do business in Michigan.

"By any measurement, the OFL has established itself as an important link between foundations and state government," says Laura Trudeau, senior program director for The Kresge Foundation, an original OFL funder and a member of the OFL Advisory Committee.

"It is brokering many important and society-changing programs for Michigan residents... and is responsible for bringing various groups to the table to focus on systemic and sustainable changes in many areas," she adds.

The important role the OFL is playing in Michigan has not gone unnoticed by other cities and states looking to replicate its success. For example, Newark, New Jersey and the State of New Mexico have patterned their respective philanthropic offices after the OFL.

Nina Stack, president of the Council of New Jersey Grantmakers, says the Michigan OFL model "provided a strategic roadmap that helped us harness grantmakers' and city

leaders' interest in creating a liaison position to foster greater effectiveness and impact in our joint efforts throughout the city."

In New Mexico, a similar office has been created to broker collaborative partnerships between the nonprofit sector and state government, according to Ronald M. White, executive director of the New Mexico Association of Grantmakers. That office is housed at the Albuquerque Community Foundation.

Promoting the OFL as a model and helping others here and abroad establish such offices was never on the radar of the OFL Advisory Committee.

However, after a few short years of operations, awareness of the office spread quickly and invitations to speak to foundations from Washington state to Florida poured in and the OFL Advisory Committee needed to make a choice about whether to support or control Karen's time out of Michigan.

"We decided it was important for the OFL to share its successes and lessons learned with others interested in developing strategic partnerships between the public and private sectors," says Egner. "Our first priority, though, is Michigan and the opportunities and efforts we can make a difference in here."

## Response From Policymakers

State leaders are unanimous in their praise for the work and dedication of the OFL. Governor Granholm is one of its biggest boosters.

“The Foundation Liaison plays a very important role as a member of my cabinet and provides significant input on state programs and initiatives being created or changed by my top policy advisors as we sit around the table trying to find the best collaborations and solutions for the citizens of Michigan,” says the governor.

State Superintendent of Public Instruction Mike Flanagan calls the OFL “a powerful advocate for positive change with the ability to bring the right people together to help find solutions.”

Michigan Corrections Director Patricia Caruso also credits the work of the OFL “with helping our state deal with prisoner recidivism and its many impacts on our communities by forging strategic alliances between foundations and state government.”

Michigan Board of Education President Kathleen N. Strauss says, “The OFL’s ability to bring together those with diverse ideas and goals for Michigan’s educational system and facilitating important and sometimes contentious dialogue around reform is extraordinary and should be applauded,” says Strauss.

### KEY LESSONS FOR SUCCESS

Collier says that “Engaging a broad spectrum of foundation leaders representing different funding areas, political perspectives and constituencies when forming a foundation liaison office is the most valuable lesson.” CMF trustees and OFL Advisory Committee members stressed the importance of getting buy-in from the governor, her staff and legislators early in the process; having legal counsel confirm that office’s role is in compliance with IRS rules and regulations; investing in an evaluation and setting metrics for measuring effectiveness and impact; and understanding and factoring in lessons regional association members have learned from related experiences.

- ➔ Convene members early to share ideas, concerns and goals
- ➔ Vet all plans with lawyers and accountants to ensure adherence to all local, state and federal laws
- ➔ Establish principles and policies that ensure accountability, political independence and non-partisan operation
- ➔ Seek buy-in, advice from all foundation constituency groups
- ➔ Create metrics for continual evaluation
- ➔ Develop strategic communication plans for external/internal audiences
- ➔ Learn as you go and make changes as needed

### DISCUSSION QUESTIONS

- 1) What arguments for establishing a Charitable Advisory Council would be most persuasive in our region or state?
- 2) What steps can be taken to ensure that a Charitable Advisory Council maintains its autonomy and independence from government control or pressure?

## PolicyWorks FOR Philanthropy

Helping Regional Associations  
Engage Policymakers

**POLICYWORKS FOR PHILANTHROPY** seeks to build the capacity of regional associations of grantmakers’ staff, board and volunteer leaders to engage policy makers in support of a vibrant and effective philanthropic sector. The 20 regional associations participating in PolicyWorks serve more than 3,000 foundations and corporate giving programs in 39 states. Policy work includes: government relations—related to legislation and regulations affecting the work of charitable foundations; and public policy engagement—supporting the achievement of charitable foundations’ grantmaking goals.

PolicyWorks partners include the Communications Network, Council of Michigan Foundations, Donors Forum (Illinois), Grantmakers of Western Pennsylvania, Northern California Grantmakers, Ohio Grantmakers Forum and Philanthropy New York and funded by the William and Flora Hewlett Foundation and the Charles Stewart Mott Foundation. PolicyWorks partners include the Forum of Regional Associations of Grantmakers and the Philanthropy Awareness Initiative.