

Foundations combine administrative forces

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Two of the largest foundations in the tri-counties are joining philanthropic forces.

Effective April 1, the Santa Barbara Foundation, the second largest foundation in the region with more than \$200 million in assets at the beginning of March, and the Hutton Foundation, the 10th largest foundation with \$80 million, will combine some of their grant-processing capabilities.

Standard grant program requests received by the Hutton Foundation will now be redirected to the Santa Barbara Founda-

tion's mini and impact grant programs for processing, a change which foundation executives say will mean leaner operations and more efficient use of donor dollars.

"We'll be the staff to their philanthropy," said Ron Gallo, president and chief executive officer of the Santa Barbara Foundation.

The Santa Barbara Foundation is a community foundation that connects donors and nonprofits and serves as an umbrella organization for much of the county's nonprofit sector.

The Hutton Foundation, also based in

Santa Barbara, supports health and human services, education, arts and cultural causes. It also oversees many other nonprofits, and operates 12 office complexes for other organizations. By outsourcing its grant-making arm to the Santa Barbara Foundation, Hutton realizes "economic savings so we can have more to grant," foundation president and tri-county developer Tom Parker said. "We saw this as an opportunity to save money."

The collaboration between the two philanthropic giants will reduce administrative costs while maintaining the same level of

community support and two distinct organizations, foundation executives say. The partnership isn't permanent but can be renewed each year based on performance.

Hutton Foundation Executive Director Pam Hamlin will serve on the combined grantmaking committee to aid in the transition.

"As a sector we're asking everyone during these tough economic times to see where collaboration can take place," Parker said.

Alixé Mattingly, vice president of

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communications for the Santa Barbara Foundation, said that the collaborative approach has "gained some steam in the nonprofit world."

Gallo agreed. "It's a timely trend and a good one," he said. "I'm feeling a lot of buzz in this community right now about collaborative efforts such as this one."

He said the nonprofit world's move towards more efficient operations takes after the business world in many ways. The Santa Barbara Foundation and other community foundations already run on an "investor" model, he explained, with donors expecting to see a return on that investment in terms of community giving and organization performance.

"I've long thought that the line between nonprofits and the private sector is too distinct," Gallo said. "In the private sector there is a lot of collaboration between businesses if it's profitable. I think nonprofits have been a little slow on the uptake of that."

Parker said that the partnership will allow the Hutton Foundation to "continue to fund programs at the same levels and gain efficiencies in the way we do that business."