COMMUNITY FOUNDATIONS AND COMMUNITY FOUNDATIONS SUPPORT ORGANIZATIONS RESPONSE TO THE PANDEMIC AND THEIR LOOK TOWARDS THE FUTURE

A COMPARATIVE
OVERVIEW BETWEEN
ITALY AND ROMANIA









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COMMUNITY FOUNDATIONS AND COMMUNITY SUPPORT ORGANIZATIONS RESPONSE TO THE PANDEMIC: A COMPARATIVE OVERVIEW BETWEEN ITALY AND ROMANIA

INTRODUCTION

Covid-19 has overwhelmed the entire planet, bringing to the surface and strengthening the existing inequalities. Its social, economic, cultural, environmental, healthcare consequences are devastating and yet unknown. As soon as the crisis hit, community foundations stood in the frontline to tackle this emergency and played a pivotal role in their community to face and solve the most pressing needs. Community support organizations, on their hand, quickly revised their whole strategy and offered different kind of supports to community foundations of their respective country.

By comparing the Italian and Romanian scenario, the objective of this paper, developed jointly by ARC and Assifero and supported by the CFSO2CFSO ECFI exchange program, is to provide evidence of the work that community foundations have put in place to face the pandemic and how they have become more and more a relevant actor in their communities, being able to leverage and pool together all kind of resources and coordinate the response, thanks also to their longstanding credibility and reputation. It also wants to underline the essential role that community foundations support organizations, in this case Assifero in Italy and ARC (Association for Community Relations) in Romania, played in connecting different organizations, sharing information and experiences, facilitating the scaling up of best practices and leveraging their widespread network of contacts to shore up community foundations.

After briefly providing the community foundations' scenario for both countries and a timeline of the pandemic hit, we will dive into the community foundations and community support organizations' response to the crisis, the perception of the representatives on the role they played. We will also bring one of the donors' point of view, to understand better the reason that pushed him to trust community foundation in this occasion. Finally, we will provide the perspectives of community foundations and community foundations support organization practitioners from both countries on the challenges and opportunities ahead for the organizations and the whole movement and some proposed key topics and line of actions for the future.





THE COMMUNITY FOUNDATIONS SCENARIO IN A NUTSHELL

With no one size fits all model, but different unique features characterizing every single one of them, community foundations are deeply rooted within their territories and they have turned out to be pillars for their communities, and beyond, during this pandemic.

The community foundations movement has been blooming and growing strongly in both countries. However, the birth of these organizations differs in the two nations: in Italy the first organization, Fondazione Comunitaria del Lecchese, was founded in 1999, thanks to the support of Fondazione Cariplo, a bank-origin foundation. In Romania, ARC began, in 2006, to dialogue with communities to test their interest in building a local funding institution with the resources available in communities. After a year of discussion, the first two community foundations in the country were registered Odorheiu Secuiesc (December 2007) and Cluj-Napoca (January 2008).

	Italy	Romania
Number of CF in the country	43	19
	(6 on the way to be established)	
First CF established	1999 Fondazione Comunitaria del Lecchese	2008 Odorheiu Secuiesc and Cluj- Napoca
Latest CF established	2021 Fondazione di Comunità di Porta Palazzo	2019 Buzău, Banatul Montan, Vâlcea
Number of CF members of support organization	23	19

COMMUNITY FOUNDATIONS SUPPORT ORGANIZATIONS

<u>Assifero</u> aims at promoting a more efficient, visible, connected, informed philanthropy in Italy, a relevant partner for the sustainable development. The association launched in 2017 the first Italian community foundations Conference, that every year gathers together representatives of these organizations across Italy and those interested in community philanthropy. In addition, it also started, in 2019, a capacity building program that aims at empowering and strengthening community foundations, through direct exchange of views, practices, experiences and other. Finally, Assifero is supporting through training, sharing of information, advocacy and other non-financial resources, those community foundations in the way of being established.

<u>ARC</u> helps community foundations to develop and strengthen their role in the community. This entails financial grants, knowledge sharing, promoting an empowering grant-making philosophy, access to various networks and other types of initiatives.





Both organizations have created, along with ECFI, the community foundations guide for their specific countries: A guide to community foundations in Romania and A guide to community foundations in Italy, both launched in 2018.

THE PANDEMIC: A TIMELINE OF ITS HIT

Italy Romania

Italy was the first Western country to be hit the harshest by the pandemic. The Government started to impose social distance measure by the end of February and the nation went into full lockdown on March the 9^{th} until the 4^{th} of May.

The crisis overwhelmed the whole country system in a peculiar way: the North faced an unprecedent health emergency, with people flooding the ER and the ICU beds being quickly filled. On the other hand, in the Centre and the South the stark consequences have been mostly social: with a high rate of off the books labour, a strong digital divide and a high level of poverty (economical but also educational), entire families found themselves isolated and without an income.

On February the 26th, the first case of infection was registered in Romania. In just two months, the number of cases reached 10.000, and the country and the public health system went through one of the most difficult health crises in their history. With less than 1.000€ spent on the health per citizen, Romania is the country with the most vulnerable and poorly equipped health system in Europe. Everyone fear, looking at blockages in more developed countries like Italy, Spain or Belgium, was that the public system could not cope with the epidemic and the large number of patients who would require special treatments. At the same time, news stories about the acute shortage of equipment and medicines revealed how unprepared hospitals were for a pandemic wave.





COMMUNITY FOUNDATIONS' REACTION: QUICK IN ASSESSING THE NEEDS AND PROVIDE A RESPONSE

Community foundations have immediately reacted to the emergency, refocusing their efforts and assessing the local needs in collaboration with the other actors in the territories and consequently leveraging, gathering and addressing a wide variety of resources (financial, material, immaterial).

In Italy, the issues to face where mostly healthcare ones (hospital overcrowding, lack of equipment, etc.) in the North and social ones in the South, like loss of jobs, lack of digital infrastructure, isolation of individuals. In Romania, the most pressing challenge to address was the healthcare one.

	ITALY	ROMANIA
Amount of resources gathered	69.711.446€*	1.700.000€*
		*data referred to 17 CFs in Romania, made available on their website
Amount of resources made available	46.660.930€*	About 80 organizations had made purchases worth
	data referred to all 43 CFs in Italy, made available on their website in December 2020	14.000.000€
		*according to the survey made by ARC in April 2020
Other resources attracted	Relational capital (expertise, sharing of contacts), material	Relational capital (expertise, sharing of contacts), material
	resources (medical equipment, digital device)	resources (medical equipment, digital device
Pressing needs	In the North: healthcare emergency	Mainly healthcare emergency (around 130 beneficiaries -
	In the South: social and job emergency	medical units)
Type of instruments	Mainly setting up funds	Mainly setting up funds
	Deployment of ad hoc programs on the territory (especially in the South)	(By the end of March, every Romanian Cf had set their first steps and were already mobilizing their donors and their partners)





The response to the health emergency

In the face of the healthcare emergency, community foundations in both countries acted quickly upon it. That meant for all of them taking up a completely new job and responsibilities, learnt for the most part on the spot, while the crisis was taking place.

In addressing the healthcare emergency, community foundations:

- 1. Buyer of personal protective equipment and other emergency supplies, matching supply and demand requests
- 2. Distribution centre for material
- 3. Coordinator among different hospitals in the territory and with also other actors (e.g. municipality, Third Sector organizations)

Beyond the health crisis: tackling other pressing community needs

Even though the healthcare emergency has, since the very beginning, been the most pressing one, the social, cultural and economic crisis related to the pandemic emerged overwhelmingly. The lockdown measures have put families and individuals under lot of stress, making emerge the profound inequalities of our system.

In the South of Italy, for instance, due to the lockdown measures lots of people found themselves without a salary, living mostly on off the book jobs, and distance learning was not a feasible option for lots of families, given the great digital divide and lack of access to digital infrastructure. In this scenario, community foundations played a key role in addressing these issues, by activating its established network of contact and organizations and reaching out to the community most in need, finding ad hoc solutions.

<u>To know more stories and experience from Italian and Romanian community</u> foundations, read our Zooming file





COMMUNITY FOUNDATIONS SUPPORT ORGANIZATIONS RESPONSE

ASSIFERO ARC

Launch of Filantropia a Sistema

Platform launched along with its partner Italia non profit, with a dual objective: on one hand, it pools together and display all the above-mentioned initiatives and make them available to the general public, raising awareness and hopefully offering systemic data and maybe sparkling further collaboration. On the other, it is also a tool to map the Third Sector organizations' needs. Indeed, there is an ad hoc survey that can be taken by any third sector organizations to gather their short and long term needs in this situation of emergency.

Establishment of Emergency Fund

ARC established its own emergency fund and with the resources gathered, around 1.2 million €, ARC bought medical equipment and medical devices for hospitals around the country.

ARC, with the vital support of the people from the community foundations, managed to intervene in places and communities where the foundations did not have the capacity.

Support Community Foundations in the South in codesigning a program to counteract the economic and social consequences in the recovery phase of this pandemic. This program targets people in situation of poverty (informal economy, gig economy, small and medium entrepreneurs, and self-employed) through bespoke schemes of microcredit and grant schemes.

Acted as principal buyer on behalf of other organizations

Hospitals and doctors in other cities in the county asked for CFs help: ARC took over their efforts to ensure that as many resources are available. In its discussions with foundations, ARC gathered the needs of the hospitals, so that it could buy in larger quantities (thus, lowering the prices) and to ask for the support of other partners. For example, the 7,400 coveralls that ARC bought were distributed in the country with the help of 31 organizations, including foundations and hospitals.

Facilitated the connection among community foundations and other types of foundations

Providing financial grants

ARC offered financial grants to CFs: for example, it offered a 10.000€ grant to Odorheiu Secuiesc CF to rent equipment necessary to build a temporary hospital and 36.000 euro grant to Buzău CF to buy two mechanical ventilators

Worked with REVES (Réseau Européen des Villes et Régions de l'Economie Sociale) and other strategic partners to explore more in depth the potentialities of residual funds of the 2014-2020 framework to counteract economic and social consequence of Covid-19, involving community foundations

Leveraging its network of contacts

ARC has joined the foundations' efforts, using not only the financial resources of its Emergency Fund, but also its network. For example, with the support of Timişoara CF, a testing machine was brought to the Infectious Diseases Hospital, purchased by ARC. At the same time, ARC facilitated the creation of different working groups (CFs and organizations with expertise in healthcare infrastructure) where people from NGOs could consult different medical providers, ask for advices, expertise, or could buy in bulk (so that the prices would be lower).





THE PERCEPTION OF COMMUNITY FOUNDATIONS' ROLE: AN EXPLORATIVE SURVEY AMONG THE ORGANIZATIONS

In this section, we want to explore the perception of the role that community foundations and community support organizations played according to CFs' representatives.

In both cases, respondents agree that the **CFs** have strengthened their role, in terms of credibility and reputation, during the pandemic and their response has been effective and on time. Furthermore, the organizations have become faster and lighter in their approval process and strengthened the relationship with new and old partners.

In both countries, these organizations managed to leverage mostly financial resources, followed by relational capital (networks, contacts and expertise) and material resources (such as devices, medical equipment, etc). In Romania, where there were no suppliers to deliver quickly, foundations sought local solutions. There were workshops that could make face shields or intubation boxes, there were companies whose production was stopped, and decided to donate their masks to foundations or hospitals.

Focusing on donors, there has been a chain reaction in both countries: in Romania, all the companies, that CFs traditionally work with, responded positively to community foundations' proposal to donate money in a common fund. In many cases, the enterprises were the ones that approached the foundations and new ones, that have never partnered with these organizations before, decided to get involved.

Read the interview with Fondazione Nando ed Elsa Peretti that supported community foundations for the first time during the pandemic

In Italy, 93,7% of the respondents' state that have reinforced the relationship with their existing partners and create new ones.

ORGANIZATIONAL ISSUE TO FACE

Moving to the internal organization problem they have to face, the most common one in Italy was the lack of adequate digital infrastructures, followed by the burnout of the staff and difficulties in rearranging their work remotely. In Romania, instead, community foundations saw a rise in the administrative costs, have problems in recruiting volunteers and registered burnout of staff as well.

Respondents identified also different strengths and weaknesses, sum up below

Strengths Weaknesses

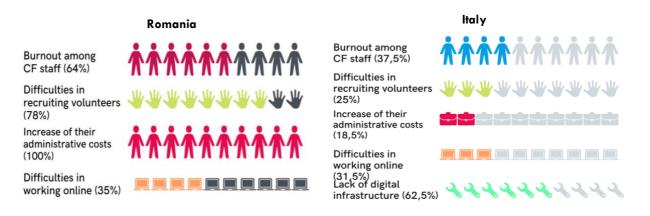
- Community foundation staff and human capital
- Existing network and ability to involve the community
- Focus on the healthcare emergency difficulties in keeping the other programs in place and responding to other needs
- Communication of their efforts
- Reorganizing the work remotely



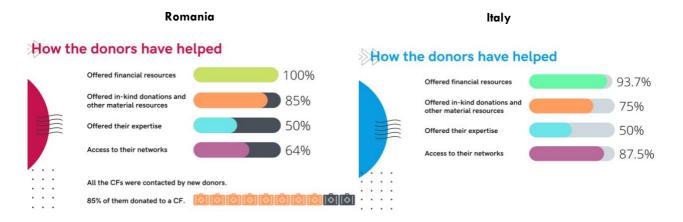


- Rapidity in assessing the needs and responding
- Transparency in its action and accountability
- Lack of human resources to take care of the overwork and managing resources

What kind of challenges have the community foundations faced from an organizational point of view?



How donors have supported community foundations?



THE ROLE OF COMMUNITY FOUNDATIONS SUPPORT ORGANIZATIONS

Assifero and ARC proved to be fundamental partner for community foundations in their respective countries.

Firstly, they played a key role in connecting community foundations across the country to collaborate and share experience (organizing for instance in Romania working groups) and spread information across their network and through their communication channels to maximize community foundations impact. In Italy, Assifero proved to be fundamental also in supporting individual community foundations with specific strategic issues and in helping these organizations finding resources (financial and non-financial).





CHALLENGES AND OPPORTUNITIES FOR COMMUNITY FOUNDATIONS FOR THE FUTURE

As final step for this project, community foundations representatives in both countries have been asked to participate to an online meeting to be presented with the results of the questionnaire, to hear the community foundations support organization of the partnering country responses and actions and to discuss challenges and opportunities for community foundations for the future. Here below a summary of cues emerged during the discussion

Opportunities

Growing and established credibility in the community and rethinking of the sustainable development of the territory

As abovementioned, the response of community foundations to the pandemic has strengthened their role and increased their credibility within the community. But how to leverage concretely this position for the sustainable growth of the territory? How to keep alive and nurture the rising relationships with new actors? These are some of the questions that the organizations are asking themselves for the future.

Development of new competences

The pandemic has shown the vast array of competences required for the organization to face the wide variety of issues and needs arisen within the community. Furthermore, it has made questions representatives on the kind of instruments (endowment management, donors advised funds management, EU funds) and access to different resources available to be deployed for facing current and future challenges. It is a key time to make the case with donors and board members to invest in the learning and training of community foundations' staff and to attract new human resources to manage.

Access to EU funds

With the new multiannual financial framework in place and the additional amount of resources that the European Union will make available, community foundations, especially in Italy, are wondering how to strategically access and untap these additional resources to achieve better their mission.

In this sense, In Romania, one of the community foundations is thinking about launching a series of dinner, each characterized by one particular theme, to involve experts and people from the community to discuss together new ways to untap the EU funds.

Threats

Explosion of new social and economic inequalities within the community

Community foundations representatives have shared their worrisome on the long-term effects of the pandemic on a global and local level. In particular, they fear they will not be able to track, assess and respond to the upcoming challenges and needs of their community.





Organizational sustainability

This is a key and pressing issue for all the organizations in particular in the light of the pandemic. Indeed, it is clear that the evolving responsibilities and tasks undertaken were not matched with a growth from the organizational point of view. Furthermore, external financing and donations still are rarely thought for core support and one of the key issues for the future will be to make the case properly among donors and other financing institutions for investing in the organizations structure of the foundations. In this sense, community foundations support organizations can play a major role with foundations and other funders for both community foundations and theirselves.

Pressure for the new established role and donors' relationship

Some community foundations recognize that the growing acknowledgment of their role might bring lots of external pressure on the organizations in the future. In particular, they fear they will not be able to follow up and nurture the new relationships established with new donors that have approached the foundations since the burst of the crisis. This will be for many a key organizational issue to face in the upcoming months.





CONCLUSION

The aim of this work is to highlight the specific and valuable role that community foundations support organizations and community foundations in Italy and Romania have played since the burst of the pandemic. In addition, it also aims at providing community philanthropy practitioners with an overview of the organizational issues that community foundations encountered and opportunities and challenges they might face at an organizational and movement level, underlining some key trends and perspectives for the future.

As the evidence show, **community foundations have been a pivotal figure in facing the pandemic**, being able to identify and address the urgent needs arising within the community in both countries. Thanks to their long-established relationships within the community and the recognition and credibility they have gained throughout the years, community foundations took the lead in responding to the crisis: they managed to pool together, leverage and make available financial, human, and material resources and, at the same time, to connect different stakeholders and actors on the territory and coordinate their response. It is interesting to underline that even the youngest community foundations, like Fondazione Comunitaria di Agrigento e Trapani and Fondazione di Comunità Città di Milano in Italy, born both in 2019, managed quickly to gather the trust of their community in coming up and proposing solutions to tackle the pandemic effects. It is particularly important to highlight the ability of community foundations in not only strengthening the relationship with existing donors but also attracting new ones, that saw in these organizations a credible actor to trust.

In this scenario, community foundations support organizations proved to be a valuable key player in supporting community foundations, at both an organizational and movement level, in many different ways. Firstly, they were able to connect different organizations, across the country and in Europe, and to share their experience and best practice among its network and stakeholders. They have been a relevant partner backing up community foundations' initiatives, amplifying their reach and reinforcing their credibility. In Romania, ARC became the reference point in coordinating the central acquisition of equipment, counting on the support of all the community foundations within its network, and providing funds. In Italy, Assifero offered strategic advice to individual organizations and was able to connect them with other type of foundations (e.g. family and corporate ones) to facilitate partnership and exchange resources.

Addressing quickly community needs and responding to this crisis put under a lot of stress community foundations' structure and staff. Indeed, while, on one hand, the pressure of the situation forced them to lighten and speed up their approval processes, these organizations faced many challenges on an organizational level, in particular burnout of staff members, difficulties in reassessing their work remotely and had to deal with a lack of adequate digital infrastructure.

As abovementioned, the aim of this paper is not only to underline the role of community foundations in facing the pandemic and the past challenges, but also to provide an image of the threats and opportunities that practitioners envision for the future. What emerges clearly is that this a crucial time for rethinking and reimagining community foundations' role in the sustainable development of their community, especially building on the increased credibility gained in the past year. Furthermore, there is a growing recognition of the potentialities of accessing EU funds, in light of the 2021-2027 multiannual financial framework, to unlock further resources to be directed to the territories. With regards to the major concerns for the future, the economic sustainability of the





organizations is one of the most delicate issue on top of practitioners' mind. The increasing burden in terms of new tasks and responsibilities that community foundations put on their shoulder was not matched with a growth in the organization in terms of staff and tools in place. Furthermore, CFs and CFSOs' representatives are afraid that donors will keep on addressing their donations towards programs and not encompassing core support.

It is evident that now it is a crucial time for funders and donors to provide core support to these organizations. The pandemic has shown how fragile community foundations are from a structural point of view. Short on paid staff, counting mostly on volunteers, and lacking the adequate infrastructure, these organizations have pushed themselves beyond the limit to find solutions to the community's needs during the pandemic. Also, community foundations support organizations found themselves overburden by requests of support, with the need to deploy new tools and instruments, and in many cases had to adapt in taking up a completely different role.

Looking at the future of the whole community philanthropy movement, it is now a crucial time to make donors and funders understand the importance of providing long-term core support for both these organizations. In this way, they could be better equipped to face the upcoming challenges, grow and fully achieve their mission. And CFSOs, in particular, play a fundamental role on a national and international level to raise awareness among funders and other stakeholders on the importance of collaborating with community foundations when acting on the territory and investing in the organizations.

Furthermore, there a is shared understanding among community foundations representatives on the need to make alliances also outside their communities and to untap potential resources like the EU funds. These organizations can become key, credible partner for the institutions to find effective solution at a local level, connecting it to the national and European one, given their experience, competences and roots within the community. This should be taken carefully in consideration by community foundations in developing their long-term strategy, thinking also about the possibility to invest in ad hoc professional figure, to be shared eventually with other organizations to lighten the financial burden. In this framework, CFSOs, thanks to their network of contacts and ties, are well-placed to support them especially in finding adequate partners, aligned with their vision and mission, across Europe.

In such a complex world and with great systemic challenges, not clearly defined yet, ahead of us, it is important that community CFs and CFSOs move towards becoming learning organizations. Continuous improvement, a prerequisite to be able to face the evolving and complex issues, demands a commitment to learning. From this analysis, it emerges clearly that representatives from the community foundations world are well aware of the need to always feed their organization with new knowledge and opportunity to exchange experiences and to diversify and encompass new competences, untapping human capital from the community and outside professionals, to tackle the fast-changing issues. To achieve this goal, in addition to the aforementioned need for funders to provide core support to community foundations, community foundations support organization are essential in facilitating this exchange of best practices and unsuccessful experience, sharing information and creating connections among different organizations and other stakeholders.