

EMBEDDED PHILANTHROPY PROFILE

From “Embedded Funders and Community Change: Profiles”
(Chapin Hall Working Paper, 2006)

WOODARD FAMILY FOUNDATION

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SUMMARY

Walter Woodard founded the Woodard Family Foundation in 1944 to benefit Cottage Grove, Oregon, a town 25 miles south of Eugene where Mr. Woodard lived and made his fortune. The foundation’s style and governance has evolved over three generations of family involvement, but it still pursues its original purpose with increasingly visible success.

HOW AND WHY DID THE FOUNDATION EMBED ITSELF IN THIS PARTICULAR NEIGHBORHOOD?

Walter Woodard was in the lumber and home-building business in Cottage Grove, Oregon, and as he prospered he established a foundation to benefit the community that created his wealth. Cottage Grove’s vitality declined along with that of the area’s timber industry, however, and today the community struggles to maintain its identity apart from Eugene. Timber is still the town’s largest industry, but the strong work force offers potential for a diverse economic base that includes tourism, agriculture, and commercial call centers.

Woodard’s son, Carlton, led the foundation after his father retired, and Carlton’s son, Casey, now leads it. Woodard’s current goal is to help Cottage Grove continue to be a high-quality place to live and raise a family.

WHAT BELIEFS AND THEORIES OF CHANGE INFORM THE FOUNDATION’S WORK?

The foundation pursues two types of philanthropy. Its “checkbook philanthropy,” characterized by small grants to community agencies, provides ongoing support to established community agencies and organizations, with a clear preference for character-building grantees (such as the Boy or Girl Scouts) rather than remedial or problem-focused grantees.

Woodard also supports one-time projects that have potential to enhance Cottage Grove’s economic and cultural independence. The theory is that the town has the human capital base needed to attract and sustain businesses, but it needs more civic infrastructure to retain and attract residents and businesses. Prominent components of that infrastructure are health care,

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educational, civic, and cultural institutions, and the foundation promotes improvements in all of those areas.

WHAT STRATEGIES HAS THE FOUNDATION USED?

The Woodard Family Foundation makes small, renewable grants to agencies and organizations to cover recurring operating expenses or one-time special needs. The foundation continues to provide this kind of support in the community because board members like it and because the community has come to expect it.

In addition, Woodard increasingly supports large, ambitious, creative, and proactive projects designed to make Cottage Grove more attractive to residents and more competitive for prospective businesses. In its pursuit of this type of investment, the foundation has:

- ❑ Made “seed grants,” often substantial ones, to attract other contributors to projects whose costs far exceed Woodard’s own capacity for funding
- ❑ Formed or joined coalitions of individuals and organizations to initiate, develop, and finance large projects—often leveraging Woodard’s own dollars and prestige to initiate the process
- ❑ Provided “sweat equity,” in the form of Woodard family members’ time and effort at various stages of project development

The foundation deliberately stays in the background of these strategies, preferring to have non-political citizen leaders or citizen organizations serve as the “out front” actors. The foundation does this both because of a preference for working “behind the scenes” and because leaders believe that projects are more sustainable over time when developed in this fashion.

WHAT INTERNAL PRACTICES, STRUCTURES, AND POLICIES HAS THE FOUNDATION DEVELOPED TO SUPPORT THE WORK?

Several internal changes accompanied the evolution of Woodard’s grant-making. The emphasis on community-building investment required a more active foundation presence in initiating ideas and projects, forming and working with coalitions to finance and implement projects, leveraging the foundation’s funds and expertise, and managing day-to-day operations. Both as a cause and a consequence of this evolution in grant-making, Casey Woodard (Carlton’s son and the founder’s grandson) has assumed leadership of the foundation and commits 20 percent of his time to its work.

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Another change has been to designate approximately 75 percent of the foundation’s available dollars to projects focused on Cottage Grove, with the remainder divided among trustees (all of whom are family members) for their own projects. Because the fourth generation is geographically scattered beyond Cottage Grove, pressure to use the money in other places has grown, and the 75-25 split is a compromise between the founder’s intent and the third generation’s interests. Individually designated grants are made without much board discussion, allowing the board’s corporate focus to remain on Cottage Grove.

WHAT CHANGES IN THE COMMUNITY DOES THE FOUNDATION POINT TO AS SIGNIFICANT?

In keeping with the belief that Cottage Grove needs a vital infrastructure to attract new residents and businesses, the foundation focused recently on conceiving and developing:

- ❑ A new community center housing the public library, other services, and attractive meeting spaces
- ❑ An architecturally outstanding new community hospital
- ❑ A new professional theater
- ❑ Significant school improvements

The foundation achieved these changes through its leverage power, dollars, and sweat equity. The willingness and in some instances imperative to collaborate and to stay in the background when strategically desirable have been key to the foundation’s successes.

WHAT WERE THE BIGGEST CHALLENGES? HOW DID THE FOUNDATION CONFRONT THEM?

Intergenerational changes in leadership. If the foundation had taken the predictable path as subsequent generations took over, it would undoubtedly have continued its “checkbook philanthropy” and it would have done its grant-making farther and farther from Cottage Grove as the family members on the board dispersed to other parts of the country. The challenge has been to continue to honor the founder’s intent to benefit Cottage Grove while also holding the board (and thus the family) together in its philanthropic activity. The response to this challenge,

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successful so far, has been the 75-25 split between Cottage Grove funding and individual board member designated funding.

INTERVIEWEES

Casey Woodard, Woodard Family Foundation

Carlton Woodard, Woodard Family Foundation

Kevin Pendergast, strategic consultant, Cottage Grove

Jim and Barbara Gant, residents of Cottage Grove

