Subscribe to the LF Podcast. Learn more about how we drive the wheel of change in cities and hear stories from the field. Listen on our website www.leadershipfoundations.org/podcast or subscribe on iTunes and other Podcast Apps by searching for Leadership Foundations: City As Playground.

Sign up for our newsletter “Street Lights” at leadershipfoundations.org/lfblog
Leadership Foundations’ vision is that cities across the world will be transformed into places of shalom, fulfilling Zechariah’s vision where “men and women of ripe old age will sit in the streets…each with cane in hand,” and where “city streets will be filled with boys and girls playing there.” — Zechariah 8:4-5

INDEX

Letter from our President & Board Chair pg.4
Our Unique Approach pg.6
Engaging Leaders of Good Faith and Good Will pg.7
Building the Capacity of Others pg.7
Developing Joint Initiatives pg.7
Where We Work and Network Impact pg.9
Advancement Plus Project pg.12
Leadership Foundations Board of Directors pg.15
Leadership Foundations Staff pg.16
Leadership Foundations Leadership Council pg.17
2015 Financials pg.20
Letter from our Founder pg.21
This past year Leadership Foundations (LF) has taken many important steps that have further positioned us to positively impact cities around the world for generations to come. Through this report you will learn about the processes, decisions, investments, and strategies taken to achieve these impacts. It is our sincerest hope that you sense our deep thankfulness for your contribution to making cities better and that you receive further encouragement to invest in LF moving forward.

From its inception in Pittsburgh, Leadership Foundations has focused our work on transforming cities. As we know, the future is a decidedly urban world — of the 7.3 billion people in the world, 3.9 billion are living in cities. Moreover, these cities are living breathing organisms each posing different challenges. Our collective response needs to concern itself with not only the city’s context, but also its present issue (crime, poverty, housing, racial conflict). Chronicled in our book, Cities: Playgrounds or Battlegrounds? Leadership Foundations’ 50 Year Journey of Social and Spiritual Renewal, LF has developed and honed a process, as well as a common framework, to address these issues and become a leader as a global force for good in cities around the world.

The Leadership Foundations network now works in 70 cities throughout the world. With one singular purpose achieved in a multitude of ways, each of our members drive the wheel of permanent change in their cities. This wheel of change, fueled by LF’s three signature functions — engaging leaders of good faith and good will, building the capacity of others, and developing joint initiatives — is being operationalized to make cities better in places as varied as Memphis and Maputo, Dallas and Delhi, Billings and Bujumbura. As a result, our network has an aggregate budget of over $30 million, 3,000 partners engaged, 600 organizations receiving capacity building support, and over 255,000 people directly served through joint initiatives.

In recognition that these outcomes are a result of Leadership Foundations’ most prized asset, our members and their leaders, a commitment was made to further invest in our capacity to develop, strengthen, and sustain their work. Consequently, we made a decision in 2015 to engage one of the world’s leading nonprofit consulting firms, The Bridgespan Group (www.bridgespan.org). Seeing the potential in Leadership Foundations as a uniquely positioned organization that can impact cities socially and spiritually, The Bridgespan Group facilitated a five-month process called the Advancement Plus Project that thoroughly vetted the organization from member services to growth strategy to revenue streams. The result was a series of recommendations, unanimously approved by the Board of Directors, to move Leadership Foundations to the next level of collective impact in cities around the world.

As Leadership Foundations begins our next 50 years, we do so with a deep appreciation for our sacred history, a keen sense that the experiences and lessons learned will be an invaluable guide moving forward, and an unshakeable confidence that the future of LF will be even more fruitful as cities become socially and spiritually renewed.

LETTER FROM OUR PRESIDENT & BOARD CHAIR

Dave Hillis
President

Jack Fortin
Board Chair

“Tune paradise in the dust of the streets.”
— Denise Levertov, City Psalm
Bill Milliken, a veteran youth activist, is often asked which programs turn around kids’ lives. ‘I still haven’t seen one program change one kid’s life,’ he says. ‘What changes people is relationships. Somebody willing to walk through the shadow of the valley of adolescence with them.’ Souls are not saved in bundles. Love is the necessary force.” — David Brooks, New York Times Op-Ed Columnist

How do you make a city better? How do you transform a city into a playground? These are the questions that Leadership Foundations is devoted to answering. Through over 35 years of field-tested work, we believe the key is developing leaders who drive the wheel of permanent change in their cities by increasing mastery of LF’s three signature functions: engaging leaders of good faith and good will, building the capacity of others, and developing joint initiatives. Through consistent application of these three functions to a particular place over a given amount of time, cities do in fact get better.

Around the world 70 Local Leadership Foundations are using our wheel of change to transform their cities. Following are stories of how our members are doing just that — driving positive, permanent improvement in their communities to make them more like playgrounds.
Leadership Foundations drives change by engaging leaders from all walks of life and sectors within a city — religious and non-religious, for-profit and non-profit, white collar and blue collar — to tackle a city’s greatest challenges.

Tshwane Leadership Foundation in Pretoria, South Africa uses this function during its annual city-wide event, the Feast of the Clowns. What started as a small street festival has established itself as the only recurring event in Pretoria’s inner city that combines celebration and social justice. Each year it welcomes 25,000 people from across the area to engage in music, performances, activities, and good food as they launch campaigns around various matters of social justice. Tshwane Leadership Foundation sees the Feast of the Clowns as one way to make their city better by engaging a wide range of leaders to host the event and work together on Pretoria’s most critical issues.

Leadership Foundations drives change by developing joint initiatives with leaders and organizations throughout the city thereby bringing their collective knowledge, resources, and capacity to bear around a particular issue. This collective effort has the net effect of creating concrete and contextually appropriate programs while also developing meaningful relationships and a sense of community as people unite around a common goal.

Pittsburgh Leadership Foundation uses this function to create convergence and improve its city through their program, The Leaders Collaborative. The Leaders Collaborative is a dynamic cohort-based experience. Through twelve months of coaching and collaboration, senior leaders from all sectors of the city are brought together to understand how to effectively build their influence and grow strong relationships built on common desires to be culture makers and agents of shalom in the city. Since its launch in 2007, Pittsburgh Leadership Foundation has created a community of over 170 leaders working together to transform Pittsburgh into a city of justice and human flourishing.

Leadership Foundations drives change by developing the capacity of other leaders and groups within a city. This investment results in an increase of political, financial, and social capital thereby further developing the capacity of all to come together to address the city’s most critical issues.

Knoxville Leadership Foundation uses this function to make its city and region better through the new nonprofit organization, the Alliance for Better Nonprofits. Knoxville Leadership Foundation’s long history of partnering with organizations and other groups committed to the city’s wellbeing and seeing them as colleagues rather than competitors made the launch of this new nonprofit possible. For over ten years Knoxville Leadership Foundation provided capacity building through its Center for Communities initiative. In 2015, the Board of Directors voted to spin-out the program so it could be used as a platform to launch the Alliance for Better Nonprofits. The new organization provides trainings, consulting, networking opportunities, and standards for excellence to nonprofits in East Tennessee. The resources provided allow its 114 member organizations to learn, grow, and engage their communities’ needs in increasingly powerful ways.

Leadership Foundations drives change by building the capacity of other leaders and groups within a city. This investment results in an increase of political, financial, and social capital thereby further developing the capacity of all to come together to address the city’s most critical issues.

Knoxville Leadership Foundation uses this function to make its city and region better through the new nonprofit organization, the Alliance for Better Nonprofits. Knoxville Leadership Foundation’s long history of partnering with organizations and other groups committed to the city’s wellbeing and seeing them as colleagues rather than competitors made the launch of this new nonprofit possible. For over ten years Knoxville Leadership Foundation provided capacity building through its Center for Communities initiative. In 2015, the Board of Directors voted to spin-out the program so it could be used as a platform to launch the Alliance for Better Nonprofits. The new organization provides trainings, consulting, networking opportunities, and standards for excellence to nonprofits in East Tennessee. The resources provided allow its 114 member organizations to learn, grow, and engage their communities’ needs in increasingly powerful ways.

When you have leaders committed to all three signature functions working together, it drives positive, permanent city improvement.
AFRICA
Addis Ababa, Ethiopia
Bloemfontein, South Africa
Bujumbura, Burundi
Cairo, Egypt
Cape Town, South Africa
George, South Africa
Johannesburg, South Africa
Maputo, Mozambique
Nairobi, Kenya
Nelspruit, South Africa
Port Moresby, South Africa

ASIA
Bangalore, India
Delhi, India
Indore, India
Manila, Philippines

CENTRAL AMERICA / CARIBBEAN
Guatemala City, Guatemala
Mirebalais, Haiti
Santo Domingo, Dominican Republic

NORTH AMERICA
Alhambra/Monterey Park, California*
Anaheim, California*
Atlanta, Georgia
Baltimore, Maryland
Billings, Montana
Boston, Massachusetts
Camden, New Jersey
Cary, North Carolina
Chicago, Illinois
Colorado Springs, Colorado
Costa Mesa, California*
Dallas, Texas
Denver, Colorado
East Bay Area, California
Fresno, California
Fulton, California*
Immokalee, Florida
Indianapolis, Indiana
Jacksonville, Florida
Kerrville, Texas
Knoxville, Tennessee
Los Angeles, California
Memphis, Tennessee
McGrath, Alaska
Minneapolis, Minnesota
Muncie, Indiana
Norwich, Connecticut
Phoenix, Arizona
Philly, West Virginia
Portland, Oregon
Queens, New York
Rochester, New York
Sacramento, California
San Antonio, Texas
San Diego, California
San Francisco, California
Santa Ana, California
Saint Louis, Missouri
Salem, Oregon
San Francisco, California
Springfield, Ohio
Syracuse, New York
Tacoma, Washington
Toledo, Ohio
Wilmington, Delaware
Yakima, Washington

WHERE WE WORK

NETWORK IMPACT

Aggregate Budget
$30,898,631

Engaging leaders of good faith and good will
522 Staff, 3,090 Partners
5,608 Volunteers

Building the capacity of others
602 Organizations received capacity building support
259,941 People directly served through joint initiatives

Developing joint initiatives

*Denotes a city that is a part of a regional Local Leadership Foundation

Leadership Foundations envisions our cities as “God’s playground rather than battlegrounds.” This refreshing vision is exactly the tonic we need in our increasingly polarized society... where each person can flourish to the extent of his or her God-given talents.”
— Chris Lowney, Author, Heroic Leadership and Pope Francis: Why He Leads the Way He Leads
Contrary to the practice of many organizations, Leadership Foundations has disciplined itself to work with the powerless and powerful, in the whole city, helping to uncover and share the gifts of others for the good of the whole.”

— Dr. Ray Bakke, Author, The Urban Christian and A Theology as Big as the City

This past year Leadership Foundations engaged one of the leading nonprofit consulting organizations in the world, The Bridgespan Group (www.bridgespan.org). This came about as a result of Bridgespan’s particular interest in the role that a faith-based intermediary like LF plays in social and urban renewal, the strong recommendation of LF board member Bill Milliken and LF founder Reid Carpenter, and the generous investment of key donors.

Named the Advancement Plus Project (APP) the work was launched in March 2015 to determine what shifts from the LF network’s current state were needed in order to achieve greater impact in cities around the world. APP was a five-month process designed to regularly and substantively engage a large number of network members as well as the Board of Directors, leaders and staff at Leadership Foundations, and a working group comprised of a cross-section of the above constituencies to determine the strategic direction of LF as well as the operational implications of the strategy.

APP began with a six-week diagnostic of the network’s current state conducted via numerous interviews with a diverse set of network stakeholders as well as a review of existing network strategy documents, operational documents, and member data. This diagnostic concluded that:

- LF as a network is comprised of unusually committed, humble, and hopeful individuals at all levels, and characterized by a generosity of spirit rare among large organizations and networks
- Local Leadership Foundations (LLFs) demonstrate often scarce approaches of collaboration, inclusiveness, and coordination in the city context
- LF is seeking eagerly and actively “what could be” for the network in ways that maximize the likelihood of success of a transition to new frameworks and initiatives
- Current network membership is very diverse on multiple dimensions, including size, geography, activities, and sophistication
- The current value proposition for members is challenged, due in part to historically limited financial resources of the network office and the wide diversity of member profiles and needs
- Despite this value proposition challenge, there is evidence of impact from the application of the three functions in cities and examples of lessons successfully transferred among cities (for example, Act Six- www.actsix.org)
- Effective and enthusiastic adoption of recent network-wide initiatives such as the accreditation process verify that further adjustments to clarify the LF theory of change and strengthen initiatives and services to add member value would be welcome

These findings were validated through presentations to LF’s membership and Board of Directors in April. Based on the diagnostic findings, the project shifted to developing strategic

ADVANCEMENT PLUS PROJECT
clarity on how LF should define its contribution to cities—its articulation as to what makes Leadership Foundations uniquely valuable for cities seeking renewal and revitalization. This process included multiple prototyping sessions and discussions with leaders of LLFs, the Board, staff, and the working group.

LF determined that an LLF’s unique contribution to the social and spiritual renewal of its city is the increasingly expert and integrated use of the three signature LF functions performed by an LLF called the “wheel of change”:

- Engaging leaders of good faith and good will
- Building the capacity of others
- Developing joint initiatives

Given the significant impact that can be achieved as a result of masterful execution of these functions, the role of LF was confirmed as developing and delivering supports and services to assist LLFs specifically in improving the execution and integration of the three functions.

In order for LF to capitalize on this strategic clarity, four major shifts in how the network would need to prioritize allocation of time and resources were identified:

- More focus on member performance improvement
- More time and resources for LF signature function-related services rather than domain-related (e.g. education, housing, etc.) services
- Prioritization of tailored rather than broadcast supports
- Emphasis on growing impact within the existing network rather than by adding new members

Operationalizing each of these shifts requires substantial adjustments to the network’s frameworks, processes, and activities, namely:

- Beginning in 2016, the network’s core organizing framework for member accreditation, impact, and improvement will be the Stages of Impact Tool and processes, designed to facilitate continuous improvement among LLFs on executing the three functions
- All LF members will consistently receive a comprehensive package of services and supports to execute continuous improvement in their execution of the three functions, other organizational capabilities, and ultimately impact on their city
- In addition to this robust baseline benefits package, LF will also develop and deliver target ancillary services for member benefit when feasible and appropriate
- LF as a network will prioritize deepening impact in its current footprint rather than seeking to expand geographically (however LF will continue to be responsive to serious inquiries from cities, organizations, and individuals using a streamlined process)

Given the magnitude of these strategic shifts and related network changes, LF will implement APP in a phased manner, beginning in 2015 and reaching comprehensive implementation by 2018.

These phases will each include specific network process, service, and resource adjustments. These phases will consist of:

- Phase I (2015/2016): Finalizing implementation plans, building full alignment with the Board and membership, and establishing needed baseline of resources to execute
- Phase II (2017): Equipping members and strengthening performance by deploying the new tools and approaches
- Phase III (2018): Accelerating the impact of LF’s membership base through systematic use of Advancement Plus tools, approaches, and partnerships

In light of this report, it is difficult to overstate how fortunate the LF network has been to receive the gift and work of The Bridgespan Group. The net result is that the shifts needed to make greater impact as a network have been identified, Leadership Foundations—the network office—is better able to deliver greater value to our members, and LLFs are impacting their cities in deeper and more substantial ways than ever before.

“Our Bridgespan team was privileged to support Leadership Foundations in developing a transformational plan for increasing network impact. Leadership Foundations’ global footprint, service orientation, and expertise in the three functions of engaging formal and informal leaders, building community capacity, and developing joint initiatives is a unique combination of assets. We expect that the investment of time and resources to fully realize the potential of Advancement Plus will accelerate change in every community fortunate enough to have a Leadership Foundations member organization.”

— Leslie MacKrell, Manager, The Bridgespan Group
Our Board of Directors is comprised of leaders... ...dedicated to working with cities, people, and communities worldwide to help them reach their full potential.

“Joined the LF Board of Directors in 2016"
The Leadership Council is a group of leaders who endorse the vision and mission of Leadership Foundations. Leadership Council members serve as ambassadors by opening doors of support within their network, attend gatherings throughout the year as available, provide advice and expert assistance, and make an annual investment in Leadership Foundations. For more information on the Leadership Council, contact Cassie Wyssbrod cwyssbrod@leadershipfoundations.org.

Kevin Atkinson
Former
Bluegrass Capital Advisors

Bryan Barry
President
Barry Consulting LLC

Colin Brooks
Vice President
Morgan Stanley

Sherman Brown
Chairman/CEO
Three Media Group

Rud Carpenter
Former
Leadership Foundations

Tim Clark
LF Board Member and LFLC Co-chair
Executive Director
TreeHouse, Inc.

Jerry Colangelo
Chairman, USA Basketball
Chairman Board of Governors
Basketball Hall of Fame

Jacques Belli Paoli
Consultant
Whitebridge International LLC

Nadja Fidelia
Founding Member
 Elon Capital: Division of The Williams Capital Group, L.P.

William Hutton*
CEO
MDM International Excellence LLC

Dale Irvin
President and Founder
World University
New York Theological Seminary

Dick Johnson
Board Chair
Covenant House

Nardi Marshall
LF Board Member and LFLC Co-chair
Former Educator at Large

Betty McCormack
Retired American Professional Tennis Player

Colvin McCrady
CEO
Johnson and McCrady

Dick Johnson
Founder
World Vision Gifts-in-Kind Distribution Center

Obie McKenzie
Managing Director of Global Client Strategy
BlackRock

Nicholas Sensley
CEO
Cross Sector Solutions, LLC

Victor Nguyen
President and CEO
Akkad Capital Partners

Ralph Voerman
President and CEO
Veerman and Associates

William Hutton*

David Ward
COO
Akkad Capital Partners

*Joined the LF Leadership Council in 2016

Kevin Atkinson

The central foundation of urban work is networking leaders and stakeholders, and then expanding and optimizing their capacity to address the needs of that city. As a member of the LF Leadership Council, I am always thrilled to share my expertise and leverage my investment to impact cities around the world.”

—Kn Moy, SVP of Strategic and Applied Foresight, Masterworks
“My husband and I have been proud to invest in Leadership Foundations for a number of reasons, but let me name three.

First, LF provides leverage whereby my contribution multiplies across a global network.

Second, is the confidence I have as a result of the Bridgespan process. Rarely is an organization willing to undergo this level of analysis and take quick action on recommendations.

Third, is the combination of practical means and deep spiritual ways of focusing not only on changing lives, but changing the systems that affect those lives.”

— Carolee Howell, LF Investor

2015 FINANCIALS

Revenue: $1,813,171

- 76% Individually $1,370,137
- 2% Special Purpose $39,964
- 2% Earned Income $36,890
- 4% Membership Dues $72,190
- 8% Grants, Governmental Agencies $154,217
- 32% Program/Baseline Services $453,272
- 15% Fundraising $210,176
- 4% Membership Dues $72,190
- 43% Network Impact $602,722

Expenses: $1,403,108

- 9% Grants, Governmental Agencies $134,859
- 7% Earned Income $129,863
- 2% Special Purpose $38,904
- 4% Membership Dues $72,190
- 2% Earned Income $36,890
- 32% Program/Baseline Services $453,272
- 10% General/Administration $118,319
- 10% General/Administration $118,319
- 15% Fundraising $210,176

*Includes one-time expense from the Advancement Plus Project with The Bridgespan Group

For audited financial statements please contact us at info@leadershipfoundations.org.
I have often been asked, “What is it like to have founded Leadership Foundations?” And my response is always the same: I don’t believe I “founded” anything. It found me. I was simply fortunate enough in 1962 to encounter what God was already doing through people who loved the city of Pittsburgh like Reverend Dr. Samuel Shoemaker, Don Carpenter, and others. People, it should be added, who prayed that Pittsburgh might someday be as “famous for God as it was for steel.” As a result, I became inflamed with a hope that I could contribute in some way to this vision. Now, over 50 years later, and with many Local Leadership Foundations around the world, I find that I still hope for the same thing: that God would animate women and men to love their city. It is in this context that I offer a couple of additional thoughts regarding how privileged and encouraged I am to still be intimately involved with this remarkable movement all these years later.

I have a deep sense of satisfaction for having successfully passed the mantle of the presidency onto Dave Hillis and the Board of Directors. In 2008, having led LF from its inception, I knew it was time for me to step aside, but as is often the case in the world of leadership succession this is easier said than done. In my career I have seen organization after organization, church after church, business after business shipwreck around this issue. I am so pleased to say that not only did LF rise to the occasion, they exceeded my expectations. LF has taken the recommendations of Bridgespan to levels unanticipated and, as a result have a “good housekeeping seal of approval” that will make them a gold standard of urban work going forward.

LF has been given a gift from God that began with Sam—seeing the city as a playground and working to make it so. It has further been imbued with the necessary focus, rigor, discipline, and objectives which are required to achieve the social and spiritual renewal of cities. My challenge is this: that we never forget that Leadership Foundations is God’s idea. I didn’t found it, God did. We as investors, supporters, Board, Leadership Council, and members must always and everywhere remember that this is God’s work and we are here for the wonderful, joyous ride.

Letter from our Founder

I have a deep sense of satisfaction for having successfully passed the mantle of the presidency onto Dave Hillis and the Board of Directors. In 2008, having led LF from its inception, I knew it was time for me to step aside, but as is often the case in the world of leadership succession this is easier said than done. In my career I have seen organization after organization, church after church, business after business shipwreck around this issue. I am so pleased to say that not only did LF rise to the occasion, they exceeded my expectations. LF has taken the recommendations of Bridgespan to levels unanticipated and, as a result have a “good housekeeping seal of approval” that will make them a gold standard of urban work going forward.

LF has been given a gift from God that began with Sam—seeing the city as a playground and working to make it so. It has further been imbued with the necessary focus, rigor, discipline, and objectives which are required to achieve the social and spiritual renewal of cities. My challenge is this: that we never forget that Leadership Foundations is God’s idea. I didn’t found it, God did. We as investors, supporters, Board, Leadership Council, and members must always and everywhere remember that this is God’s work and we are here for the wonderful, joyous ride.

Letter from our Founder

I have often been asked, “What is it like to have founded Leadership Foundations?” And my response is always the same: I don’t believe I “founded” anything. It found me. I was simply fortunate enough in 1962 to encounter what God was already doing through people who loved the city of Pittsburgh like Reverend Dr. Samuel Shoemaker, Don Carpenter, and others. People, it should be added, who prayed that Pittsburgh might someday be as “famous for God as it was for steel.” As a result, I became inflamed with a hope that I could contribute in some way to this vision. Now, over 50 years later, and with many Local Leadership Foundations around the world, I find that I still hope for the same thing: that God would animate women and men to love their city. It is in this context that I offer a couple of additional thoughts regarding how privileged and encouraged I am to still be intimately involved with this remarkable movement all these years later.

I have a deep sense of satisfaction for having successfully passed the mantle of the presidency onto Dave Hillis and the Board of Directors. In 2008, having led LF from its inception, I knew it was time for me to step aside, but as is often the case in the world of leadership succession this is easier said than done. In my career I have seen organization after organization, church after church, business after business shipwreck around this issue. I am so pleased to say that not only did LF rise to the occasion, they exceeded my expectations. LF has taken the recommendations of Bridgespan to levels unanticipated and, as a result have a “good housekeeping seal of approval” that will make them a gold standard of urban work going forward.

LF has been given a gift from God that began with Sam—seeing the city as a playground and working to make it so. It has further been imbued with the necessary focus, rigor, discipline, and objectives which are required to achieve the social and spiritual renewal of cities. My challenge is this: that we never forget that Leadership Foundations is God’s idea. I didn’t found it, God did. We as investors, supporters, Board, Leadership Council, and members must always and everywhere remember that this is God’s work and we are here for the wonderful, joyous ride.

LF has been given a gift from God that began with Sam—seeing the city as a playground and working to make it so. It has further been imbued with the necessary focus, rigor, discipline, and objectives which are required to achieve the social and spiritual renewal of cities. My challenge is this: that we never forget that Leadership Foundations is God’s idea. I didn’t found it, God did. We as investors, supporters, Board, Leadership Council, and members must always and everywhere remember that this is God’s work and we are here for the wonderful, joyous ride.

And the name of the city from that time on will be: * the Lord is there.* —Ezekiel 48:35